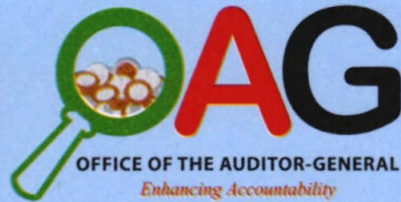


REPUBLIC OF KENYA



REPORT

OF

THE NATIONAL ASSEMBLY	
THE AUDITOR-GENERAL	
DATE: 29 JUL 2026	
WEDNESDAY	
TABLED BY:	HON. MARIAMU KHITANI
CLERK-AT THE-TABLE:	ON BEHALF OF LOM
	KESTHER NGENDO

**KARIMA GIRLS
HIGH SCHOOL**

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

NYANDARUA COUNTY



KARIMA GIRLS' High School
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

Transitional Financial Statements Prepared 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
ADM	Administration
BES	Boarding Equipment & Stores
CBC	Competency Based Curriculum
DH	Dining Hall
HOD	Head of Department
ID	Identity Card
KSHS	Kenyan Shillings
LT & T	Local Travel & Transport
MIF	Maintenance Improvement Fund
MOE	Ministry of Education
PA	Parents Association
PTA	Parents Teachers Association
P/E	Personnel Emoluments
PFM	Public Finance Management
RD	Returned to Drawer
RMI	Repairs Maintenance & Improvement
TIG	Transition Infrastructure Grant
SCDE	Sub-County Director of Education

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 **Nyandarua** County, **Nyandarua South** Sub-County.

The school was registered in **March/2017** under registration number **13-S-0030-0450** and is currently categorized as a **National public school** established, owned or operated by the Government.

The school is a boarding school and had **1422 (exclusive 470 students being 2024 candidates who had done KCSE in December)** number of students as at **30th June 2025**. It has 8 streams and 73 teachers of which 0 teachers are 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	John Magua OGW	Chairman-- Sponsor	29/05/2025
2	Grace W.W. Kinyua	Secretary - Principal	29/05/2025
3	Mary njuguna	Member- Sponsor	29/05/2025
4	Prof. Naomi Gikonyo	Member- Rep CEB	29/05/2025
5	Adv Esther Kabau	Member-Special Interest	29/05/2025
6	Lucy Njeri Kuria	Member– Rep parents/Local community	29/05/2025
7	Peter Mugo	Member-Sponsor	29/05/2025
8	Joseph Kirite	Member – Rep parents/Local community	29/05/2025
9	Peter Mbatia	Member– Rep parents/Local community	29/05/2025
10	Kefa Atandi	Members- Rep parents/Local community	29/05/2025
11	Benson Wangombe	Member- Rep parents/Local community	29/05/2025
12	Dr Martha Mwathi	Member - Rep parents/Local community	29/05/2025
13	Arch Luke Ndege	Member -Special Needs	29/05/2025
14	Beatrice Chuchu	Member- Co-opted Parents	29/05/2025
15	Alex Odhong	Member- Rep Teachers	29/05/2025
16	Catherine K.Munyao	Member-Co-opted Parents	29/05/2025
17	Jerioth Karweni	Member- Co-opted Parents	29/05/2025
18	Pauline Kangethe	Member-Rep Students Counsel	29/05/2025

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	Academic Standards, Quality/Enviroemnt Committee	Prof Naomi Gikonyo Beatrice Chuchu Joseph Kirite Lucy Njeri Kuria Alex Odhong	Chairperson Member Member Member Member	3 out of 3
2	Human rights & safety, students discipline & welfare, Ethics and Integrity Committee	Kefa Okindo Atandi Jerioth Karweni Catherine Munyau Eng Peter Mugo Mr. Peter Mbatia	Chairman Secretary Member Member Member	3 out of 3
3	Procurement, Audit and general purpose Committee	Arch luka Ndege Mary Njuguna Dr Martha Mwathi Benson Wangombe Adv Esther Kabau	Chairman Secretary Member Member Member	3 out of 3

(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	Chief Principal	Grae W.W. Kinyua	TSC No. 304572
2	Deputy Principal- Administration /academics	Josephine W., Mugwe	TSC No. 348067
3	Deputy Principal -Boarding	Elizabeth Njoki Njoroge	TSC No. 431847
3	School Bursar	Joseph G. Muiruri	I.D NO. 10771442

(e) Schools contacts

Post Office Box: 94 -20318 North Kinangop
 Telephone: 0716463760
 E-mail: karimagirls.karima@gmail.com
 Website: www.karimagirls.sc.ke
 Facebook:
 Twitter:

(f) School Bankers**1. SCHOOL FUND ACCOUNT**

Name of Bank: EQUITY
 Branch: NAIVASHA
 Account Number: 02002011482864

2. OPERATION ACCOUNT

Name of Bank: Equity Bank
 Branch: NAIVASHA
 Account Number: 0200291737057

3. TUITION ACCOUNT

Name of Bank: EQUITY
 Branch: NAIVASHA
 Account Number: 0200291375295

4. INFRASTRUCTURE ACCOUNT

Name of Bank: EQUITY
 Branch: NAIVASHA
 Account Number: 0200298467474

(g) Independent Auditors

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

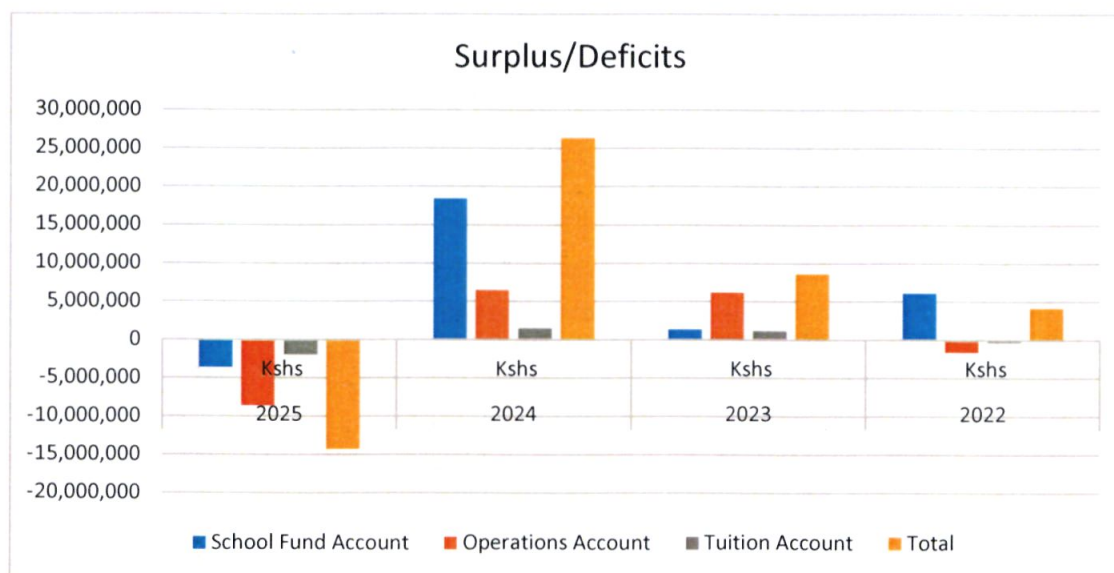
3. Summary Report of Performance of The School

