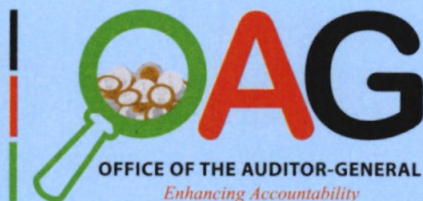


REPUBLIC OF KENYA



REPORT

DATE: 24 JUN 2026

DAY.
Wednesday

**TABLED
BY:**

Hon. Owen Baya (Deputy Majority
Party Leader)

**CLERK-AT
THE-TABLE:**

Anastacia

THE AUDITOR-GENERAL

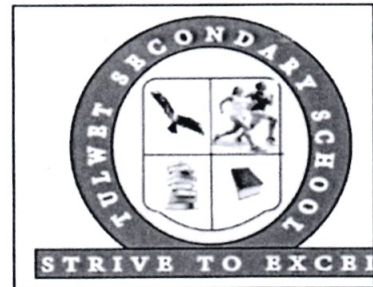
ON

PARLIAMENT
OF KENYA
LIBRARY

TULWET SECONDARY SCHOOL

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

NAKURU COUNTY



TULWET SECONDARY 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)

Table of Contents

Page

1. Acronyms and Definition of Key Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility	xi
5. Report Of The Independent Auditors (<i>To be attached</i>)	xii
6. Statement Of Financial Performance for the Year Ended 30 th June 2025	1
7. Statement of Assets and Liabilities As At 30 th June 2025	2
8. Statement of Cash Flows for the Year Ended 30 th June 2025	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2025	5
10. Significant Accounting Policies	10
11. Notes To the Financial Statements	12
12. Annexes	22

1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management

(a) Background information

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

The school was registered in 05/12 under registration number PU/S/2/9643/13 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 238 number of students as at 30th June 2025. It has one stream and ten teachers of which four 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	Mr. Methuselah C. Langat Rono	Chairman	3rd July 2025
2	Dr. Richard Kipnetich Langat	Secretary - Principal	3rd July 2025
3	Mr. Benard Kiplangat Soi	PA ChairPerson	3rd July 2025
4	Mrs. Sarah Chepkirui Chepsit	Member	3rd July 2025
5	Mrs. Alice Chebet Sigei	Member	3rd July 2025
6	Mrs. Daisy Korir	Member	3rd July 2025
7	Ms. Mercy Chepnetich	Member	3rd July 2025
8	Ms Christine Chepkurui Rotich	Member	3rd July 2025
9	Wesley Kenduiywo Mr.	Member – Rep CEB	3rd July 2025
10	Mr. Kibiegion Towet	Member Rep Teachers	3rd July 2025
11	Philip Kipkorir Mutai	Members - Sponsor	3rd July 2025
12	Mr. Geoffrey Kipnetich Rotich	Members - Sponsor	3rd July 2025
13	Ms Ann Chepngeno Ruto	Members - Sponsor	3rd July 2025
14	Mr. Kenneth Kipsigei Rono	Member - Community	3rd July 2025
15	Ms. Faith Chebet Terer	Member - Community	3rd July 2025
16	Mr. Korir Kipyegon Haron	Member - Community	3rd July 2025
17	Mr. Joseph Kibet Mutai	Member Special Needs	3rd July 2025
18	Student's Chair	Rep Students	3rd July 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	Executive Committee	Mr. Methuselah C. Langat Rono Mr. Benard Kiplangat Soi Dr. Richard Kipngetich Langat Mr. Geoffrey Kipngetich Rotich Ms Daisy Korir	Chairman. v. Chairman. Secretary Member Member	0 out of 4
2	Audit Committee	Mr. Philip Kipkorir Mr. Geoffrey Rotich Ms. Mercy Chepngetich Mr. Samuel Mwangi	Chairman. v. Chairman. Secretary Member	0 out of 4
3	Finance, procurement and general purposes Committee	Mr. Benard Kiplangat Ms. Mercy Chepngetich Mr. Joseph Kibet Dr. Richard Kipngetich Langat	Chairman. v. Chairman. Secretary Member	0 out of 4
4	Academic Committee	Mr. Kenneth Kipsigei Rono Mrs. Alice Chebet Sigei Ms. Mercy Chepngetich Ann Chepngeno Ruto	Chairman. v. Chairman. Secretary Member	0 out of 4
5	Development Committee	Mr. Geoffrey Rotich Mrs. Sarah Chepkirui Chepsit Mr. Methuselah C. Langat Rono Ms Christine Chepkurui Koech Dr. Richard Kipngetich Langat	Chairman. v. Chairman. Secretary Member Member	0 out of 4
6	Discipline and welfare Committee	Mrs Alice Sigei Mr. Kibiegon Towet Mr. Korir Kipyegon Haron Dr. Richard Kipngetich Langat	Chairman. v. Chairman. Secretary Member	0 out of 4
7	Adhoc Committee (if any during the year)			

