

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 25 JUN 2026

DAY.

Thurs

OF

TABLED

BY:

Ken. Owen Bayo, M.P.
Dep. leader of the majority
party.

CLERK AT
THE TABLE:

M. Chuma

THE AUDITOR-GENERAL

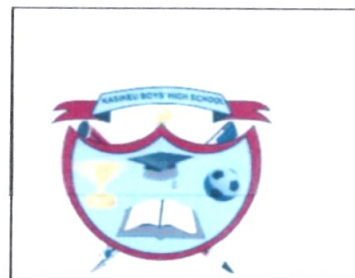
ON

PARLIAMENT
OF KENYA
LIBRARY

KASIKEU BOYS' HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

MAKUENI COUNTY

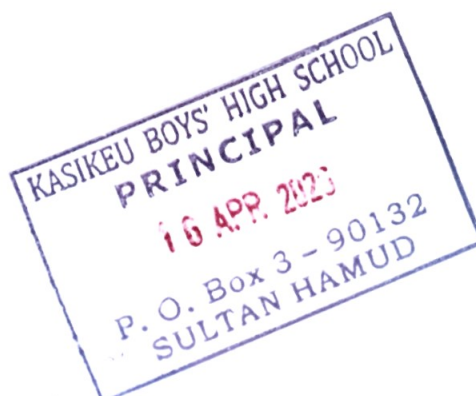


**KASIKEU BOY'S HIGH SCHOOL
P.O BOX 3, 90132
SULTAN HAMUD**

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)



Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

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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
FDSE	Free Day Secondary Education
LTT	Local Travelling and transport
EWC	Electricity water and conservancy
Adm. Costs	Administration costs

Kasikeu Boys High School
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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 Makueni County, Mukaa Sub-County.

The school was registered in 1968 under registration number 17530000012 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 465 number students as at 30th June 2025. It has 11 streams and 29 teachers of which 3 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	Bonface Wambua	Chairman	27-6-2022
2	Richard Kimayu	Secretary - Principal	23-2-2023
3	Timothy Musau	Member	27-6-2022
4	Ann Muthusi	Member	27-6-2022
5	Dr. Gibson Musila	Member	27-6-2022
6	Mrs. Margaret Musumbi	Member	27-6-2022
7	Christopher Ndambuki	Member	27-6-2022
8	Daniel Maundu	Member – Rep CEB	27-6-2022
9	Mr. Patrick Mativo	Member Rep Teachers	27-6-2022
10	Rev. Isaac Musina	3 Members - Sponsor	27-6-2022
11	Joseph Mutua Kinyao	Member - Community	27-6-2022
12	Gershon Kavingu	Member Special Needs	27-6-2022
13	Prisca Makau	Member	27-6-2022
14	Rose Muthiani	Member	27-6-2022
15	Lilian Bernard	Member	27-6-2022
16	Zacharia Mbuvi	Member	27-6-2022
17	Rev. Benjamin Kivindyo	Member	27-6-2022

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. Bonface Wambua 2. Richard Kimayu 3. Ann Muthusi 4. Rev. Isaac Musina 5. Zacharius Mbuvi	Chairman Secretary Member Member Member	5/5 5/5 5/5 5/5 5/5
2	Audit Committee	1. Ann Muthusi 2. Rev. Isaac Musina	Chairman Member	1/1 1/1
3	Finance, procurement and general purposes Committee	1. Ann Muthusi 2. Rev. Isaac Musina	Chairperson Member	1/1 1/1
4	Academic Committee	1. Pricisa Makau 2. Rose Muthiani 3. Mutua Kinyao	Chairperson Member Member	2/2 2/2 2/2
5	Development Committee	1. Timothy Musau 2. Rev. Isaac Musina 3. Zacharius Mbuvi 4. Richard Kimayu 5. Joseph Mbugua	Chairperson Member Member Member Secretary	2/2 2/2 2/2 2/2 2/2

Kasikeu Boys High School**Annual Report and Financial Statements For the year ended 30th June 2025**

6	Discipline and welfare Committee	1.Richard Kimayu 2.Mutua Kinyao 3.Joseph Nthenge 4.Rose Muthiani	Chairperson Vice- chair Secretary Member	2/2 2/2 2/2
7	Adhoc Committee (if any during the year)			

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

(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	Richard Kimayu	TSC No.361320
2	Deputy Principal	Joseph Mbugua	TSC No.347554
3	School Bursar	Daniel Kiio	Id. Number. 28150068

(e) Schools contacts

Post Office Box: 3- 90132, Sultan Hamud
Telephone: 0710467770
E-mail: kasikeuboy3@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

The school operated 4 bank accounts in following banks;

1. Account Name: Tuition Account
Name of Bank: Kenya Commercial Bank
Account Number: 1314876856
Branch: Emali.
2. Account Name: Operation account
Name of Bank: Kenya Commercial Bank
Account Number: 1107171768
Branch: Emali.
3. Account Name: Infrastructure Account
Name of Bank: Kenya Commercial Bank
Account Number: 1262712386
Branch: Emali.
4. Account name: Boarding Account
Name of Bank: Kenya Commercial Bank.
Account Number: 1108308716
Branch: Emali
MPESA Pay Bill No. 522123 attached to KCB bank 38682k {LIPAKARO}