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

ACCOUNTS	2025	2024	2023	2022
	Kshs	Kshs	Kshs	Kshs
School Fund Account	-3,650,903	18,377,172	1,326,844	6,090,584
Operations Account	-8,623,385	6,493,863	6,191,449	-1,629,812
Tuition Account	-1,993,612	1,451,906	1,116,461	-315,032
Total	-14,267,900	26,322,941	8,634,754	4,145,740
Increase/Decrease	-40,590,841	17,688,187	4,489,014	-4,577,674

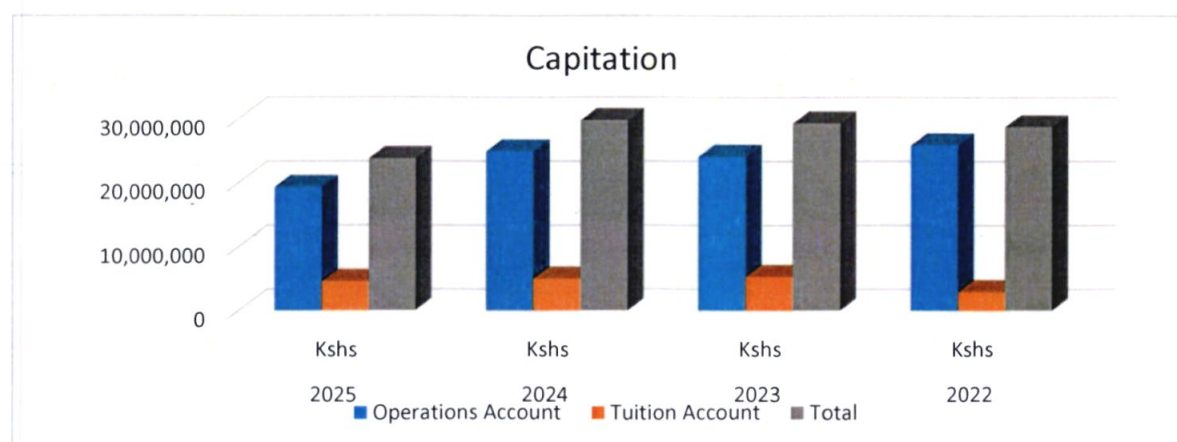


KARIMA GIRLS' HIGH SCHOOL

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

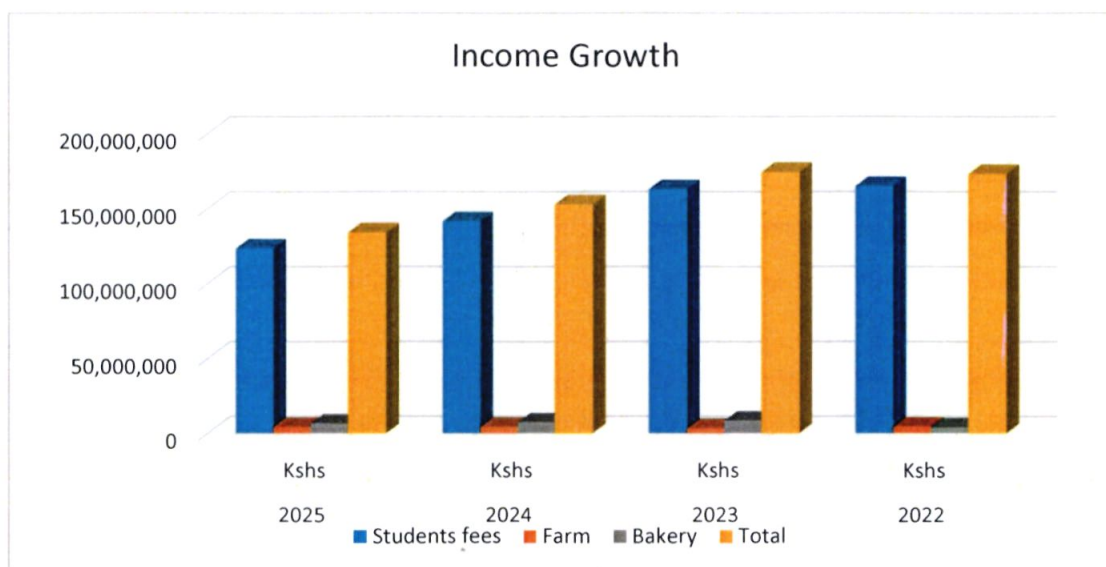
- *Capitation grants from the Ministry of Education for the last three years*

ACCOUNTS	2025	2024	2023	2022
	Kshs	Kshs	Kshs	Kshs
Operations Account	19,219,458	24,816,312	24,014,961	25,788,358
Tuition Account	4,549,403	4,941,665	5,264,562	2,897,975
Total	23,768,861	29,757,977	29,279,523	28,686,333
Increase/Decrease	-5,989,116	478,554	-2,406,910	15,529,822
No of Students	1,660	1,898	1,963.00	1,893
Ration of Capitation per student	1;14319	1;15,679	1;14,916	1;16,749



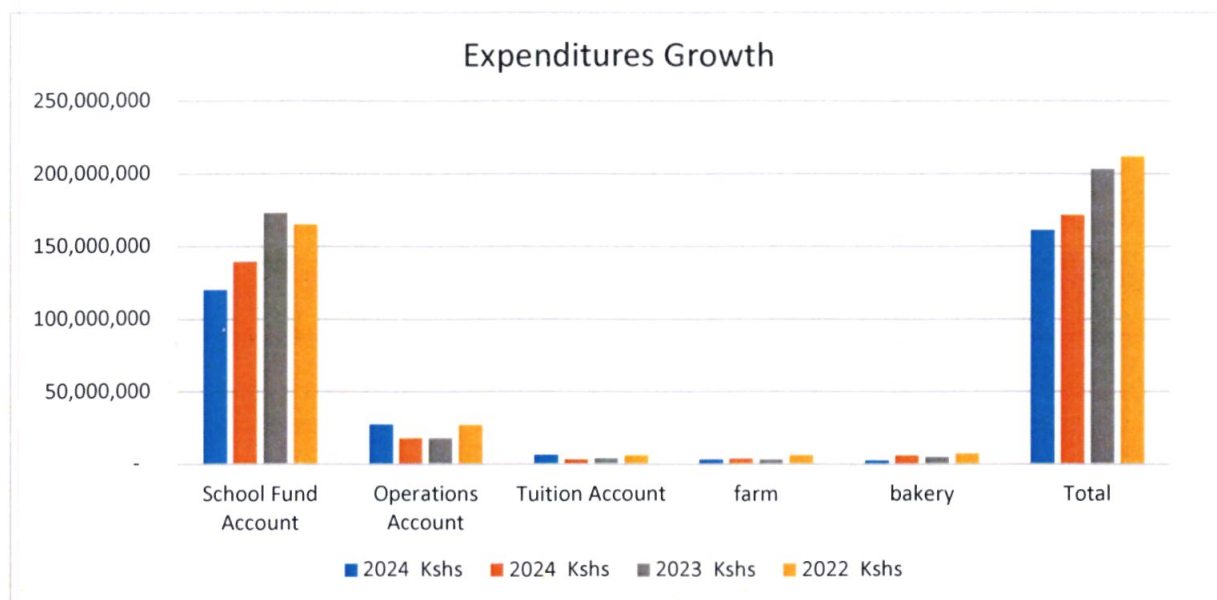
- *A three-year overview of growth of other income(s) earned by the school.*

