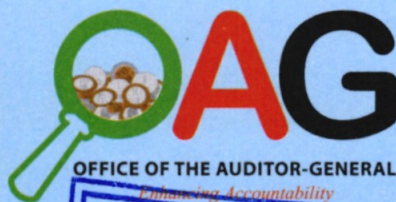


REPUBLIC OF KENYA



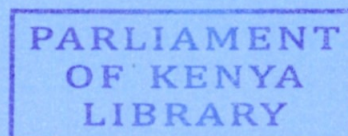
REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 17 JUN 2026	CAY. Wednesday
TABLED BY:	Deputy Majority Whip Hon. Naomi Waga, MP
CLERK-AT THE-TABLE:	Irene Nduku

OF

THE AUDITOR-GENERAL

ON



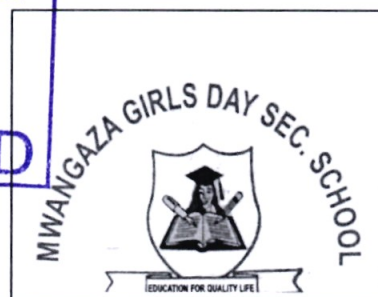
MWANGAZA GIRLS SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2025**

ISIOLO COUNTY



Revised 30th June 2025.



MWANGAZA GIRLS SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025**

Prepared in accordance with the traditional Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)



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1. Acronyms and Definition of Key Terms

A. Acronyms.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Isiolo County, Isiolo Sub-County.

The school was registered in 04/10/2017 under registration number 17s30000124 and is currently categorized as a Sub county public school established, owned or operated by the Government.

The school is a day school and had 295 number of students as at 30th June 2025. It has 2 streams and 22 teachers of which 1 teacher is employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1.	Catherine Along'o	Chairperson	13/04/2022
2.	Kellen Kanyua	Secretary - Principal	13/04/2022
3.	Ekai Peter	Member	13/04/2022
4.	Moses Mwit	Member	13/04/2022
5.	Susan Karimi	Member	13/04/2022
6.	Osman Hassan	Member	13/04/2022
7.	David Chege	Member	13/04/2022
8.	Daniel Kinyumu	Member	13/04/2022
9.	Dade Boru	Member	13/04/2022
10.	Betsy Mbuba	Member	13/04/2022
11.	John Ndungu	Member	13/04/2022
12.	Sarah Kirimi	Member	13/04/2022
13.	Tinani Alfred	Member	13/04/2023
14.	Happi Adan	Member – Rep CEB	13/04/2022
15.	Asha karu	Member Rep Teachers	13/04/2022
16.	Ann Murugi	Sponsor	13/04/2022
17.	David Nduro	Sponsor	13/04/2022
18.	Zachary Kaburu	Member - Community	13/04/2022
19.	Stanley Mugo Kioko	Member Special Needs	13/04/2022



The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.catherine Alongó 2.Susan Karimi 3. David Nduru 4. Kellen Kanyua 5. Happi Adan	BOM chairperson PTA Chairperson BOM Vice chairperson BOM Secretary/principal Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
2	Audit Committee	Besty Mbuba Zachary Kaburu Ann Gitonga Ekai Peter	Secretary Chairperson Member Member	
3	Finance, procurement and general purposes Committee	Moses Mwiti Ekai Peter Betsy Mbuba Mugo Stanley	Chairman Secretary Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1
4	Academic Committee	Osman abdi Asha karu Catherine Alongó Betsy Mbuba Mugo stanley	Secretary Member Chairperson Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1
6	Discipline and welfare Committee	Zachary Kaburu Asha Karu John Ndungu Susan Karimi	Chairman Secretary Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1



(d) School operation Management

For the financial year ended 30th June, 2025 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Kellen Kanyua	TSC No.349005
2	Deputy Principal	Teresia Kinya	TSC No.358839
3	School Bursar	Ann Kageni	Id :25988565

(e) Schools contacts

Post Office Box: 875-60300
Telephone: 0113973506
E-mail: mwangazagirls@gmail.com

(f) School Bankers

The school operated 5 number of bank accounts in the following banks:

1. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1179841433-Operation account
2. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1179841360-Tuition account
3. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1171376383-Main account
4. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1260832260-Infrastructure
5. Name of Bank: EQUITY BANK
Branch: ISIOLO
Account Number: 0410284750476-CDF