(g) Independent Auditors

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

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

3. Summary Report of Performance of the School

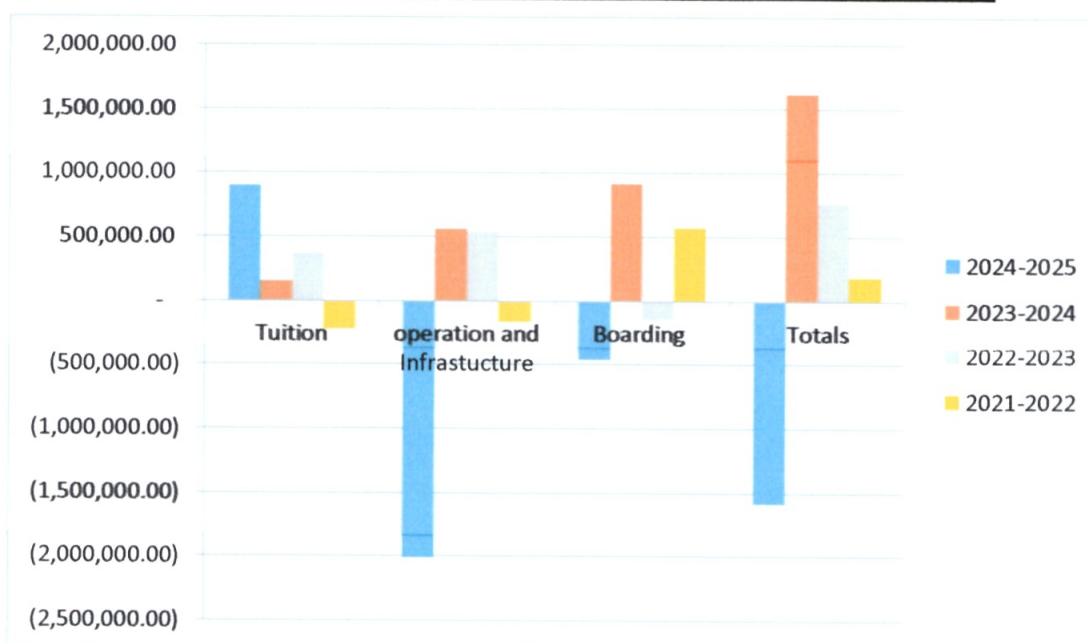
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

ii) Surplus/ Deficit for the year and a comparison of the same for the last three years.

Account	2024-2025	2023-2024	2022-2023	2021-2022
Tuition	896,425	153,093.00	368,690.00	(223,524.00)
Operation& infrastructure	(2,010,856)	555,700.00	540,106.00	(161,374.00)
Boarding	(468,841)	908,978	(147,958)	573,417
Total	(1,583,272)	1,617,771	760,838	188,519

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

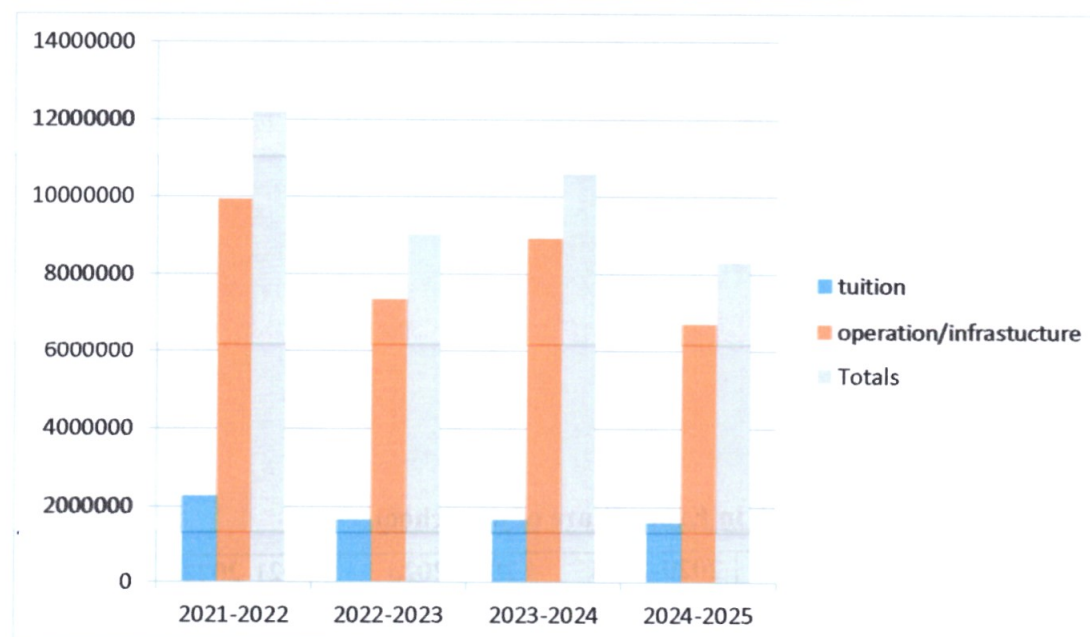


Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

{ii} Capitation grants from the MOE for the last three years.

Year	Operation& infrastructure account.	Tuition account.	Totals Amount{ksh}
2021-2022	9,933,571.00	2,270,511.00	12,204,082.00
2022-2023	7,365,551.00	1,664,780.00	9,030,331.00
2023-2024	8,915,246.00	1,673,029.00	10,588,275.00
2024-2025	6,722,412	1,590,372	8,312,784

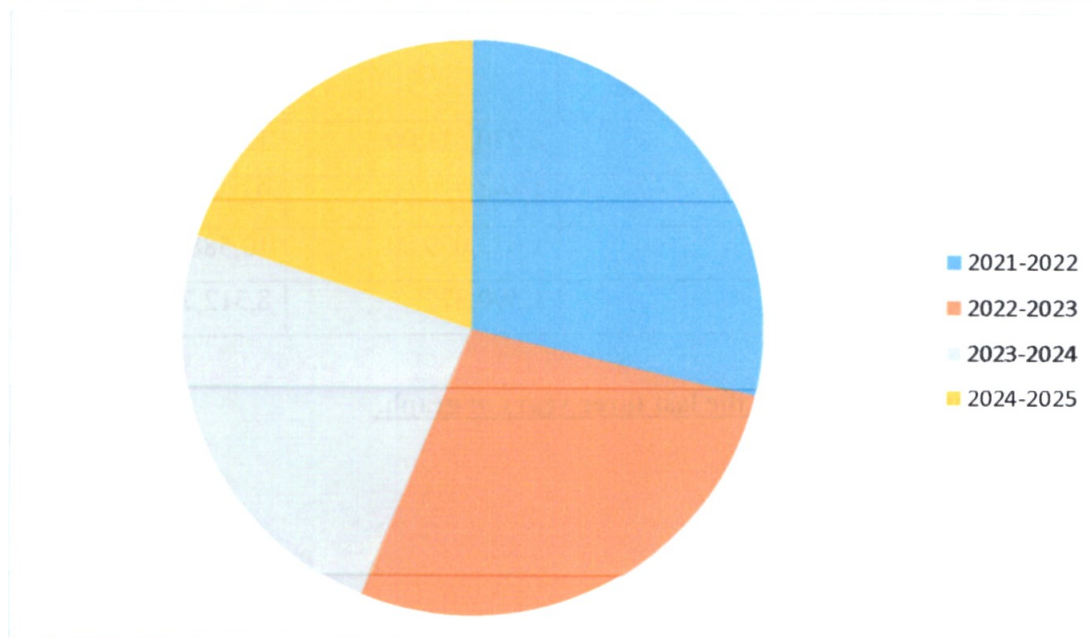
Capitation grants from the MOE for the last three years in graph.