ACCOUNTS	2025	2024	2023	2022
	Kshs	Kshs	Kshs	Kshs
Students fees	123,200,321	141,265,038	162,752,652	164,788,244
Farm	4,152,943	4,210,939	3,266,240	4,397,245
Bakery	6,571,015	7,186,100	8,217,555.00	3,830,540
Total	133,924,279	152,662,077	174,236,447	173,016,029
Increase/Decrease	-18,737,798	-21,574,370	1,220,418	131,635,825



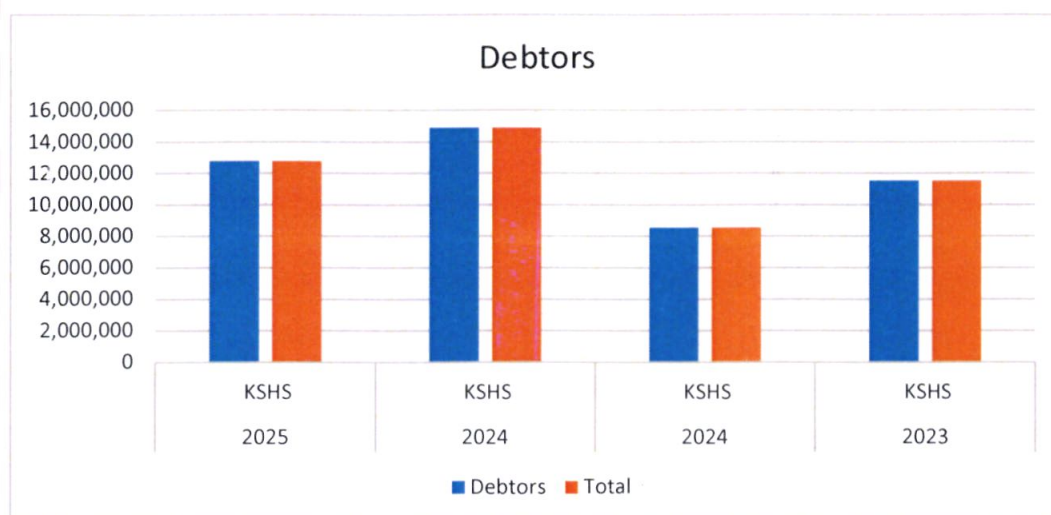
- A three-year overview of growth in expenditure of the school

ACCOUNTS	2025	2024	2023	2022
	Kshs	Kshs	Kshs	Kshs
School Fund Account	120,152,191	139,440,588	172,905,186	165,020,402
Operations Account	27,842,843	18,322,449	17,823,412	27,418,170
Tuition Account	6,543,015	3,489,759	4,148,101	6,213,007
farm	3,507,413	3,846,700	3,191,105	6,188,730
bakery	2,813,200	6,353,170	5,009,980	7,242,168.00
Total	160,858,662	171,452,666	203,077,784	212,082,477
Increase/Decrease	-10,594,004	-31,625,118	-9,004,693	147,935,033

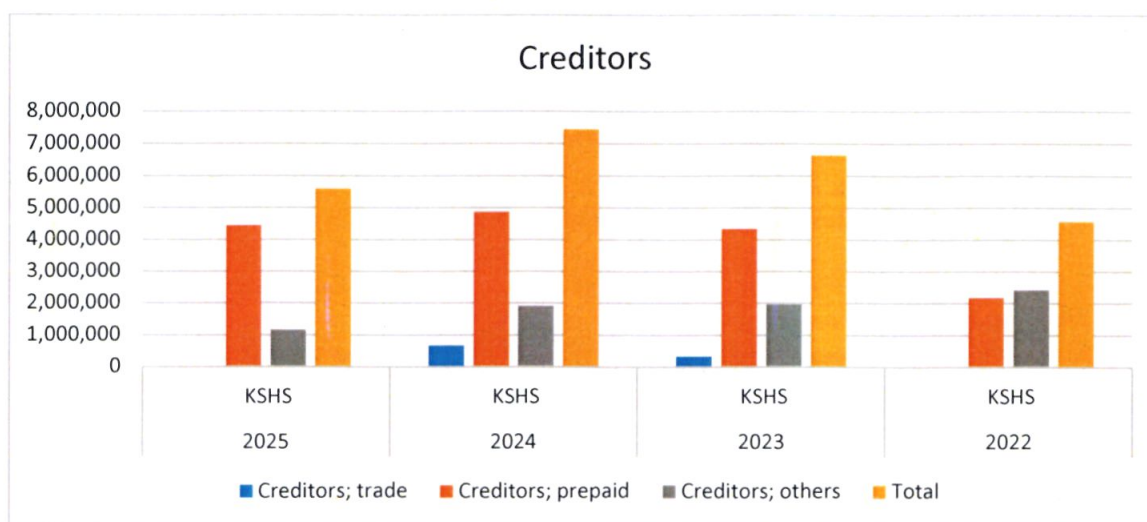


- *Movement of debtors and creditors of the school over the last three years*

	2025	2024	2023	2022
	KSHS	KSHS	KSHS	KSHS
Debtors	12,800,808	14,880,517	8,527,384	11,525,855
Total	12,800,808	14,880,517	8,527,384	11,525,855
Increase/Decrease	-2,079,709	6,353,133	-2,998,471	9,227,984



ACCOUNTS	2025	2024	2023	2022
	KSHS	KSHS	KSHS	KSHS
Creditors; trade	0	674,390	330,806	0
Creditors; prepaid	4,436,894	4,874,989	4,344,112	2,164,485
Creditors; others	1,152,499	1,902,249	1,963,279	2,412,009
Total	5,589,393	7,451,628	6,638,197	4,576,494
Increase/Decrease	-1,862,235	813,431	2,061,703	-1,350,684



b) Teacher Student ratio:

Between the month of July 2024 and June 2025, the status of the teaching staff is as follows:

There are 73 teachers posted by the Teachers Service Commission and 3 recruited by the Board of Management but left during the year. Although the teacher student ratio lies at 1:25. We have a shortage of 15 teachers from the given CBE.

c) The mean score in the 2024 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2024	470	8.517	427	90.85	10.70	Mean grade deviation of -0.00492. and transition deviation of 0.72
2023	456	8.522	411	90.13	10.5	Mean grade deviation of 0.02.

						and transition deviation of 1.49
2022	352	8.46	312	88.64	10.87	Mean grade deviation of -0.39 and transition deviation of 4.44
2021	405	8.86	377	93.08	9.60	Negative deviation of 0.02 in the mean grade Positive deviation of 1.58 in transition rate

d) Number of Candidates in the 20XX KCSE:

<i>e)</i>	2024	2023	2022	2021
<i>Candidates</i>	470	456	352	405

f) The capacity of the school:

Facility	Number Available	Number In use	Holding Capacity	Current Capacity	Requirement	Remarks
Dormitories	12 Dormitories	12 Dormitories	1,450 Students	1,915 Students	3 Dormitories	The current dormitories are overcrowded by - 465 students
Dining Hall	3 DHs	3 DHs	3,000 Students	1,915 Students	nil	The available dining halls are sufficient
Science Laboratories	11	11	1,622 Students	1,915 Students	2	The current laboratories are not current sufficient for current population
Toilets	217	217	2,170 Students	1,915 Students	nil	The current no of toilets is still sufficient
Classrooms	34	34	1,530 Students	1,915 Students	8	The current capacity is

						strained by -385 students
Bathrooms	70	70	1,540 Students	1915 Students	18	The bathrooms are strained to the extent of- 375 students
Chapel	1	1	700 Students	1915 Students	2	The available chapels are overcrowded by - 1215 students

g) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Laboratory/classrooms	MI/PA	Completed	34,579,236.85	38,976,881	2025 MARCH


 Grace W.W.Kinyua
 School Principal



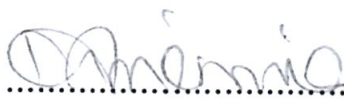
4. Statement of School Management Responsibility

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 *KARIMA GIRLS HIGH SCHOOL* accepts responsibility for the school's financial statements, which have been prepared on the Accrued 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: John Magua OGW

Designation: Chairman, School Board of Management

Date: 10/4/2026



.....
Name: Grace W.W. Kinyua

Designation: School Principal & Secretary to Board of Management

Date: 10/4/2026


.....

Name: Muiruri J.G

Designation: Bursar/ Finance Officer

Date: 10/4/2026

REPUBLIC OF KENYA

phone: +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 KARIMA GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 - NYANDARUA 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 transitional IPSAS financial statements of Karima Girls High School set out on pages 1 to 24, which comprise the statement of assets and

liabilities as at 30 June, 2025, and the statement of financial performance, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Karima Girls High 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 Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Public Finance Management Act, 2012 the Basic Education Act 2013 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

Unsupported Payables

The statement of assets and liabilities accrual basis reflects payables balance of Kshs.5,589,393 as disclosed in Note 14 to the financial statements. Included in this amount is other non-fees payables of Kshs.1,152,499 whose supporting schedules detailing particulars of creditors were not provided for audit.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.5,589,393 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of Karima Girls High 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.

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 effects of matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

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.165,038,815 and Kshs.133,924,278 respectively, resulting in an under-funding of Kshs.31,114,537 or 19% of the budget.

The under-funding 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.

Other Matter

1. Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the FY 2024/2025 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by PSASB on 25 February 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

2. Unresolved Prior Year Matters

The Auditor-General's report for the year ended 30 June, 2024 raised several audit issues which remained unresolved as at 30 June, 2025. Management has not taken adequate action to address these matters. The issues relate to prior periods and have been reported for emphasis of matter purposes.

No.	Audit Issue
1	Underfunding of Capitation Grants
2	Irregular Transfer of Funds to KESSHA
3	Irregular Procurement of Laboratory Materials
4	Failure to Open Separate Bank Account
5	Excess Supply of Textbooks

Other Information

The Management is responsible for the Other Information set out on page iii to xiii which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's 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 conclusion 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. Under Funding of Capitation Grants

During the year under review, the School received government grants amounting to Kshs.23,768,861. Re-computation of the expected government capitation grants based on the approved Government funding for the year of Kshs.22,244 per student revealed that, the school should have received an amount of Kshs.36,695,185 resulting in an underfunding in capitation grant by Kshs.12,926,324.

In the circumstances, the under-funding of the school may have affected effective service delivery and operations in the school.

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

The statement of financial performance reflects boarding and school fund payments amount of Kshs.126,472,804 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.1,986,000 transferred to Kenya Secondary Schools 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.1,986,000 could not be confirmed.

3. Non-Deduction of Capacity Building Levy

The statement of financial performance reflects total expenditure amount of Kshs.163,025,662 which includes an amount of Kshs.48,925,043 in respect of procurement contracts signed with the school's suppliers. Review of payments for goods and services revealed that the school Management did not deduct 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.

4. Failure to Open Separate Bank Accounts

The statement of financial performance reflects miscellaneous incomes of Kshs.31,206,662 as disclosed in Note 5 to the financial statements. However, Management failed to open a separate bank account and cash book for the miscellaneous income. The Management was therefore commingling funds for both miscellaneous receipts and school fund income. This was contrary to Ministry of Education circular No: MOE/HQS/3/13/3 dated 16 June, 2021 which requires schools with income generating activities to open separate bank accounts for the stream of income and account for it in accordance with financial regulations.

In the circumstances, Management was in breach of the Ministry of Education guidelines.

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. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.21,394,618. Included in this balance is Kshs.21,295,618 in respect of fees arrears out of which a balance of Kshs.6,048,417 has been outstanding for more than

two (2) years. Despite the School taking measures to collect outstanding fee arrears, the recoverability of the accounts receivable balance of Kshs.6,048,417 is still doubtful.

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

2. Inadequate Learning Facilities Relative to Student Enrollment

The summary report on the School's performance as disclosed in paragraph 3(f), indicates that as at 30 June, 2025, the School had an enrollment of one thousand nine hundred and fifteen (1,915) students. However, the school has thirty-four (34) classrooms, each designed to accommodate 45 students, resulting to an expected total capacity of one thousand five hundred and thirty (1,530) students. This reflects excess enrollment by three hundred and eighty-five (385) students, leading to overcrowded learning environments.