(g) Independent Auditors

Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya



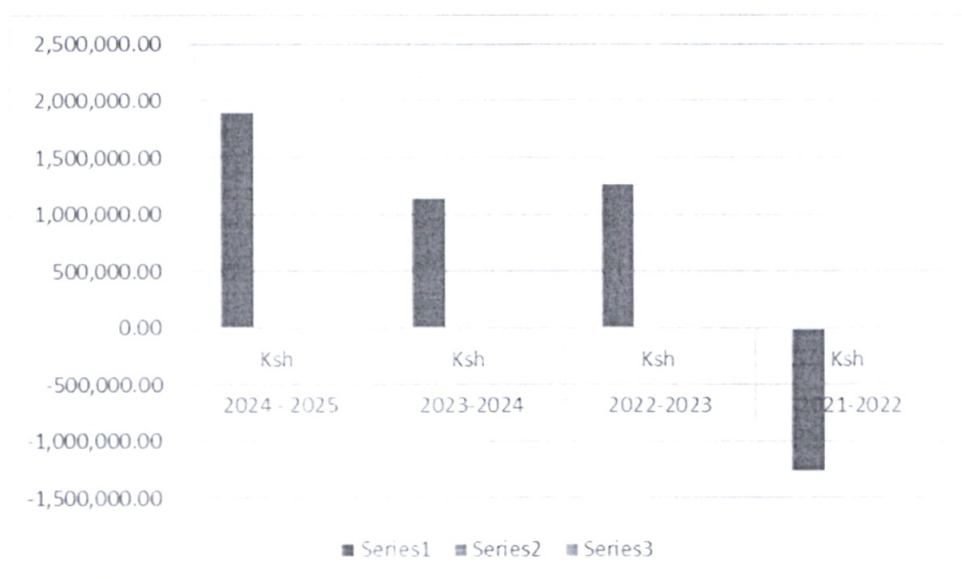
3. Summary Report of Performance of The School

The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

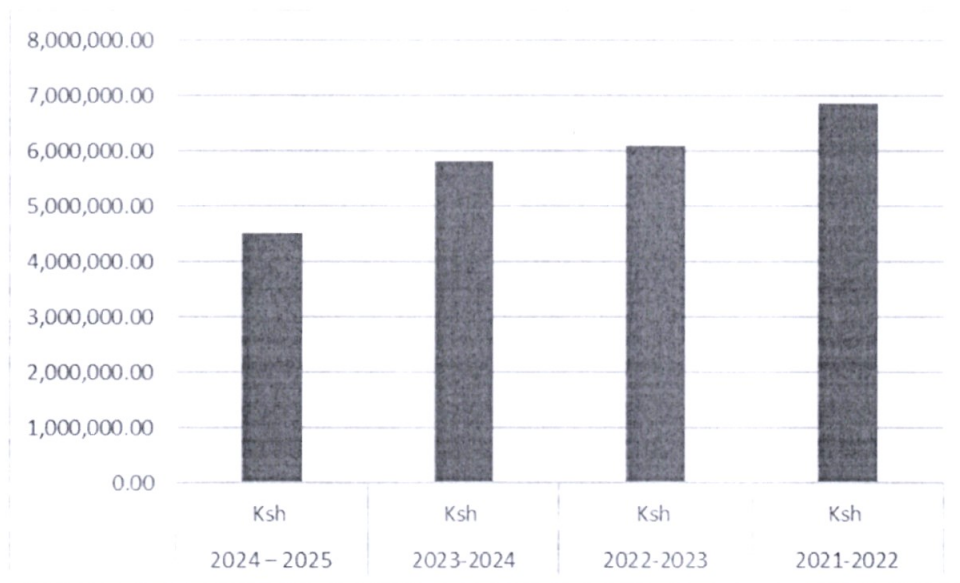
Surplus/ deficit for the year and a comparison of the same for the last three years

s/no	2024 - 2025	2023-2024	2022-2023	2021-2022
	Ksh	Ksh	Ksh	Ksh
	1,896,836.00	1,136,491.00	1,268,329.00	(1,259,415.00)



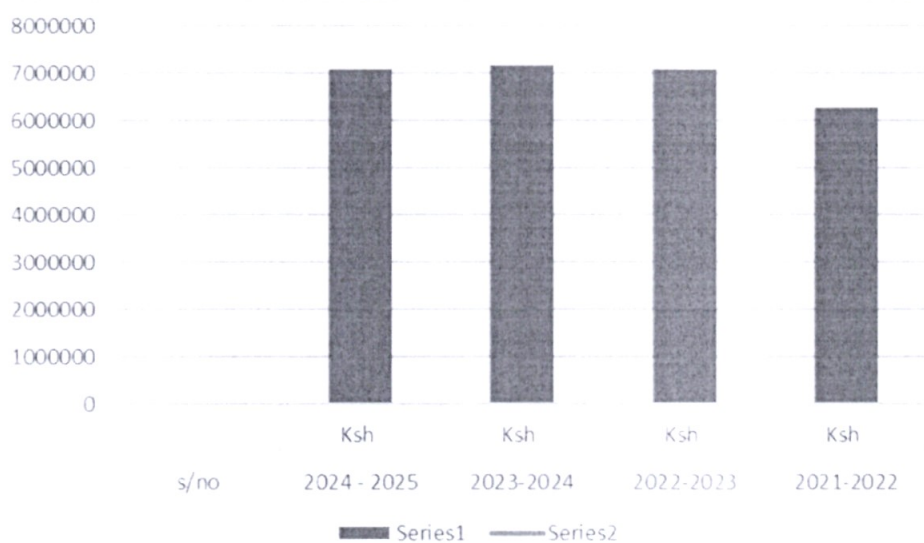
Capitation grants from the Ministry of Education for the last three years

2024 – 2025	2023-2024	2022-2023	2021-2022
Ksh	Ksh	Ksh	Ksh
4,515,743.00	5,823,684.00	6,102,663.00	6,869,111.00