{iv} A three year Overview of growth of Boarding account income earned by the school

Year	Amount {ksh}
2021-2022	36,446,533.00
2022-2023	34,946,271.00
2023-2024	30,521,107.00
2024-2025	25,148,503

A three year overview of growth of Boarding account income earned by the school in pie chart.

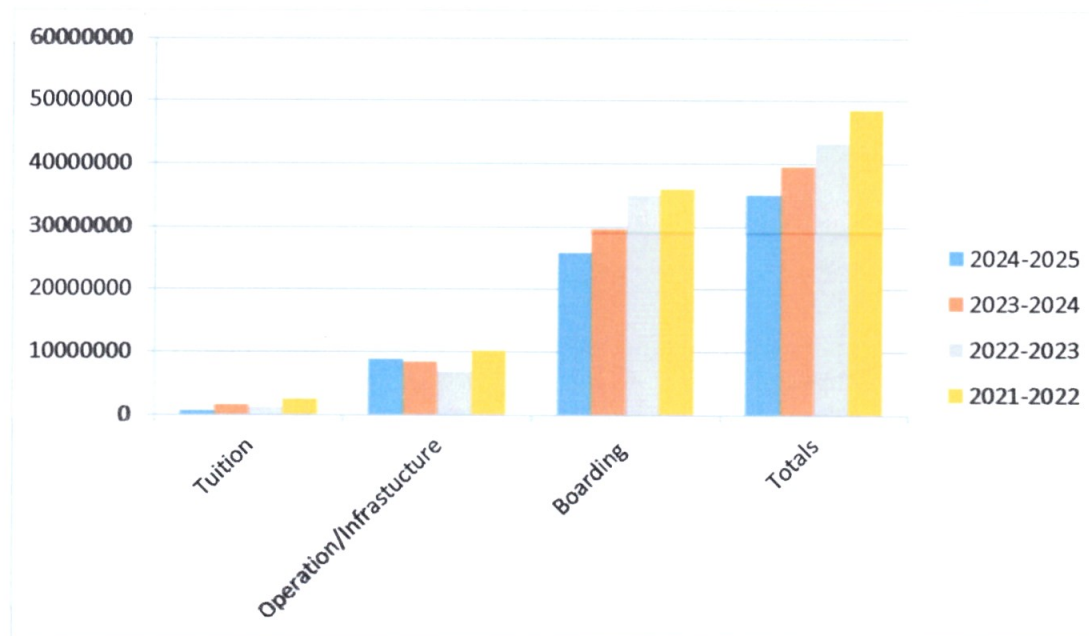


{v} A three years Overview of growth in Expenditure of the School.

Account	2024-2025	2020-2024	2022-2023	2021-2022
Tuition	693,947	1,519,936.00	1,296,090.00	2,494,035.00
Opcreation/infrastructure	8,733,268	8,359,546.00	6,825,445.00	10,094,945.00
Boarding	25,617,344	29,612,129.00	35,094,229.00	35,873,116.00
Totals	35,044,559	39,491,611.00	43,215,764.00	48,462,096.00

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

A three years overview of growth in expenditure of the school in bar graph.

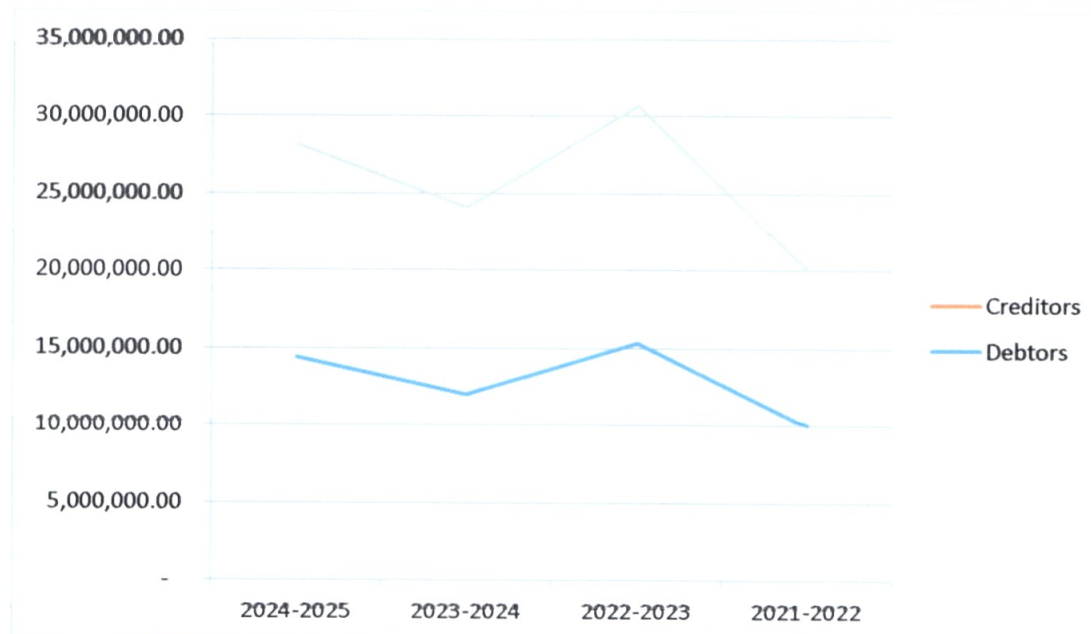


{vi} Movement of Debtors and Creditors of the School over the last three years.