In the circumstances, the overcrowding may adversely affect the quality of teaching and learning, strain available facilities, and compromise student comfort, safety and learning outcomes.

3. Weaknesses in Management of Assets

Annex 2 on summary of fixed asset register reflects various assets owned by the School valued at Kshs.407,524,290. However, a valuation report dated 12 June, 2024 reflected total value of assets as Kshs.393,772,340 which differs with the opening balance of Kshs.412,297,966 resulting to an unexplained variance of Kshs.18,525,626. Further, the asset register presented for audit was incomplete and lacked details such as depreciation charge, net book values, date of purchase and unique identification mark of assets. In addition, the summary of fixed asset register reflects additions during the year amounting to Kshs.42,354,046 while the payment vouchers provided only supported the additions for the year totalling Kshs.12,480,180 resulting in unsupported variance of Kshs.29,873,866. There were also no schedules provided to support the disposal of assets worth Kshs.313,040.

In the circumstances, the accuracy and completeness of fixed assets held by the school could not be confirmed.

4. Lack of an Internal Audit Function

During the year under review, the School had not constituted an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the existence of an effective oversight mechanisms 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 the 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 (Accrual Basis) 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 for 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

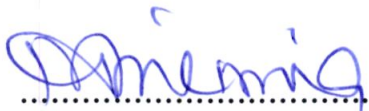
Nairobi

23 April, 2026

6. Statement Of Financial Performance for the Year Ended 30th June 2025

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	4,549,403	4,941,665
Government grants for operations	2	13,641,458	16,192,472
Government Grants for infrastructure	3	7,745,000	8,623,840
School fund income- parents' contributions	4	91,615,239	126,762,650
Miscellaneous incomes	5	31,206,662	41,254,980
Total Revenue		148,757,762	197,775,607
Expenditure			
Tuition	6	6,543,015	3,489,759
Operations	7	19,933,643	13,489,473
Infrastructure	8	10,076,200	4,832,976
Boarding and school fund	9	126,472,804	149,640,458
Total Expenditure		163,025,662	171,452,666
Surplus/Deficit		(14,267,900)	26,322,941

The school financial statements were approved on _____ 2025 and signed by:



Name: John Magua OGW

Chair BOM

Date: 10/4/2026



Name: Grace W.W. Kinyua
School Principal/ Secretary to
BOM

Date: 10/4/2026



Name: Muiruri J.G

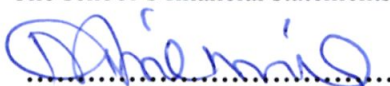
Bursar/ Finance Officer

Date: 10/4/2026

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	19,478,276	36,199,082
Cash balances	11	717,719	592,732
Short term investments	12	0	0
Total cash and cash equivalent		20,195,995	36,791,814
Account's receivables	13	21,394,618	20,928,934
Total financial assets (a)		41,590,613	57,720,748
Financial liabilities			
Accounts payables	14	5,589,393	7,451,628
NET FINANCIAL ASSETS		36,001,220	50,269,120
Represented by			
Accumulated fund b/fwd	15	50,269,120	23,946,179
Surplus/deficit for the year		(14,267,900)	26,322,941
Net Assets		36,001,220	50,269,120

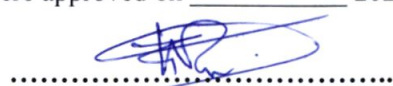
The school's financial statements were approved on _____ 2025 and signed by:



Name: John Magua OGW

Chair BOM

Date: 10/4/2026



Name: Grace W.W. Kinyua
School Principal/ Secretary to
BOM

Date: 10/4/2026



Name: Muiruri J.G

Bursar/ Finance Officer

Date: 10/4/2026

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	4,549,403	4,941,665
Government grants for operations	2	13,641,458	16,192,472
Government grants for infrastructure	3	7,745,000	8,623,840
School fund income- parents contributions/ fees	16	80,793,938	124,765,890
Other income	17	53,159,488	35,755,785
Total receipts		159,889,287	190,279,652
Payments			
Cash outflows for tuition	6	6,543,015	3,489,759
Cash outflows for operations	7	19,933,643	13,489,473
Cash outflows Boarding/lunch and school fund payments	18	139,932,248	148,617,774
Total payments		166,408,906	165,597,006
Net cash inflow/outflow from operating activities		(6,519,619)	24,682,646
Cash flow from investing activities			
Acquisition of assets	8	10,076,200	4,832,976
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		(0)	(0)
Net cash inflow/outflows from investing activities		10,076,200	4,832,976
Cash flow from Financing activities			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		0	0
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		(16,595,819)	19,849,670
Cash and cash equivalent at beginning of the 2024		36,791,814	16,942,144
Cash and cash equivalent at end of the 2025		20,195,995	36,791,814

KARIMA GIRLS' HIGH SCHOOL

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

The school's financial statements were approved on _____ 2025 and signed by:



Name: John Magua OGW

Chair BOM

Date: 10/4/2026



Name: Grace W.W. Kinyua
School Principal/ Secretary to
BOM

Date: 10/4/2026



Name: Muiruri J.G

Bursar/ Finance Officer

Date: 10/4/2026

9. Statement Of Budgeted Versus Actual Amounts 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
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	0	0	0	0	0%
Exercise Books	0	0	0	0	%
Laboratory Equipment	2,469,000	(100,000)	2,369,000	2,148,594	91%
Internal Exams	0	0	0	0	%
Teaching / Learning Materials	2,469,000	100,000	2,569,000	2,400,810	93%
Exams And Assessment	0	0	0	0	%
	4,938,000	0	4,938,000	4,549,403	92%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	10,290,000	0	10,290,000	8,975,353	87%
Repairs And Maintenance	0	0	0	0	0%
Local Transport / Travelling	900,000	0	900,000	644,300	72%
Electricity And Water	1,400,000	0	1,400,000	1,363,100	97%
Medical	3,240,500	0	3,240,500	1,109,795	34%
Administration Costs	1,350,000	0	1,350,000	597,200	44%
Activity	1,375,000	0	1,375,000	951,710	80%
Gratuity	0	0	0	0	%
	18,555,500	0	18,555,500	13,641,458	74%