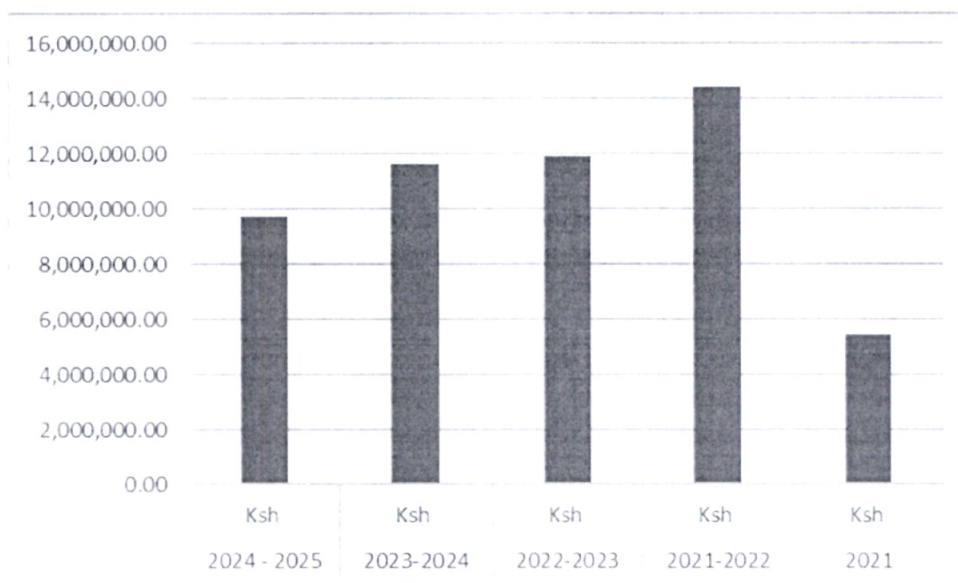
A three-year overview of growth of other income earned by the school.

s/no	2024 - 2025	2023-2024	2022-2023	2021-2022
	Ksh	Ksh	Ksh	Ksh
School fund	7,092,527.00	7,155,873.00	7,088,533.00	6,286,140.00

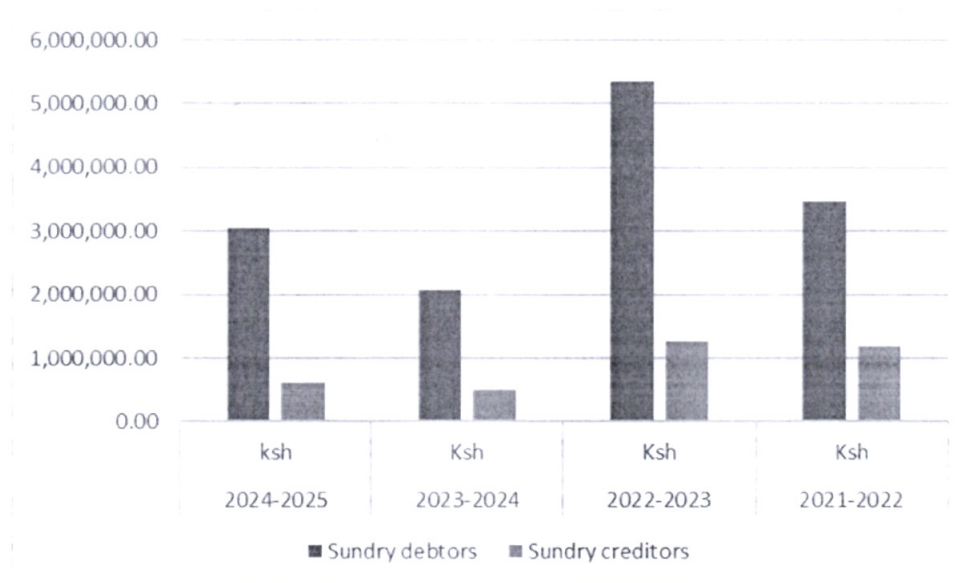


A three-year overview of growth in expenditure of the school

<i>2024 - 2025</i>	<i>2023-2024</i>	<i>2022-2023</i>	<i>2021-2022</i>	<i>2021</i>
<i>Ksh</i>	<i>Ksh</i>	<i>Ksh</i>	<i>Ksh</i>	<i>Ksh</i>
9,707,164.00	11,624,791.00	11,922,867.00	14,414,664.00	5,431,188.00

**Movement of debtors and creditors of the school over the last three years**

	<i>2024-2025</i>	<i>2023-2024</i>	<i>2022-2023</i>	<i>2021-2022</i>
	<i>ksh</i>	<i>Ksh</i>	<i>Ksh</i>	<i>Ksh</i>
<i>Sundry debtors</i>	3,047,430.00	2,073,943.00	5,353,626.00	3,460,526.00
<i>Sundry creditors</i>	609,035.00	502,482.00	1,257,592.00	1,182,274.00



b) Teacher Student ratio:

POSTED TEACHERS	TRANSFERRED	TOTAL TSC	B.O.M	TOTAL TEACHERS	TEACHER TO STUDENT RATIO
2	2	22	1	23	1:13

c) The mean score in the 2025 KCSE:

Year	Enrolment	Mean
2025	56	
2024	78	3.86
2023	66	2.63
2022	91	2.85
2021	82	2.83



d) Number of Candidates in the 2025KCSE:

2025	2024	2023	2022	2021
56	78	66	91	82

e) The capacity of the school:

Facility	No.	Capacity	No of students	Remarks
<i>Laboratory</i>	<i>1</i>	<i>21</i>	<i>295</i>	<i>Inadequate</i>
<i>Classes</i>	<i>11</i>	<i>40</i>	<i>295</i>	<i>Adequate</i>
<i>Toilet</i>	<i>14</i>	<i>280</i>	<i>295</i>	<i>Adequate</i>
<i>School bus</i>	<i>1</i>	<i>45</i>	<i>295</i>	<i>adequate3</i>

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Relocation of gate	RMI	Complete			Complete
Repair of rockers and chairs	RMI	Complete			Complete

.....

School Principal



4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of Mwangaza girls' secondary school accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2025, and of the school's financial position as at that date.



.....
Name: Florence Njege

Designation: Chairman, School Board of Management

Date: 01/04/2026



.....
Name: Kellen K. Nciima

Designation: School Principal & Secretary to Board of Management

Date: 01/04/2026



.....
Name: Ann Kageni

Designation: Bursar/ Finance Officer

Date: 01/04/2026

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MWANGAZA GIRLS SECONDARY FOR THE YEAR ENDED 30 JUNE, 2025 - ISIOLO COUNTY

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying IPSAS Cash financial statements of Mwangaza Girls Secondary School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at 30 June, 2025 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the

year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the IPSAS Cash financial statements present fairly, in all material respects, the financial position of Mwangaza Girls Secondary School as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for operations and infrastructure amounts of Kshs.2,690,399 and Kshs.961,500 as disclosed in Note 2 and Note 3 to the financial statements. Review of the National Education Management Information System (NEMIS) capitation disbursements made to the School reflects capitation grants for operations and infrastructure amounts of Kshs.3,651,899 and Kshs.784,250, resulting in unexplained variances of Kshs.961,450 and Kshs.177,250 respectively.

In the circumstances, the accuracy of capitation grants for operations and infrastructure amounting to Kshs.2,690,399 and Kshs.961,500 respectively could not be confirmed.

2. Unsupported Cash and Cash Equivalents/Undisclosed Bank Accounts

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.912,805 which, as disclosed in Note 10 and Note 11 to the financial statements, comprises of bank balances of Kshs.912,504 held in five (5) bank accounts and a cash in hand balance of Kshs.301. The bank balance includes Kshs.131,046 held in a tuition account that was not supported by a cash book, certificate of bank balance and bank reconciliation statements. Further, the cash in hand balance of Kshs.301 was not supported by a board of survey report.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.912,805 could not be confirmed.

3. Unexplained Variances between the Statement of Receipts and Payments and the Statement of Budgeted Versus Actual Amounts

The statement of receipts and payments reflects total receipts and payments of Kshs.11,608,270 and Kshs.9,711,434. However, the statement of budgeted versus actual amounts reflects actual receipts of Kshs.11,459,772 and actual expenditure of Kshs.9,046,840 resulting in unexplained variances of Kshs.148,498 and Kshs.664,594 respectively.

In the circumstances, the accuracy of the financial statements could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mwangaza Girls Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.11,437,836 and Kshs.11,459,772 respectively. However, the School spent an amount of Kshs.9,046,840 against actual receipts of Kshs.11,459,772 resulting in an under-utilization of Kshs.2,412,932 or 21% of actual receipts.

The under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on pages iii to xiv, which comprise of Key School Information and Management, Summary Report of Performance of the School, Management Team, and Statement of School Management Responsibility. The Other Information does not include the financial statements and our auditor's report thereon.

In connection with my audit of the schools' financial statements, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and, accordingly, I do not express an audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with Transitional IPSAS Reporting Requirements

As disclosed in the Statement of Compliance and Basis of Preparation of the Financial Statements at Note 1 of Significant Accounting Policies, the financial statements have been prepared under the Cash Basis of Accounting. However, this was contrary to the requirements of Treasury Circular No.03/2025 dated 14 April, 2025 on Guidelines on Transition from Cash to Accrual Accounting which required financial statements for 2024/2025 financial year to be the first transitional IPSAS accrual financial statements.

In the circumstances, the presentation of the financial statements was not in compliance with the prescribed reporting framework.

2. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects operation payments amounting to Kshs.4,229,967 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.203,240 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.203,240 could not be confirmed.

3. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.4,515,743. Comparison of data from National Education Management Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2024/2025, NEMIS reflected nine hundred and fifty-four (954) students while records from the School had nine hundred and eighteen (918) students, resulting in an overfunding of the School by an amount of Kshs.116,869. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners to be registered in NEMIS and the Principals to ensure their records are accurate.

In the circumstances, overfunding of the School may have impacted resource allocation to other schools.

4. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the law.

5. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects infrastructure grants amount of Kshs.961,500 as disclosed in Note 3 to the financial statements from the Ministry of Education credited in the operations bank account. Included in this amount, is Kshs.286,500 that was transferred on 13 September, 2024 or sixteen (16) days after receipt. This was contrary to the Ministry of Education Circular Ref. No: MOE HQS 3/13/3, of 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the law.

6. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments reflects school fund income - parents' contributions amount of Kshs.6,197,527 as disclosed in Note 4 to the financial statements. Examination of the records revealed that the School charged an amount of Kshs.6,000 per student to cater for lunch for the day scholars. However, the fee structure approved by the Board of Management did not conform to the fees structure issued by the Cabinet Secretary contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that a parent will only pay for school uniforms, boarding related costs as reflected in the boarding fee structure and lunch for the day scholars.

In the circumstances, Management was in breach of the Government Guidelines.

7. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.11,608,270 and Kshs.9,711,434 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an Annual Procurement Plan as part of

the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a Procurement Plan for each financial year as part of the annual budget preparation process'.

In the circumstances, Management was in breach of the law.

8. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The statement of cash-flows was not referenced to explanatory notes for some items. Further, the header for the cashflow statement reflected 2023/2024 instead of 2024/2025.
- i. The statement of budgeted versus actual amounts, commentary on significant over/under budget utilization was not included.

In the circumstances, Management did not comply with the PSASB reporting guidelines.

9. Non-Deduction of Capacity Building Levy

The statement of receipts and payments reflects tuition, operations and boarding and school fund payments amounts of Kshs.734,764, Kshs.4,234,237 and Kshs.4,742,433 respectively as disclosed in Note 6, Note 7 and Note 9 to the financial statements. Review of payments for goods and services revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, contrary to the Levy Order 2023 issued by the Public Procurement Regulatory Authority.

In the circumstances, Management was in breach of the law.

10. Irregularities in Procurement Processes

Review of the School's procurement processes revealed the following irregularities;

10.1 Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

10.2 Failure to Reserve Procurement to Disadvantaged Groups

Section 157 (5) of the Public Procurement and Asset Disposal Act, 2015 requires that an Accounting Officer of a procuring entity shall, when processing procurement, reserve a prescribed percentage of its procurement budget, which shall not be less

than thirty per cent, to the disadvantaged group and comply with the provisions of this Act and the Regulations in respect of preferences and reservations. However, Review of the procurement records revealed that Management did not reserve any procurement to the disadvantaged groups of youth, women and persons with disability. In the circumstances, Management was in breach of the law.

11. Irregular Board Allowance

The statement of financial performance reflects operations payments amounting to Kshs.4,234,237 as disclosed in Note 7 to the financial statements. The expenditure includes an amount of Kshs.118,000 paid to Board members as sitting allowances at the rate of Kshs.2,000 for every Board member. However, no evidence of approval from the Cabinet Secretary was provided to justify the basis of the rate applied, which is contrary to the provisions of Section 12 of the Fourth Schedule of the Basic Education Act, 2013 that require rate of Board allowance to be approved by the Cabinet Secretary.

In the circumstance, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Weaknesses in the Board of Management

Review of Board of Management revealed that there were no sittings for the year for the Audit Committee as reflected in page (iv) of the annual report and financial statements on summary of Board committee sittings during the year. Further, sponsors of the School had only two (2) slots instead of three (3) as per Section 56 of the Basic Education Act, 2013.

In the circumstances, the effectiveness of the governance mechanism at the School could not be confirmed.

2. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.9,022,159 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivables balance of Kshs.4,549,556 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets balance of Kshs.28,194,716 which includes land with a nil balance. However, land ownership documents were not provided for audit. Further, Management did not prepare an updated fixed asset register and the assets were not tagged.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

4. Lack of Key Governance and Risk Management Policies

During the financial year under review, Management did not establish or implement a Risk Management Policy to identify, assess, and mitigate potential risks. This lack of a formal policy may have exposed the School to unforeseen challenges, vulnerabilities, and inefficiencies in addressing operational, financial, and compliance-related risks. A Comprehensive Risk Management Framework would have been critical in safeguarding the school's assets and ensuring long-term sustainability. In addition, the School had not put in place a Finance Policy indicating lack of standard operating procedures to guide key processes of the School. Further, there was no Human Resource Policy in place to guide on staff training and continuous development, skills retention and monitoring.

In the circumstances, the School was exposed to unforeseen challenges, vulnerabilities, and inefficiencies in addressing operational, financial, and compliance-related risks.

5. Weak Internal Control Systems

Review of the School financial operations revealed weaknesses in internal control system including lack of segregation of responsibilities in the accounting department as same officer was involved in verification and approval of payments and also the cashier. Further, the School did not have an IT Strategic Committee, IT Strategic Plan and Policy, IT Steering Committee, IT Training Policy and Programme and approved user management standards and procedures to manage upgrades and system change.