Year	Debtors	Creditors
2021-2022	10,025,246.00	10,025,246.00
2022-2023	15,331,769.00	15,331,769.00
2023-2024	12,043,842.00	12,043,842.00
2024-2025	14,413,155	13,749,455

Kasikeu Boys High School
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Movement of Debtors and Creditors of the School over the last three years in line graph.



b) Teacher Student ratio:

Teachers employed by Bom	Teachers employed by TSC	Intern teachers	transferred	Totals teachers	Total students	Teachers student ratio	Shortage /allocation of resource
3	26	0	2	29	520	1:16 [465÷ 29]	3

c) The mean score in the 2021-2024 KCSE:

YEAR	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	NO. OF CAND.	MEAN	MEAN
2021	0	0	0	6	6	9	24	44	38	33	3	0	4	0	167	4.8221	C-
2022	0	0	0	3	9	7	35	31	18	6	0	0	0	0	109	5.5321	C
2023	0	1	2	6	9	24	25	40	39	17	2	0	0	0	165	5.37	C-
2024	0	0	0	6	6	24	35	36	38	25	6	0	1	0	177	5.108	C-

d) Number of Candidates in the 2021-2024 KCSE:

YEAR	NUMBER OF CANDIDATES
2021	167
2022	109
2023	165
2024	177

e) The capacity of the school:

No. Of students	Science laboratories	Computer laboratories	Classes	Toilets	Dining hall	Dormitories	Bathrooms
465	2	1	16	32	1	7	49

Amenities	Ratio per student
Science Laboratories	1: 232
Classes	1: 29
Toilets	1: 15
Dining Hall	1: 465
Dormitories	1: 66

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs) Budgeted	Amount Spent (Kshs)	Expected completion time
General Repairs, CCTV Installations & Laboratory Renovations	MOE / Parents	In Progress	4,122,000.00	2,950,117.00	2026/2027

Sign: 

Date: 16-4-2026

Name: Mr Peter Kimaili

School Principal.

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

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 Kasikeu Boys High 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.

Sign: 

Name: Mr. Shadrack Mutavi

Designation: Chairman, School Board of Management

Date: 16-4-2026

Sign: 

Name: Mr. Peter Kimaili

Designation: School Principal & Secretary to Board of Management

Date: 16-4-2026

Sign: 

Name: Mr Daniel Kiio

Designation: Bursar/ Finance Officer

Date: 16-4-2026

REPUBLIC OF KENYA

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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 KASIKEU BOYS' HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 - MAKUENI 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 Kasikeu Boys' High School set out on pages 1 to 18, which comprise of 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

Report of the Auditor-General on Kasikeu Boys' High School for the year ended 30 June, 2025-Makueni County

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 possible effect of the matters 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 Kasikeu Boys' 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 Basic Education Act 2013, the Public Finance Management Act, 2012, and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unexplained Variance in School Fund Incomes-Parents Contributions/Fees

The statement of financial performance reflects school fund income from parents' contributions totalling Kshs.21,125,673 as disclosed in Note 4 to the financial statements. However, based on a School enrollment of 465 learners, and collectable fees of Kshs.42,835 per student, the expected total collection total Kshs.19,918,275, resulting in an unexplained variance of 1,207,398.

In the circumstances, the accuracy and completeness of the school fund income-parents' contributions/fees amount of Kshs.21,125,673 could not be confirmed.

2. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.14,413,155 as disclosed in Note 13a to the financial statements. However, note 13b reflects ageing analysis of accounts receivable balance of Kshs.14,305,155 resulting in a variance of Kshs.108,800. Further, the balance includes receivables amounting to Kshs.10,551,195, which have been outstanding for over three (3) years. However, there was no policy in place for the impairment of long outstanding fees arrears, casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.14,413,155 could not be confirmed.

3. Unexplained Variance in Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.13,783,515 as disclosed in Note 14a to the financial statements. However, note 14b indicates ageing analysis of accounts payable balance of Kshs.10,599,927, resulting in an unexplained variance of Kshs.3,183,588. Further, the comparative accounts payable balance of Kshs.12,043,842 was at variance with the amount of Kshs.11,941,051 reflected in Annex 1, resulting in an unexplained variance of Kshs.102,791.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.13,783,515 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kasikeu Boys' 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipt budget and actual on comparable basis of Kshs.41,912,287 and Kshs.33,461,287, respectively, resulting in under-funding of Kshs.8,451,000 or 20% of the budget. However,, the School spent an amount of Kshs.35,044,559 out of actual receipts of Kshs.33,461,287, resulting in over-utilization of Kshs.1,583,272.

The under-funding affected the planned activities and may have impacted negatively on the 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 matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1. Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the financial year 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	Unsupported Accounts Receivables
2	Long Outstanding Receivables
3	Budgetary Control and Performance

No.	Audit Issue
4	Unresolved Prior Year Matters
5	Late Submission of Financial Statements for Audit
6	Irregular Transfer of Funds to the Kenya Secondary Schools Heads Association
7	Long Outstanding Payables
8	Lack of Ownership Documents

Other Information

Management is responsible for Other Information set out on pages III to XV, which comprise of Key School Information and Management, the Summary Report of Performance of the School and the Statement of School Management Responsibility. 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. Failure to Pay Long Outstanding Accounts Payables as a First Charge

The statement of assets and liabilities reflects accounts payable balance of Kshs.13,783,515 as disclosed in note 14 to the financial statements. Included in this balance is Kshs,8,080,369, which has been outstanding for more than two (2) years, and poses a risk of loss of public funds through litigation, interest and penalties. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015, which states that service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

2. Failure to Prepare School Improvement Plan

During the year/period 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 Ministry of Education guidelines.

3. Non-Deduction of Capacity Building Levy

The statement of financial performance reflects boarding and School fund amount of Kshs.25,617,344 as disclosed in Note 9 to the financial statements. The expenditure includes an amount of Kshs.9,331,629 in respect of procurement contracts signed with the School's suppliers. Review of payments for goods and services revealed that the mandatory public procurement capacity building levy of 0.03% was not deducted on the contract's payments, contrary to the Levy Order 2023 issued by the Public Procurement Regulatory Authority.