KARIMA GIRLS' HIGH 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
3) FDSE for infrastructure					
Maintenance &Improvement MoE	6,600,000	0	6,600,000	5,578,000	85%
M&I parents' contribution	0	0	0	0	%
Economic Stimulus Programs	0	0	0	0	%
Transition Infrastructure Grants	0	0	0	0	%
Totals	6,600,000	0	6,600,000	5,578,000	85%
(4) Fees Charged on Parents					
Personnel Emoluments	8,459,176	0	8,459,176	7,806,397	92%
Repairs And Maintenance	4,893,620	0	4,893,620	2,439,938	50%
Local Transport / Travelling	7,028,750	0	7,028,750	4,606,310	66%
Electricity And Water	8,643,800	0	8,643,800	7,815,332	90%
Medical	0	0	0	0	%
Administration Costs	11,434,760	0	11,434,760	5,421,090	47%
Activity	2,429,000	0	2,429,000	977,273	40%
SMASSE	0	0	0	0	%
Fee On Boarding Equipment and Stores	61,451,465	0	61,451,465	51,727,598	84%
Totals	104,340,571		104,340,571	80,793,938	77%
5) Miscellaneous Income					
Loans / Borrowing	0	0	0	0	%
Rent income	51,900	0	51,900	51,900	100%
Income From Farming Activities	4,152,943	0	4,152,943	4,152,943	100%
Income Smasse	2,257,600	0	2,257,600	2,257,600	100%

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
Income From bakery	6,571,015	0	6,571,015	6,571,015	100%
Income From welfares	1,568,636	0	1,568,636	1,568,636	100%
Income From Pa development	16,002,650	0	1,6002,650	1,4615,545	91%
Interest Income	0	0	0	0	%
Income From Any Other Investment	0	0	0	0	%
Total Income	30,604,744		30,604,744	29,217,639	95%
Grand Total Income	165,038,815		165,038,815	133,924,279	81%
(6) Expenditure For Tuition					
Textbooks	0	0	0	0	%
Reference Materials	0	0	0	0	%
Exercise Books	0	0	0	0	%
Laboratory Equipment	2,469,000	0	2,469,000	2,666,165	108%
Internal Exams	0	0	0	0	%
Teaching / Learning Materials	2,469,000	0	2,469,000	3,875,585	157%
Chalks	0	0	0	0	%
Exams And Assessment	0	0	0	0	%
Teachers Guides	0	0	0	0	%
Administration Costs	0	0	0	0	%
Bank Charges	0	0	0	1,265	%
Total expenditure	4,938,000		4,938,000	6,5430,15	133%
(7) Expenditure For Operations					
Personnel Emoluments	102,90,000	3,600,000	13,890,000	13,763,020	99%

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
Repairs, Maintenance & Improvements	0	0	0	0	%
Local Transport / Travelling	900,000	(500,000)	400,000	283,400	71%
Electricity, Water and Conservancy	1,400,000	500,000	1,900,000	1,770,359	93%
Medical	3,240,500	(2200,000)	1,040,500	858,170	82%
Administration Costs	1,350,000	(600,000)	750,000	663,550	88%
Activity Expenses	1,375,000	(800,000)	575,000	418,644	73%
Gratuity	0	0	0	0	%
Bank charges	0	0	0	9,500	%
Totals	18,555,500	0	18,555,500	17,766,643	96%
(8) Expenditure For infrastructure					
Construction of Lab/classrooms	6,600,000	0	6,600,000	9,225,618	140%
Construction of LAB	0	0	0	0	%
Dining hall retention	0	0	0	847,092	13%
Purchase of furniture	0	0	0	0	%
Bank charges	0	0	0	3,490	%
Totals	6,600,000	0	6,600,000	10,076,200	153%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	8,459,176	(5,500,000)	2,959,176	2,746,954	93%
Repairs, Maintenance and Improvements	4,893,620	(1,700,000)	3,193,620	3,060,140	96%
Local Transport / Travelling	7,028,750	5,900,000	12,928,750	12,968,887	100%
Electricity, Water and Conservancy	8,643,800	0	8,643,800	8,037,267	93%

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
Medical Expenses	0	1,600,000	1,600,000	1,584,325	99%
Administration Costs	11,434,760	2,000,000	13,434,760	13,258,957	99%
Activity	2,429,000	2,200,000	4,629,000	4,635,560	100%
Boarding Equipment and Stores	61,451,465	0	61,451,465	60,737,007	99%
Dev fund laboratory		2,500,000	2,500,000	2,440,610	98%
School Equipment and Stores Items	0	1,400,000	1,400,000	1,325,347	95%
Expenditure For Income Generating Activity-farming	3,266,240	0	3,266,240	3,507,413	107%
Expenditure For Income Generating Activity-bakery	2,813,200	0	2,813,200	2,813,200	100%
Expenses On welfares	2,750,760	0	2,750,760	2,750,760	100%
Smasse Expenses	2,257,600	0	2,257,600	2,257,330	100%
Bank Charges	0	0	0	78,502	%
Expenditure on P.A Development fund	16,002,650	(8,400,000)	7,602,650	4,270,545	56%
Loan Principal Repayment	0	0	0	0	%
Totals	131,431,021	0	131,431,021	126,472,804	96%
Grand Totals on expenditure	161,524,521	0	161,524,521	160,858,662	100%

- i. Income is underutilized during the year due to un submitted fdse monies from the ministry of education and unpaid fees for various students by parents to clear the fees for their children.

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

Statement of Compliance

The financial statements have been prepared in accordance with the PFM Act and International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore, these first year 2024-2025 financial statements are transitional financial statements.

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, statement of cash flow). Under an accrual basis, revenues are recognized when rights to assets are earned or levied rather than when cash is received, and expenses are recognized when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of revenue and expenditure

The school recognizes all revenue from various sources when earned and all expenses when incurred.

The capitation grants include recurrent and development grants. Recurrent capitation are recognised in the statement of financial performance while development grants are recognised in the statement of financial position after meeting the revenue recognition criteria. The conditional grants will be recognised as revenue upon fulfilment of the set conditions.

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 financial performance both as revenue and as expenditure 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.

KARIMA GIRLS' HIGH SCHOOL

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

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.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Reference Materials	0	0
Exercise Books	0	0
Laboratory Equipment	2,148,594	1,955,771
Internal Exams	0	0
Teaching / Learning Materials	2,400,810	2,985,894
Others (<i>specify</i>)*	0	0
Total	4,549,403	4,941,665

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	8,975,353	10,947,722
Repairs And Maintenance	0	0
Local Transport / Travelling	644,300	505,950
Electricity And Water	1,363,100	1,501,350
Medical	1,109,795	1,516,500
Administration Costs	597,200	505,950
Activity	951,710	1,215,000
Other Vote Heads (<i>specify</i>)*	0	0
Total	13,641,458	16,192,472

KARIMA GIRLS' HIGH SCHOOL

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

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	5,578,000	7,835,800
Transition infrastructure grants	0	0
M&I CBC Classroom	0	788,040
Untransformed Mi 2024	2,167,000	0
Other (<i>specify</i>)(NGCDF and County govt.	0	0
Total	7,745,000	8,623,840