In the circumstances, the adequacy and effectiveness of internal controls systems instituted by Management could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

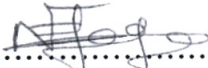
8 May, 2026

MWANGAZA GIRLS SEC SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

6. Statement Of Receipts and Payments for the Year Ended 30th June 2025

Description Of Vote Head	Note	2024-2025	2024-2024
		Kshs	Kshs
Receipts			
Government grants for tuition	1	863,844.00	995,813.00
Government grants for operations	2	2,690,399.00	3,986,872.00
Government Grants for infrastructure	3	961,500.00	10,541,000.00
School fund income- parents' contributions	4	6,197,527.00	6,614,873.00
Miscellaneous incomes	5	895,000.00	304,000.00
Total Receipts		11,608,270.00	22,442,558.00
Payments			
Tuition	6	734,764.00	901,040.00
Operations	7	4,229,967.00	4,195,650.00
Infrastructure	8		11,636,499.00
Boarding and school fund	9	4,746,703.00	4,572,878.00
Total Payments		9,711,434.00	21,306,067.00
Surplus/Deficit		1,896,836.00	1,136,491.00

The school financial statements were approved on _____ and signed by:

.....


Name: Florence Njege

Chair BOM

Date: 01/06/2026

.....


Name: Kellen K. Nciima
School Principal/ Secretary to
BOM

Date: 01/06/2026

.....


Name: Ann Kageni

Bursar/ Finance Officer

Date: 01/06/2026

7. Statement of Assets and Liabilities As At 30th June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	912,504.00	1,140,279.00
Cash balances	11	301.00	130,890.00
Short term investments	12		
Total cash and cash equivalent		912,805.00	1,271,169.00
Account's receivables	13	9,022,159.00	6,645,499.00
Total financial assets (a)		9,934,964.00	7,916,668.00
Financial liabilities			
Accounts payables	14	609,035.00	487,575.00
Total Financial Liabilities (b)			
Net financial assets (a-b)		9,325,929.00	7,429,093.00
Represented by			
Accumulated fund b/fwd	15	7,429,093.00	6,292,602.00
Surplus/deficit for the year		1,896,836.00	1,136,491.00
Net Assets		9,325,929.00	7,429,093.00

The school's financial statements were approved on 01/04/2026 and signed by:

.....


Name: Florence Njege

Chair BOM

Date: 01/04/2026

.....


Name: Kellen K. Nciima
 School Principal/ Secretary to
 BOM

Date: 01/04/2026

.....


Name: Ann Kageni

Bursar/ Finance Officer

Date: 01/04/2026



8. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	2023-2024	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		863,844.00	995,813.00
Government grants for operations		2,690,399.00	3,986,872.00
Government grants for infrastructure		961,500.00	10,541,000.00
School fund income- parents contributions/ fees		4,663,139.00	5,670,100.00
Other income			
Total receipts		9,178,882.00	21,193,785.00
Payments			
Cash outflows for tuition		734,764.00	1,055,280.00
Cash outflows for operations		4,105,021.00	4,542,945.00
Cash outflows Boarding/lunch and school fund payments		4,587,393.00	5,058,128.00
Total payments		9,427,178.00	10,656,353.00
Net cash inflow/outflow from operating activities		(248,296.00)	10,537,432.00
Cash flow from investing activities			
Acquisition of assets		-	(11,297,424.00)
Repairs		(110,068.00)	
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(110,068.00)-	(11,297,424.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(358,364.00)	(759,992.00)
Cash and cash equivalent at beginning of the FY		1,271,169.00	2,031,161.00
Cash and cash equivalent at end of the FY		<u>912,805.00</u>	<u>1,271,169.00</u>

The school's financial statements were approved on 01/06/26 and signed by:



.....
Name: Florence Njege

Chair BOM

Date: 01/06/26



.....
Name: Kellen K. Nciima
School Principal/ Secretary to
BOM

Date: 01/06/26



.....
Name: Ann Kageni

Bursar/ Finance Officer

Date: 01/06/26



MWANGAZA GIRLS SEC SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2025

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	-	-	-		
Exercise Books	92,700.00	-	92,700.00	51,831.00	56%
Laboratory Equipment	353,496.00	-	353,496.00	293,707.00	83%
Internal Exams		-			
Teaching / Learning Materials	278,100.00	-	278,100.00	172,769.00	62%
Exams And Assessment		-			
Stationary	556,190.00	-	556,190.00	345,538.00	62%
Total	1,280,486.00	-	1,280,486.00	863,845.00	67%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	2,124,000.00	-	2,124,000.00	910,449.00	43%
Repairs And Maintenance	1,236,000.00	-	1,236,000.00	1,059,251.00	86%
Local Transport / Travelling	108,000.00	-	108,000.00	444,494.00	411%
Electricity And Water	200,350.00	-	200,350.00	201,555.00	101%
Medical	618,000.00	-	618,000.00	313,210.00	50%
Administration Costs	772,500.00	-	772,500.00	511,826.00	66%
Activity	463,500.00	-	463,500.00	211,115.00	56%
Gratuity		-			
Total	5,522,350.00	-	5,522,350.00	3,651,900.00	66%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	-	-	-	-	

MWANGAZA GIRLS SEC SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
(4) Fees Charged on Parents	-	-	-	-	-
Personnel Emoluments	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	-	-
Administration Costs	-	-	-	-	-
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Insurance	-	-	-	135,000.00	-
Fees On Boarding Equipment and Stores	4,635,000.00	-	4,635,000.00	5,914,027.00	128%
Total	4,635,000.00	-	4,635,000.00	6,049,027.00	131%
5) Miscellaneous Income	-	-	-	-	-
Loans/Borrowing	-	-	-	-	-
Revenue	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-
Income From Bus Hire	-	-	-	895,000.00	-