(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	Dr. Richard Kipngetich Langat	TSC No. 349994
2	Deputy Principal	No a Substantive deputy	TSC No.
3	School Bursar	Alice Chemutai	ICPAK No. n/a
4	Other (specify)		

(e) Schools contacts

Post Office Box: 59 – 20131 Keringet
Telephone: 0723977859
E-mail: tulwets@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: Imarisha Sacco
 Branch: Keringet
 Account Number: 5040189005

2. Name of Bank: National Bank
 Branch: Molo
 Account Number: 7700413479

3. Name of Bank: National Bank
 Branch: Molo
 Account Number: 7700413460

4. Name of Bank: National Bank
 Branch: Molo
 Account Number: 7700183147

5. Name of Bank: Equity Bank
 Branch: Molo
 Account Number: 0230163314568

(g) Independent Auditors

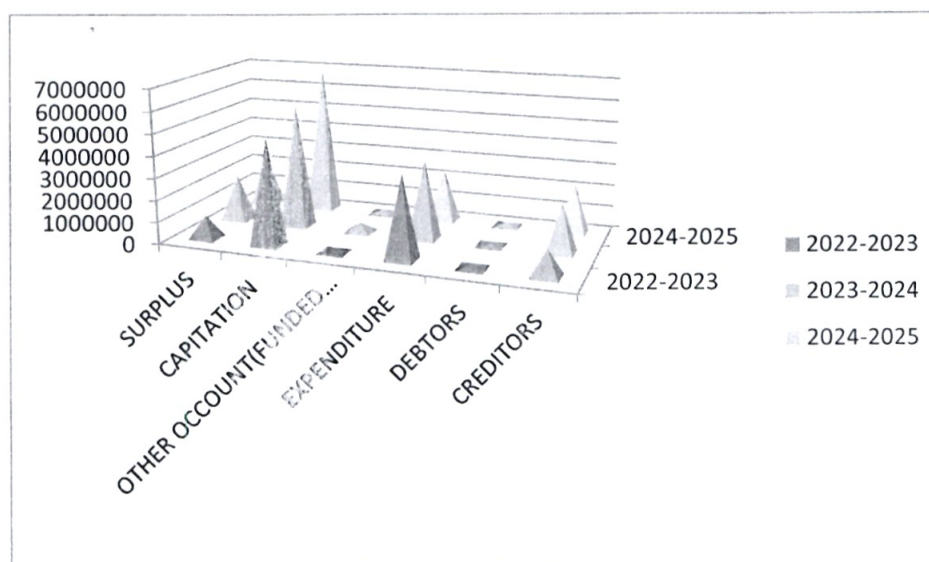
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

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	CAPITATION	OTHER OCCOUNT(FUNDED ACCOUNT)	EXPENDITURE	DEBTORS	CREDITORS
2022-2023	1073830	4867580	94812.45	3793750	184035	1204225
2023-2024	2141819	5745527	433325.6	3603708	107420	2249239
2024-2025	2398750	6920222	220886.6	2398750	198875	2340694



b) Teacher Student ratio:

	Teacher student ratio	Teachers employed	Teachers posted	Teachers transferred	Teachers retired	Teachers employed by the BOM
	1:38	0	1	1	0	4

Subject	No. of teachers	Short fall
English	0	1
Kiswahili	1	0
Maths	3	0
Biology	0	1
Physics	0	1
Chemistry	1	0
History	1	0
Geography	0	1
CRE	2	0
Agriculture	0	1
Business Studies	1	0

c) The mean score in the 2025 KCSE:

	GRD	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	Z	ALL	MS	MG
2021	0	0	0	0	0	1	0	1	0	1	5	19	7	0	34	2.29	D-
2022	0	0	0	0	0	0	2	2	0	5	8	21	14	0	52	2.42	D-
2023	0	0	0	0	0	0	0	0	1	2	7	15	16	0	41	1.95	D-
2024	0	0	0	0	0	0	0	1	2	3	3	16	12	0	37	2.19	D-

- Three students for the last four years have transited to the state university.
- The others have joined the TVET colleges.
- The mean score improved in the year 2022 but dropped in the year 2023 and improved in the year 2024 but the school management and the stake holders has put clear interventions to arrest the situation.

d) Number of Candidates in the 2025 KCSE:

KCSE YEAR	2021	2022	2023	2024
NUMBER OF STUDENTS	34	52	41	37

e) The capacity of the school:

	STUDENTS	TOILETS (DOORS)	RATIO	LARATORY
BOYS	108	6	1:18	1
GIRLS	130	4	1:33	
TOTAL	238	10		

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Exam Photocopying Machine	MOE	Done	205,000	205,000	Done
Public Address System	MOE	Done	200,000	200,000	Done
Laptop & Projector	MOE	Done	150,000	150,000	Done
Installation of 10 CCTV cameras & TV Screen & Connectivity	MOE	Done	360,000	360,000	Done
Exam Photocopying Machine	MOE	Done	205,000	205,000	Done
Public Address System	MOE	Done	200,000	200,000	Done