In the circumstances, Management was in breach of the Levy Order, 2023.

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,772,662 as disclosed in Note 2 to the financial statements received from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,949,750 in respect of infrastructure grants, which were to be transferred to the infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.1,865,000, was transferred while a balance of Kshs.84,750 had not been transferred as at 30 June, 2025. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021, which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

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. Lack of Asset Ownership Documents and Fixed Assets Register

Annex 2 on summary of the fixed asset register reflects total assets of Kshs.159,182,319, which includes land balance of Kshs.25,100,000. However, land ownership documents were not provided for audit. Further, Management did not prepare an updated fixed assets register and the assets were not tagged with unique identification numbers. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015, which stipulates that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, the existence of effective internal control measures for the management of assets could not be confirmed.

2. Deficiencies in School Governance

2.1 Lack of an Independent Internal Audit Committee

Review of the key School information and management revealed that the School had constituted seven Committees. However, appointment letters for the committee members were not provided for audit verification. Further, both the Audit Committee and the Finance, Procurement, and General Purposes Committee comprised only two Board members; one member and a sponsor who served as chairperson and member, respectively. The same individuals also served concurrently on the Executive Committee and the Development Committee.

2.2 Lack of Annual Workplan

During the year under review, the Board did not prepare an approved work plan clearly outlining its activities and priorities. The lack of a work plan indicates weaknesses in the Board's ability to operate effectively and efficiently, undermining its strategic leadership oversight role, and the fulfilment of its core responsibilities at the School.

2.3 Lack of an Approved Guideline on Remuneration of Members of the Board of Management

Review of the expenditure disclosed in the statement of financial performance revealed that the board expenses were not supported by an approval of the allowances payable to the members of the Board of Management. This was contrary to Section 63 of the Basic Education Act, 2013, which states that the Board members shall be paid such allowances as prescribed by regulations from the Cabinet Secretary based on the advice from the Salaries and Remuneration Commission.

2.4 Lack of Internal Audit Review

During the period under review, there was no evidence that the Internal Audit reviewed the School activities and the financial statements. This was contrary to Section 73(3)(b) of the Public Finance Management Act, 2012, which requires that the Internal Auditor shall conduct internal auditing which includes risk-based, value-for-money and systems audits aimed at strengthening internal control mechanisms that could have an impact on achievement of the strategic objectives of the entity.

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

3. Lack of School Instructional Materials Selection Committee

During the year under review, the Board did not appoint a School Instructional Materials Selection Committee (SIMSC) as required. As a result, key responsibilities such as compiling an inventory of existing textbooks, teachers' guides, and instructional materials, conducting annual needs assessments, convening and documenting SIMSC meetings and maintaining a SIMSC Minute Book, were not conducted. The absence of an active SIMSC may lead to inadequate instructional materials, lack of transparency in the selection process, and ineffective planning for teaching and learning resources.

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

4. Deficiencies in Management of Textbooks

4.1 Long Outstanding Books with the Students

Review of records and documents provided for audit revealed that the School received twelve thousand one hundred and nine (12,109) books, out of which 2,037 books were issued to students as at the close of the year. However, it was noted that 319 textbooks and 171 set books were held by former students who had exited the School and one hundred sixty-two (162) course books issued to Form Three and Form Four in prior years of study had not been returned.

In addition, the School received 1,872 set books, but only 1,790 were traceable, resulting in a deficit of 82 set books unaccounted for in the library. Although School management included a lost book demand list in the School bulletin when releasing students for holidays, the response rate for book replacement has been low, indicating that the current recovery strategy is ineffective.

4.2 Inadequate Safekeeping of Textbooks

Physical inspection conducted in March 2026 revealed that during the year under review, the School's textbook storage facilities were inadequate. As a result, textbooks were stored in unsafe conditions, such as on top of tables and on the floor, exposing them to potential termite infestation or water spillage during cleaning. Further, the School library, which is located on the second floor of the administration block, has a corridor with an open grill which allowed rainwater into the library, further increasing the risk of damage of School learning materials.

4.3 Textbooks Deficit at the School

Review of the information and records held at the School library revealed a shortfall in the student-to-textbook ratio below the recommended 1:1 as follows:

- i. A comparative analysis of the textbooks available and the School enrollment revealed forty (40) Form Four Chemistry textbooks against class enrolment of one hundred and forty-seven (147), resulting in a deficit of one hundred and seven (107) books or 73%;

- ii. As at the time of audit, the School had received only seven (7) subject textbooks out of the twenty (20) subjects for Grade Ten (10) at the School. Further, the School had received eight (8) or 42% of the required teachers' guides that were being used by nineteen (19) teachers, resulting in a deficit of twelve (12) copies or 63%; and,
- iii. Fourteen (14) subjects taught in grade ten (10) had no textbooks or teacher's guides.

In the circumstances, the existence of effective measures for the management of textbooks and other teaching materials could not be confirmed.

5. Lack of Risk Management Policy and Disaster Recovery Plan

During the year under review, the School had not put in place a Risk Management Policy, strategies, and a Risk Register to mitigate against risk. It was, therefore, not clear how the risk exposure was managed. This was in contravention of Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanisms, and the entity develops a system of risk management and internal control that builds robust business operations. Further, the School did not have a Disaster Recovery Plan/Business Continuity Plan and therefore, crucial information may not be recovered in the event of a disaster.

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

6. Inadequate Facilities and Safety Measures in the School

Physical verification of the School's assets and facilities in February 2026 revealed critical deficiencies that negatively affect learning, health, safety, and accessibility as follows:

- i. The library is inadequately equipped, lacking benches, chairs, bookshelves, and sufficient workspace for the librarian, which undermines effective book management. Further the dining hall has no tables or benches for students, while the kitchen is poorly ventilated, leading to heat and smoke buildup. The absence of a designated washing area and proper vegetable shelving compromises food hygiene.
- ii. Accessibility to classrooms, the library, and other facilities lacks ramps for persons with disabilities.
- iii. Wastewater and sewage are being discharged into neighbouring private farms, creating environmental and public health risks.