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	9,357,327	13,570,892
Repairs and maintenance	2,892,861	4,117,842
Local transport / travelling	5,230,651	9,100,656
Electricity and water	9,095,984	12,666,667
Medical	0	0
Administration costs	6,372,483	9,797,705
Activity	1,162,159	1,842,550
Fee on Boarding Equipment and stores	57,503,774	75,666,338
PA Levies*	0	0
Others (<i>specify</i>)	0	0
Total	91,615,239	126,762,650

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Income From Dairy Activities	1,228,373	1,270,389
Income From Farming Activities	2,924,570	2,940,551
Insurance Compensation	0	0
Income From welfares	2,161,038	1,064,197
Income From bakery	6,571,015	7,186,100
Fee For School Equipment	9,515	0
Income From smasse	2,257,600	582,800

KARIMA GIRLS' HIGH SCHOOL

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

Income From p.a development fund	16,002,650	28,210,943
Rent Income	51,900	0
Loans/Borrowings*	0	0
Other Income (<i>specify</i>)*	0	0
Total	31,206,661	41,254,980

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	0	0
Textbooks	0	0
Reference materials	0	0
Laboratory Equipment	2,666,165	1,436,408
Teaching / Learning Materials	3,875,585	2,052,426
Exams And Assessment	0	0
Teachers Guides	0	0
Bank Charges	1,265	925
Others (<i>specify</i>)	0	0
Total	6,543,015	3,489,759

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	12,363,020	10,549,166
Service Gratuity	0	0
Administration Cost	2,063,550	1,260,000
Repairs And Maintenance & Improvements	2,167,000	0
Local Transport / Travelling	283,400	318,929
Electricity And Water	1,770,359	1,353,589
Medical	858,170	0
Activity Expenses	418,644	0
Bank Charges	9,500	7,789
Others (<i>specify</i>)	0	0
Total	19,933,643	13,489,473

KARIMA GIRLS' HIGH 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	0	748,809
Construction of laboratory	9,225,618	3,955,860
Construction of dining hall	847,092	127,600
Purchase of furniture	0	0
Purchase of equipment	0	0
Purchase of apparatus	0	0
Bank charges	3,490	707
Others (specify)	0	0
Total	10,076,200	4,832,976

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	2,466,954	4,666,916
Activity Expenses	4,635,560	5166810
Repairs And Maintenance & Improvements	3,060,140	5,098,176
Local Transport / Travelling	12,968,887	14,098,421
Electricity And Water	8,037,267	6,671,093
Medical Expenses	0	0
Administration Costs	13,538,957	16,240,389
Expenses for welfares	2,750,760	0
Expenses smasse	2,257,330	582,696
Expenses PA development fund -laboratory**	2,440,610	0
Fee On Boarding Equipment and Stores	60,737,007	65,637,352
S.e.s Expenses	1,325,347	9,270,219
Insurance Cost (<i>Life Property</i>)	1,584,325	407,575
Expenses On Income Generating farm/dairy	3,507,413	3,846,700
Expenses On Income Generating bakery	2,813,200	6,353,170
Acquisition Of Assets cbc classroom	0	200,000
PA expenses development fund	4,270,545	11,329,647
Others (specify) bank charges	78,502	71,294
Total	126,472,804	149,640,458

*KARIMA GIRLS' HIGH SCHOOL***Annual Report and Financial Statements For the year ended 30th June 2025****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0200291375295	593,211	2,586,822
Operations Account	Active	020091737057	1,994,797	8,286,982
School Fund Account/Boarding	Active	0200201482864	15,521,691	21,625,500
Savings Account			0	0
Parent Association Development Account			0	0
Income Generating Activities Account			0	0
Infrastructural Account	Active	0200209847474	1,368,577	3,699,778
Total			19,478,276	36,199,082

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	717,719	592,732
Total	717,719	592,732

12 Short Term Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

KARIMA GIRLS' HIGH SCHOOL

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

13 Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	21,295,618	20,920,934
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	0	8,000
School Clubs	99,000	0
Rent arrears (list/schedule attached)	0	0
Total	21,394,618	20,928,934

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Less than 1 year	12,800,808	60%	14,880,517	71%
Between 1- 2 years	2,446,393	11%	1,088,719	5%
Between 2-3 years	6,048,417	28%	4,951,698	24%
Other non-fees receivables 1 year & less	99,000	1%	8,000	0%
Total (should tie to note 13 a)	21,394,618	%	20,928,934	%

14 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0	674,390
Prepaid Fees	4,436,894	4,874,989
Monies clubs	361,178	419,378
Unpaid salaries and statutory deductions	0	0
Pocket money	791,321	1,482,871
Other payables (<i>specify</i>)	0	0
Total	5,589,393	7,451,628

14a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Less than 1 year	4,436,894	79%	674,390	100%
Between 1- 2 years	0	%	4,874,989	100%
Between 2-3 years	0	%	1,482,871	%
Over 3 years	0	%	419,378	%
Other non-fees payables 1 year & less	1,152,499	21%	0	
Total (should tie to note 14)	5,589,393	%	7,451,628	%

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	36,199,082	16,736,785
Cash Balances	592,732	205,359
Short Term Investments	0	0
Receivables	20,928,934	13,642,231
Payables	(7,451,628)	(6,638,197)
Total	50,269,120	23,946,179

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.

16 School Fund Income Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	9,357,327	13,570,892
Activity	1,162,159	1,842,550
Repairs And Maintenance & Improvements	2,892,861	4,117,842

KARIMA GIRLS' HIGH SCHOOL

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

Local Transport / Travelling	5,230,651	9,100,656
Electricity And Water	9,095,984	12,666,667
Medical Expenses	0	0
Administration Costs	6,372,483	9,797,705
Lunch Programme	0	0
Expenses smasse	0	0
Expenses On Income Generating Activities**	0	0
Fee On Boarding Equipment and Stores	57,503,774	75,666,338
Total	91,615,239	126,762,650
Adjustment for cash		
Accrued fees income for the year	(10,821,301)	(9,435,426)
Fees arrears received from previous years	0	7,438,666
Others (specify)	0	0
Total	80,793,938	124,765,890

17: miscellaneous income

Description	2024-2025	2023-2024
	Kshs	Kshs
Income From Dairy Activities	1,228,373	1,270,389
Income From Farming Activities	2,924,570	2,940,551
Insurance Compensation	0	0
Income From welfares	1,568,636	1,064,197
Income From bakery	6,571,015	7,186,100
Fee Income from ses	9,515	0
Income From smasse	2,257,600	582,800
Income From p.a development fund	14,615,545	28,210,943
Income from rent	51,900	0
Loans/Borrowings*	0	0
Other Income (specify)*	0	0
Total	29,227,154	41,254,980
Accrued fees income for the year		(5,499,195)
Income arrears received from previous year	12,434,124	0
Fees paid for subsequent periods	3,856,709	0
Accrued income for clubs	783,400	0
Accrued income for clearance accounts	6,858,100	0
Total	53,159,487	35,755,785