MWANGAZA GIRLS SEC SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Sub total	-	-	-	895,000.00	-
Total Income	11,437,836.00	-	11,437,836.00	11,459,772.00	101%
(6) Expenditure For Tuition	-	-	-	-	-
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	92,700.00	-	92,700.00	-	-
Laboratory Equipment	353,496.00	-	353,496.00	279,380.00	79%
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	278,100.00	-	278,100.00	112,250.00	40%
Stationary	556,190.00	-	556,190.00	339,764.00	61%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	3,370.00	-
Total	1,280,486.00	-	1,280,486.00	734,764.00	57%
(7) Expenditure For Operations	-	-	-	-	-
Personnel Emoluments	2,124,000.00	-	2,124,000.00	1,996,049.00	93%
Repairs, Maintenance & Improvements	1,236,000.00	-	1,236,000.00	151,700.00	12%
Local Transport / Travelling	108,000.00	-	108,000.00	70,950.00	66%

MWANGAZA GIRLS SEC SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Electricity, Water and Conservancy	200,350.00	-	200,350.00	225,929.00	113%
Medical	618,000.00	-	618,000.00	5,340.00	1%
Administration Costs	772,500.00		772,500.00	1,486,346.00	192%
Activity Expenses	463,500.00		463,500.00	287,750.00	62%
Insurance	-	-	-	-	-
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
Bank charges	-	-	-	5,901.00	-
Total	5,522,350.00	-	5,522,350.00	4,229,965.00	77%
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
(9) Expenditure For school food/lunch/boarding					
Personnel Emoluments	-	-	-	328,630.00	
Repairs, Maintenance and Improvements	-	-	-	-	
Local Transport / Travelling	-	-	-	36,000.00	

MWANGAZA GIRLS SEC SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity, Water and Conservancy	-	-	-	38,587.00	
Medical Expenses	-	-	-	4,800.00	
Administration Costs	-	-	-	137,530.00	
Activity	-	-	-	17,350.00	
Gratuity	-	-	-	-	-
Boarding Equipment and Stores	4,635,000.00	-	4,635,000.00	3,276,455.00	70%
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	236,560.00	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	-	-	-	6,199.00	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
Sub total	4,635,000.00	-	4,635,000.00	4,082,111.00	88%
Totals	11,437,836.00	-	11,437,836.00	9,046,840.00	79%

10. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

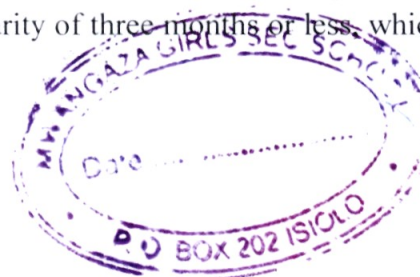
The *school* recognises all receipts from various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment, or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which



are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits, and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2025



MWANGAZA GIRLS SEC SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024-2025	2023-2024
	Kshs	
Reference Materials	-	-
Exercise Books	51,831.00	149,373.00
Laboratory Equipment	293,707.00	278,827.00
Internal Exams	-	-
Teaching / Learning Materials	172,769.00	139,414.00
Stationaries	345,537.00	428,199.00
Total	863,844.00	995,813.00

2 Government Grants for Operations

Description	2024-2025	20243-2024
	Kshs	
Personnel Emoluments	910,449.00	933,282.00
Repairs And Maintenance	97,751.00	738,300.00
Local Transport / Travelling	444,494.00	725,886.00
Electricity And Water	201,555.00	285,170.00
Medical	313,210.00	330,525.00
Administration Costs	511,825.00	648,113.00
Activity	211,115.00	325,596.00
Total	2,690,399.00	3,986,872.00

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	961,500.00	841,000.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (NGCDF and County govt.	-	9,700,000.00
Total	961,500.00	10,541,000.00

MWANGAZA GIRLS SEC SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023 - 2024
	Kshs	
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Insurance	135,000.00	490,650.00
Administration costs	-	-
Activity	-	-
Fee on Boarding Equipment and stores	6,062,527.00	6,124,223.00
Total	6,197,527.00	6,614,873.00

5 Miscellaneous Incomes

Description	2024-2025	2023 - 2024
	Kshs	
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	895,000.00	304,000.00
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	895,000.00	304,000.00



6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	-	150,000.00
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	279,380.00	220,555.00
Teaching / Learning Materials	112,250.00	201,590.00
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	3,370.00	2,220.00
Stationary	339,764.00	326,675.00
Total	734,764.00	901,040.00

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	1,996,049.00	1,745,177.00
Service Gratuity	-	-
Administration Cost	1,486,346.00	1,375,348.00
Repairs And Maintenance & Improvements	151,700.00	-
Local Transport / Travelling	70,950.00	87,150.00
Electricity And Water	225,929.00	211,391.00
Medical	5,340.00	8,390.00
Activity Expenses	287,750.00	527,760.00
Insurance Cost	-	238,030.00
Bank charges	5,903.00	2,404.00
Total	4,229,967.00	4,195,650.00