This was contrary to Regulations 64 (d), 82 and 83 (b, g and k) of the Basic Education Regulations, 2015 which states that every institution of basic education and training shall have a kitchen and dining room. Further, the regulations mandate the Board of Management of an institution to implement reasonable measures to ensure hygiene, cleanliness, and safety.

In the circumstances, the existence of effective mechanisms for the provision of adequate School facilities 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 (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 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

07 May, 2026

Kasikeu Boys High School**Annual Report and Financial Statements For the year ended 30th June 2025****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	1,590,372	1,673,029.00
Government grants for operations	2	4,772,662	6,266,546.00
Government Grants for infrastructure	3	1,949,750	2,648,700.00
School fund income- parents' contributions	4	21,125,673	29,684,987.00
Miscellaneous incomes	5	4,022,830	836,120.00
Total Revenue		33,461,287	41,109,382.00
Expenditure			
Tuition	6	693,947	1,519,936.00
Operations	7	5,783,151	7,254,846.00
Infrastructure	8	2,950,117	1,104,700.00
Boarding and school fund	9	25,617,344	29,612,129.00
Total Expenditure		35,044,559	39,491,611.00
Deficit /Surplus		(1,583,272)	1,617,771.00

The school financial statements were approved on 16-4-2026 and signed by:

Sign.....

Name: Mr. Shadrack Mutavi

Chair BOM

Date: 16-4-2026

Sign:

Name: Mr. Peter Kimaili
School Principal/ Secretary to
BOM

Date: 16-4-2026

Sign:

Name: Mr Daniel Kiio
Bursar/ Finance Officer

Date: 16-4-2026

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

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	2,481,576	3,725,832.00
Cash balances	11	5,626	26,959.00
Short term investments	12	-	-
Total cash and cash equivalent		<u>2,487,202</u>	<u>3,752,791.00</u>
Account's receivables	13	14,413,155	12,043,842.00
Total financial assets (a)		16,900,357	15,796,633.00
Financial liabilities			
Accounts payables	14	13,783,515	12,043,842.00
Total Financial Liabilities (b)		13,783,515	12,043,842.00
Net financial assets (a-b)		<u>3,116,842</u>	<u>3,752,791.00</u>
Represented by			
Accumulated fund b/fwd.	15	<u>4,700,114</u>	2,135,020.00
Surplus/deficit for the year		(1,583,272)	1,617,771.00
Net Assets		<u>3,116,842</u>	<u>3,752,791.00</u>

The school's financial statements were approved on 16-4-2026 and signed by:

Sign: 

Name: Mr. Shadrack
Mutavi

Chair BOM

Date: 16-4-2026

Sign: 

Name: Mr Peter Kimaili
School Principal/ Secretary to
BOM

Date: 16-4-2026

Sign: 

Name: Mr Daniel Kiio
Bursar/ Finance Officer

Date: 16-4-2026

Kasikeu Boys High School

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

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	1,590,372	1,673,029.00
Government grants for operations	2	4,772,662	6,266,546.00
Government grants for infrastructure		1,949,750	2,648,700.00
School fund income- parents contributions/ fees		21,263,676	29,684,987.00
Other income		1,380,593	836,120.00
Total receipts		30,957,053	41,109,382.00
Payments			
Cash outflows for tuition		2,072,269	1,519,936.00
Cash outflows for operations		5,342,551	7,254,846.00
Cash outflows Boarding/lunch and school fund payments		22,355,803	29,612,129.00
Cash outflows Infrastructure		-	1,104,700.00
Total payments		29,770,623	39,491,611.00
Net cash inflow/outflow from operating activities		1,186,430	1,617,771.00
Cash flow from investing activities			
Acquisition of assets-Infrastructure		(2,452,019)	-
Net cash inflow/outflows from investing activities		(2,452,019)	-
Cash flow from Financing activities			
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(1,265,589)	1,617,771.00
Cash and cash equivalent at beginning of the 2024-2025		3,752,791	2,135,020.00
Cash and cash equivalent at end of the 2024-2025		2,487,202	3,752,791.00

The school's financial statements were approved on 16-4-2026 and signed by:

Sign: 

Name: Mr Shadrack Mutavi

Chair BOM

Date: 16-4-2026

Sign: 

Name: Mr. Peter Kimaili
School Principal/ Secretary to
BOM

Date: 16-4-2026

Sign: 

Name: Mr Daniel Kiio

Bursar/ Finance Officer

Date: 16-4-2026

Kasikeu Boys High 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	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>					
Teaching / Learning Materials	2,327,236	-	2,327,236	1,590,372	68%
<i>(2) Capitation Grant on Operations</i>					
Medical and Insurance	1,020,000	-	1,020,000	586,000	57%
Other Vote heads {Adm. cost, E.W.C, P.E LTT}	5,661,588	-	5,661,588	3,800,617	67%
Activity	816,000	-	816,000	386,045	47%
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	2,177,600	-	2,177,600	1,949,750	90%
<i>(4) Fees Charged on Parents</i>					
Personnel Emoluments	2,907,000	-	2,907,000	1,806,461	62%
Repairs And Maintenance	1,020,000	-	1,020,000	1,298,598	127%
Local Transport / Travelling	892,500	-	892,500	655,617	73%
Electricity And Water	1,275,000	-	1,275,000	2,758,566	216%
P.A project	1,020,000	-	1,020,000	999,080	98%
Administration Costs	1,504,500	-	1,504,500	1,657,435	110%
Activity	127,500	-	127,500	127,199	100%
Fee On Boarding Equipment and Stores	17,033,050	-	17,033,050	11,822,717	69%