KARIMA GIRLS' HIGH SCHOOL

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

18: School Fund Payment Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	2,466,954	5,226,916
Insurance /facilities	1,584,325	407,575
Repairs And Maintenance & Improvements	3,060,140	5,098,176
Local Transport / Travelling	12,968,887	14,098,421
Electricity And Water	8,037,267	6,671,093
Activities/Medical Expenses	4,635,560	5,166,810
Administration Costs	13,538,957	15,680,389
PA expenses development fund	4,270,545	11,329,647
Expenses smasse	2,257,330	582,696
Expenses On Income Generating bakery	2,813,200	6,353,170
Fee On Boarding Equipment and Stores	60,737,007	64,420,541
S.e.s Expenses	1,325,347	9,270,219
Insurance Cost (<i>Life Property</i>)	0	0
Expenses On Income Generating farm/dairy	3,507,413	3,846,700
Expenses for welfares	2,750,760	0
Expenses for p.a dev fund -laboratory	2,440,610	0
Acquisition Of Assets cbc classroom	0	200,000
Others (specify) bank charges	78,502	71,294
Total	126,472,804	148,423,647
Adjustment for cash		
Previous period creditors paid during the year	674,390	194,127
Prepaid fees paid	4,294,804	0
Clearance accounts paid	7,549,650	0
Clubs accounts paid	940,600	0
Total	139,932,248	148,617,774

KARIMA GIRLS' HIGH SCHOOL

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

19: Non-current Liabilities Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

20: Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle	20	1,246,000	1,414,673
Sheep	41	301,000	252,000
Trees		0	0
Rabbits	170	55,150	36,000
Pigs	42	386,000	90,000
Others (specify)		0	0
Total		1,988,150	1,792,673

21: Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	(0)	(0)
Balance at the end of the year	0	0

Other important disclosure notes

22: Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	10,287,250	7,342,830
Lab consumables	2,167,315	1,386,146
Farm produce	50,625	170,125
Medication	1,287,307	2,159,324
Construction Materials	603,700	1,692,160
Others (specify) Cleaning	747,050	0
Stationary	3,864,041	
	19,007,288	12,750,585

17 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)
1	Under funding of capitation grants	The school ensures timely and accurately updating of student's data on NEMIS. However occasional system downtimes and delays in registration/verification at central level thus not all learners were reflected in final disbursement lists.	The matter has been escalated to sub-county director of education and actively engaging with the ministry to have the affected learners be updated in the NEMIS system to strength the future fundings.	

KARIMA GIRLS' HIGH SCHOOL

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	Late transfer of infrastructure funds from operation bank account	The delay in transferring was due to urgent operational demands and cash flow constraints that required temporary retention in operation account to facilitate essential school functions including utilities, salary and emergency repairs.	Resolved by transferring the same amount to infrastructure account in 2024-2025 financial year	
3	Irregular transfer of fund to kessha	The school is committed to ensure prudent utilization of public funds and within framework established. The fund gives students opportunity to show off their talent and skills.	We require guidance on how we handle the support of co-curriculum activities.	
4	Irregular procurement of laboratory materials	The need of school to keep the academic standard of students without prejudicing the student's effort for excellence enforces the school to go extra mile to support the grants.	We need more support on this.	
5	Failure to open separate bank accounts	The school is committed to adhere with the financial standard to give fair and accountable financial position of the entity.	Not resolved	Starting July 2025 on wards
6	Excess supply of books	We reaffirm our commitment to ensure effective utilization of learning resources and adhere to prudent resource management		

KARIMA GIRLS' HIGH SCHOOL

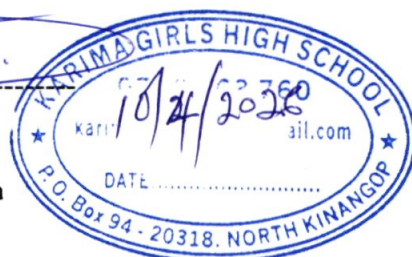
Annual Report and Financial Statements For the year ended 30th June 2025

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		for books supplied through the KICD		



Sign and Date

Grace W.W.Kinyua
Chief Principal



KARIMA GIRLS' HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. BES/FARM/RMI/ADM/ACT GOODS	0			0	603,990	
5.						
Sub-Total						
Supply Of Services						
6. EW&C/LT&T SERVICES	0			0	70,400	
7.						
8.						
Sub-Total						
Grand Total	0			0	674,390	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land	52,000,000			54,600,000
Buildings And Structures	325,835,140	38,976,881		315,936,750
Motor Vehicles	8,050,000			8,050,000
Office Equipment, Furniture and Fittings	4,766,695			4,528,360
Textbooks				
ICT Equipment	5,138,994	711,000		5,849,994
Tools And Apparatus	10,485,625	2,666,165	313,040	12,838,750
Other Machinery and Equipment	6,021,512			5,720,436
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total	412,297,966			407,524,290

REPUBLIC OF KENYA

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Ref: OAG/NYR/AUD/14/8/(29)

16 June, 2026

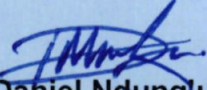
Mr. Samuel J. Njoroge, CBS
Clerk of the National Assembly
Parliament Buildings
P. O. Box 41842-00100
NAIROBI

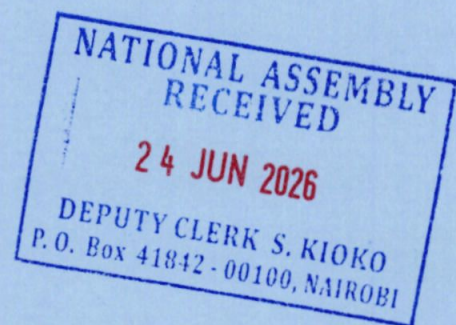
Dear

REPORT OF THE AUDITOR-GENERAL ON KARIMA GIRLS HIGH SCHOOL FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

I transmit the Reports of the Auditor-General on the examination and audit of Karima Girls School – Nyandarua County for the financial year ended 30 June 2025 in accordance with the provisions of Article 229(7) of the Constitution of Kenya for the necessary action as required by Article 229(8) of the Constitution.

Yours sincerely


Daniel Ndung'u
For: AUDITOR-GENERAL

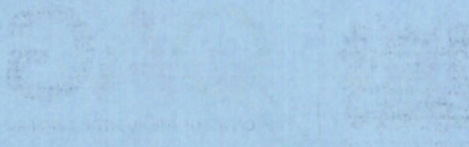


Copy to: **Dr. Chris Kiptoo, PhD., CBS**
Principal Secretary
The National Treasury
P.O. Box 30007-00100
NAIROBI

Mr. John Lekakeny Ololtuaa, CBS
Principal Secretary
Ministry of Education
State Department for Basic Education
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Ms. Grace Kinyua,
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