MWANGAZA GIRLS SEC SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Construction of classrooms	-	1,955,349.00
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Purchase of school bus	-	9,681,150.00
Total	-	11,636,499.00

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	328,630.00	243,855.00
Service Gratuity	-	-
Repairs And Maintenance & Improvements	-	151,700.00
Local Transport / Travelling	36,000.00	-
Electricity And Water	38,587.00	124,355.00
Medical Expenses	4,800.00	-
Administration Costs	154,880.00	21,666.00
Lunch Programme	3,280,725.00	3,838,413.00
Bank Charges	6,199.00	4,789.00
Expenses On Income Generating Activities**	660,322.00	138,100.00
Fee On Boarding Equipment and Stores	-	-
Rent Expenses	-	-
Insurance Cost (Bus)	236,560.00	50,000.00
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
PA expenses	-	-
Laboratory expenses	-	-
Total	4,746,703.00	4,572,878.00



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Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1179841360	131,046.00	1,966.00
Operations Account	Active	1179841433	106,723.00	748,038.00
School Fund Account/Boarding	Active	1171376383	472,976.00	321,683.00
CDF	Dormant	0410279866443	-	505.00
CDF	Dormant	0410279604294	-	90.00
CDF	Dormant	1179841557	-	3,675.00
Infrastructural Account	Active	1260832260	182,909.00	45,472.00
NG-CDF	Active	0410284750476	18,850.00	18,850.00
Total			912,504.00	1,140,279.00

10 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	301.00	130,890.00
Total	301.00	130,890.00

11 Short Term Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

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12 Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	9,002,159.00	6,623,499.00
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	20,000.00	22,000.00
Rent arrears (list/schedule attached)	-	-
Total	9,022,159.00	6,645,499.00

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
			Current FY	% of the total
Less than 1 year	3,047,430.00	34%	2,073,943.00	31%
Between 1-2 years	1,405,173.00	16%	1,723,680.00	26%
Between 2-3 years	1,723,680.00	19%	678,050.00	10%
Over 3 years	2,825,876.00	31%	2,147,826.00	33%
Total	9,002,159.00	100%	6,623,499.00	100%

13 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix I)	513,263.00	339,075.00
Prepaid Fees	95,772.00	148,500.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	--	-
Total	609,035.00	487,575.00



14a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
			Current FY	% of the total
Less than 1 year	513,263.00	100%	339,075.00	100%
Between 1- 2 years	-	0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total	513,263.00	100%	339,075.00	100%

14 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	1,140,279.00	2,028,635.00
Cash Balances	130,890.00	2,526.00
Short Term Investments	-	-
Receivables	6,645,499.00	5,355,626.00
Payables	487,575.00	1,257,592.00
Total	7,429,093.00	6,129,195.00

Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual-related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

15 Non-current Liabilities Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

16 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle		-	
Goats		-	
Trees			
Coffee Or Tea Plantation		-	
Poultry		-	
Others (specify)		-	
Total			

17 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-



Other important disclosure notes

18 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs		123,600.00
Lab consumables		
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-

19 Progress On Follow Up of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Dormant accounts	All dormant accounts should be closed	Resolved	
	Land without titles	Isiolo county does not have title deeds for land but registration process is taking place	Not resolved	


 Sign and Date
 Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings	-	-	-	-	-	
1.	-	-	-	-	-	
2.	-	-	-	-	-	
3.	-	-	-	-	-	
Sub-Total	-	-	-	-	-	
Supply Of Goods	-	-	-	-	-	
4. WASO EMPORIUM	43,700.00	30/06/2025	-	43,700.00		
5. PRISCILAR KINANU	5,500.00	30/06/2025	-	5,500.00		
6. SIMON KIIGE	20,300.00	30/06/2025	-	20,300.00		
7. DENNIS KIMATHI	5,850.00	30/06/2025	-	5,850.00		
8. JENNIFER WAMUYU	115,110.00	26/05/2025	-	115,110.00		
9. MWIRARIA BAKERY	12,550.00	31/05/2025	-	12,550.00		
10. JOLUM INVESTMENT	290,810.00	9/10/2024	120,000.00	170,810.00		
11. MAJESTIC FIRE EXTINGUISHER	66,790.00			66,790.00		
12. IWASCO	7,795.00	30/06/2025	-	7,795.00		

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. ELECTRICITY BILL	9,974.00	30/06/2025	-	9,974.00		
14. NSSF	15,360.00	30/06/2025	-	15,360.00		
15. IDEAL SECURITY SRVICES	36,000.00	30/06/2025	-	36,000		
16. SHIF	3,524.00	30/06/2025	-	3,524.00		
Sub-Total	633,263.00			513,263.00		
Supply Of Services	-			-		
Sub-Total	-			-		
Grand Total	633,263.00			513,263.00		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land	4.1 ha			
Buildings And Structures				
Classes	10,588,480.00	1,006,000.00		11,594,480.00
laboratory	3,000,000.00			3,000,000.00
Administration block	3,425,086.00			3,425,086.00
Motor Vehicles	-	9,681,150.00		9,681,150.00
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Laptops	45,000.00			45,000.00
Epson projector	89,000.00			89,000.00
Computers	360,000.00			360,000.00
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				28,194,716.00