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustment s	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
5) Miscellaneous Income					
Rent income	108,000	-	108,000	108,000	-
Income From Bus Hire, grounds & Rent	488,500	-	488,500	380,593	78%
Damages Income	2,534,237	-	2,534,237	2,534,237	100%
Income from grants	1,000,000	-	1,000,000	1,000,000	100%
Total Income	41,912,287	-	41,912,287	33,461,287	80%
(6) Expenditure For Tuition					
Teaching / Learning Materials	2,327,236	-	2,327,236	692,078	30%
Bank Charges	1,869	-	1,869	1,869	100%
(7) Expenditure For Operations					
Medical and Insurance	1,020,000	-	1,020,000	-	0%
Other Vote heads{ Adm. Costs, E.W.C ,Ltt & P.E}	5,661,588	-	5,661,588	5,200,151	92%
Activity Expenses	816,600	-	816,600	583,000	71%
(8) Expenditure For infrastructure					
Laboratory Equipment's, Repair Materials, Electricity Change over	2,177,600	-	2,177,600	2,948,713	135%
Bank Charges	1,404	-	1,404	1,404	100%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	2,907,000	-	2,907,000	6,520,461	224%
Repairs, Maintenance and Improvements	1,020,000	-	1,020,000	888,491	87%
Local Transport / Travelling	1,440,500	-	1,440,500	1,945,600	135%

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	1,005,680	-	1,005,680	1,594,181	159%
Administration Costs	1,360,371	-	1,360,371	1,149,958	85%
Activity	962,500	-	962,500	1,649,052	171%
Fee Refund	3,735	-	3,735	3,735	100%
Boarding Equipment and Stores	16,251,999	-	16,251,999	9,331,629	57%
Expenditure For Income Generating Activity/ Damages	2,534,237	-	2,534,237	2,534,237	100%
Total Expenditure	39,492,319	-	39,492,319	35,044,559	88%

Comments;

- NB, Budgeted Income was less than 90% {86%} due to underfunding from the government because the school had projected 22244 per learner for the whole financial year.
- The budgeted Expenditure was also 88% because of failure of government to release funds to fully to implement the budget.

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 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 like 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 year 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,

Kasikeu Boys High School

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

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, imp rests 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.

Kasikeu Boys 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.

Kasikeu Boys High 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	Kshs
Teaching / Learning Materials	1,590,372	1,673,029.00
	-	-
Total	1,590,372	1,673,029.00

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Medical and Insurance	586,000	556,575.00
CBC Funds	-	788,040.00
Activity	386,045	542,392.00
Other Vote Heads (Adm. Cost, P.E , E.W.C & LTT)	3,800,617	4,379,539.00
Total	4,772,662	6,266,546.00

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	1,949,750	2,648,700.00
Total	1,949,750	2,648,700.00

Kasikeu Boys High 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	Kshs
Personnel emoluments	1,806,461	2,460,290.00
Repairs and maintenance	1,298,598	1,324,848.00
Local transport / travelling	655,617	818,291.00
Electricity and water	2,758,566	3,530,970.00
Administration costs	1,657,435	1,570,484.00
Activity	127,199	173,711.00
Fee on Boarding Equipment and stores	11,822,717	17,092,967.00
PA Levies	999,080	2,681,426.00
Others (Refund)	-	32,000.00
Total	21,125,673	29,684,987.00

Nb. 2,032,474 unpaid fees for current year was adjusted under note 4.

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Rent Income	108,000	54,500.00
Income From Bus Hire, ground ,Rent & tenders	380,593	781,620.00
Income From Grants and Donations* {Hon. Regina}	1,000,000	-
Other Income (damages 2024)	2,534,237	-
Total	4,022,830	836,120.00

Nb. Rental arrears Of 108,000 have been adjusted under note 5.

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Teaching / Learning Materials	692,078	1,518,280.00
Bank Charges	1,869	1,656.00
Total	693,947	1,519,936.00

Nb. Unpaid creditors of 441,678 have been adjusted under note 6.

Kasikeu Boys High School
Annual Report and Financial Statements For the year ended 30th June 2025

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Service Gratuity	-	245,000.00
Activity Expenses	583,000	201,200.00
CBC funds	-	769,194.00
Others (P.E, EWC, LTT & Adm. Costs)	5,200,151	6,039,452.00
Total	5,783,151	7,254,846.00

Nb. Unpaid Creditors of 591,045 have being adjusted under note 7.

8 Infrastructure

Description	2024-2025	2023- 2024
	Kshs	Kshs
Physic Laboratory damages, Repair materials, CCTV and Electricity Change over	2,948,713	-
Construction of two bio digester /adm. Block finishing	-	1,104,700.00
Others (Bank charges)	1,404	-
Total	2,950,117	1,104,700.00

Nb. Unpaid creditors of Ksh.498, 098 have being adjusted under note 8.

9 Boarding and School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	6,520,461	2,894,890.00
Service Gratuity	-	201,200.00
Repairs And Maintenance & Improvements	888,491	854,190.00
Local Transport / Travelling	1,945,600	1,249,773.00
Electricity And Water	1,594,181	2,980,835.00
Activity Expenses	1,649,052	1,572,054.00
Administration Costs	1,149,958	2,058,197.00
Expenses On Income Generating Activities & Damages 2024	2,534,237	530,109.00
Fee On Boarding Equipment and Stores	9,331,629	17,252,881.00
Fee Refund	3,735	18,000.00
Total	25,617,344	29,612,129.00

Nb. Unpaid creditors of 4,117,218 have being adjusted under note 9.

Kasikeu Boys 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	1314876856	59,496	541,393.00
Operations Account	Active	1107171768	519,370	1,774,534.00
School Fund Account/Boarding	Active	1108308716	550,139	1,241,415.00
Infrastructural Account	Active	1262712386	1,352,571	168,490.00
Total			2,481,576	3,725,832.00

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	5,626	26,959.00
Total	5,626	26,959.00

12. Short Term Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Cooperative Shares	-	-

There were no short term investments during the year.

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13 a. Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	14,305,155	12,043,842.00
Other Non-Fees Receivables		
Rent arrears	108,000	-
Total	14,413,155	12,043,842.00

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current 2024-2025	% of the total	Comparative 2023-2024	% of the total
Less than 1 year	2,032,474	14%	4,081,952.00	34%
Between 1- 2 years	859,503	6%	1,737,502.00	14%
Between 2-3 years	861,983	6%	333,061.00	3%
Over 3 years	10,551,195	72%	5,891,327.00	49%
Total	14,305,155	100%	12,043,842.00	100%

14 a. Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	10,599,927	12,043,842.00
Prepaid Fees	34,060	-
Unpaid salaries and statutory deductions	404,918	-
Other payables (Gratuity)	2,744,610	-
Total	13,783,515	12,043,842.00

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Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current 2024-2025	% of the total	Comparative 2023-2024	% of the total
Less than 1 year	2,519,558	24%	-	-
Between 1- 2 years	-	-	2,803,284.00	23%
Between 2-3 years	8,080,369	76%	9,240,558.00	77%
Over 3 years	-	-	-	-
Total (should tie to note 14)	10,599,927	100%	12,043,842.00	100%

15 [a] .Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs.	Kshs
Bank Balances	3,725,832	2,134,986.00
Cash Balances	26,959	34.00
Short Term Investments	-	-
Receivables	12,043,842	15,331,769.00
Payables	(12,043,842)	(15,331,769.00)
Total	3,752,791	2,135,020.00

15 b. Prior Year Adjustments 2024-2025.

Fund Balance Brought Forward	3,752,791
Add: personnel Emoluments	947,323
	4,700,114

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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 Non-current Liabilities Summary

There were no non-current liabilities during the year.

17 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle	7	350,000	300,000.00
Trees	350	1,750,000	1,750,000.00
Total	367	2,100,000	2,050,000.00

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	700,000	-
Repayments during the year	700,000	-
Balance at the end of the year	-	-

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Other important disclosure notes

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	168,650	378,604.00
Lab consumables	313,134	118,100.00
Others (Stationaries)	585,515	-
	1,067,299	496,704.00

20 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 / Observation s from Auditor	Management comments	Status:	Timeframe :
1	Unsupported accounts receivables	Supported current year accounts receivable.	Resolved	Immediately
2	Transfer of funds to Kenya secondary schools Heads Association.	KSSHA is a heads association which sponsors some co-curriculum activities and organizes heads workshops and conferences which are handled by TSC and MOE officials to discuss education matters.	Not resolved	continues
3	Failure to transfer funds from operation account to infrastructure account	We shall act as per ministry of education directive even though the funding is not enough.	Not resolved	Continues
4	Long Outstanding Payables	Although the school is underfunded by the ministry of education, the	Not Resolved	Continues

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Ref No.	Issue / Observation s from Auditor	Management comments	Status:	Timeframe :
		management managed to pay a total of ksh.3, 227,927 in the financial year ending 2023-2024 thus reducing the school payables from 15,331,769 to ksh.12, 103,842. The management is in process of paying the remaining amounts.		
5	Late submission of Financial statements for Audit.	The management have noted and it will comply with the requirements of section 47 {1} of the public Audit Act, 2015 as from 2024-2025 financial year.	Resolved	immediately

Sign-----

Date: 16-4-2026

Mr Peter Kimaili

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 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Two Rivers Hardware		1.7.2024		149,490	-	Supply of hardware materials
2.						
3.						
Sub-totals				149,490		
Supply of Goods						
4. All Shopping Complex	5,849,100.00	1.7.2022	2,400,000.00	3,449,100	3,849,100.00	In process of paying
5. Richindetos Enterprises	1,558,800.00	1.7.2024	1,076,500.00	482,300	242,300.00	Firewood and beans Supplier
6. Dpl Festive	986,135.00	1.7.2022	900,000.00	86,135	386,135.00	Bread supplier 2022-2023
7. Danstar Enterprises	1,228,550.00	1.7.2022	100,000.00	1,028,550	1,128,550.00	In process of paying.
8. David NthukuKavai	695,050.00	1.7.2023	500,000.00	195,050	112,000.00	Meat supplier
9. Knats SHG		1.7.2024		56,500	50,500.00	Detergent Supplier
10. Logik Supplies	1,747,103.00	1.7.2023	90,184.00	1,622,859	1,747,103.00	Lab. Chemical supplier.

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11. Jerex Sport	246,900.00	1.7.2023	22,770.00	224,130	246,900.00	Games materials supplies
12. StekahEnterpries	1,772,925.00	1.7.2022	245,670.00	1,403,165	1,772,925.00	Uniform supply 2022-2023
13. New Visionary SHG	803,160.00	1.7.2022	564,550.00	238,610	238,610.00	Uniform supply 2022-2023.
14. Comnetie Agencies	387,200.00	1.7.2022	119,400.00	283,300	267,800.00	Computer Accessories.
15. Boolean Bookshop & Computer services	528,170.00	1.7.2022	300,000.00	228,170.	328,170.00	Stationaries supplies
16. Margaret Kavuo Sammy		1.7.2024		64,080		Vegetables supplies
17. Kenafric Bakery Ltd		1.7.2023		100,140	191,148.00	Bread supplies 2023-2024
18. East Kenya Supplies & Spares	1,041,210.00	1.7.2023	399,730.00	635,511	1,041,210.00	Stationary supplier
Sub-Total				10,097,600		
Supply Of Services						
19. Hilvic General limited {boiler repairs}	136,000.00	1.7.2022	62,000.00	74,000	56,000.00	Kitchen Repairs
20. White copy Enterprises		1.7.2024		50,000	-	Copycat machine Serving
21. Southern Sun Millers{ milling services}	442,800.00	1.7.2023	253,000.00	189,800	282,600.00	Milling services
22. Robfran Construction Ltd		1.8.2024		39,037	-	Mirrors repair
Sub-Total				352,837		
Grand Total				10,599,927		

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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	25,100,000	-	-	25,100,000
Buildings And Structures	105,000,000	-	-	105,000,000
Motor Vehicles	1,920,300	-	-	1,920,300
Office Equipment, Furniture and Fittings	1,700,000	2,452,019	-	4,152,019
Textbooks	3,350,000	-	-	3,350,000
ICT Equipment	1,760,000	-	-	1,760,000
Tools And Apparatus	17,700,000	-	-	17,700,000
Other Machinery and Equipment	200,000	-	-	200,000
Heritage And Cultural Assets	-	-	-	-
Intangible Assets- Soft Ware	-	-	-	-
Total	156,730,300	2,452,019	-	159,182,319