Dr Richard K Langat *KRL*
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 Tulwet Secondary School accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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



.....
Name: METHUSELAH C. LANGAT ROND

Designation: Chairman, School Board of Management

Date: 17/03/2026



.....
Name: Dr Richard K Langat

Designation: School Principal & Secretary to Board of Management

Date: 17/03/2026



.....
Name: CHEMUTHI ALICE

Designation: Bursar/ Finance Officer

Date: 17/03/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON TULWET SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 - NAKURU 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 Tulwet Secondary School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at 30 June, 2025, and the statement of financial performance, statement

Report of the Auditor-General on Tulwet Secondary School for the year ended 30 June, 2025 - Nakuru County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Tulwet Secondary School as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies of the Financial Statements

Review of the financial statements revealed the following misstatements;

i. Variances in Opening Balances

Variances were noted between the current and prior year financial statements as detailed below;

Item	Opening balance as per 2024/2025 financial statements (Kshs)	Amount as per 2023/2024 financial statements (Kshs)	Variance (Kshs)
Statement of Cash flows			
Acquisition of Assets	391,520	-	391,520
Cash and cash equivalents at end of the financial year 2023/2024	2,141,819	1,172,731	969,088
Note 6 -Tuition Expenses			
Textbooks	193,401	54,550	138,851
Reference Materials	45,600	93,640	(48,040)
Laboratory Equipment	54,550	193,401	(138,851)
Teaching/ Learning materials	93,640	45,600	48,040
Note 7 Operations Expenses			
Personnel emoluments	-	200,000	(200,000)

Local transport/Travelling	200,000	129,500	70,500
Activity Expenses	129,500	-	129,500
Note 9- Boarding and school fund expenses			
Personnel emoluments	690,350	443,640	246,710
Service Gratuity	443,640	-	443,640
Annex 1- Analysis of pending accounts payable (Total)	198,875	107,420	91,455
Annex 2- Summary of fixed assets register (total)	0	27,243,800	(27,243,800)

ii. Casting Errors

Variances were found between the financial statements and recomputed amounts as detailed below;

Item	Financial statements amount (Kshs)	Recomputed amount (Kshs)	Variance (Kshs)
Statement of assets and liabilities			
Total financial liabilities 2023/2024	4,283,637	107,420	4,176,217
Total financial liabilities 2024/2025	4,540,568	198,875	4,341,693
Net financial assets 2024/2025	198,875	4,540,572	(4,341,697)
Net financial assets 2023/2024	107,420	4,283,637	(4,176,217)
Statement of cash flows			
Net cash inflow/outflow from financing activities 2024/2025	2,398,750	Nil	2,398,750
Net cash inflow/outflow from financing activities 2023/2024	2,141,819	Nil	2,141,819
Net increase in cash and cash equivalents 2024/2025	Nil	2,398,750	(2,398,750)

Net increase in cash and cash equivalents 2023/2024	Nil	2,141,819	(2,141,819)
---	-----	-----------	-------------

iii. Unsupported Adjustments in the Financial Statements

Management amended the financial statements which affected various amounts and balances as shown in the table below. However, the adjusting journals supporting the adjustments were not provided for audit review;

Item	Submitted Financial Statements Amount (Kshs.)	Amended Financial Statements Amount (Kshs.)	Unsupported Adjustment (Kshs.)
School fund income-parents' contributions	1,376,580	1,313,050	63,530
Boarding and school fund payments	1,147,163	1,092,163	55,000
Account Payables	10,000	198,875	188,875
Account Receivables	2,407,280	2,340,694	66,586
Summary of fixed assets register balance as at 30 June, 2025	27,243,800	667,129	26,576,671

- iv. The statement of financial performance reflects school fund income-parents' contributions amount of Kshs.1,313,050 while the respective Note 4 to the financial statements reflects Kshs.1,376,580, resulting in unexplained variance of Kshs.63,530. Further, school fund income-parents' contributions amount of Kshs.1,313,050 includes lunch program amount of Kshs.869,724 against total expected amount of Kshs.2,873,820 (211 average students per term x 4,540 per term) resulting in unexplained variance of Kshs.2,004,096. The expected amount was computed by multiplying the fees charged per student per term, as per the fee structure, by the student enrollment per term as per the school's register;
- v. The statement of assets and liabilities reflects accounts receivables, accounts payables and accumulated fund brought forward respective Notes as Note 13, 14 and 15 while the actual Notes are Notes 12,13 and 14 respectively;
- vi. The statement of budgeted versus actual amounts includes bank balances brought forward of Kshs.261,741, Kshs.1,036,472, Kshs.400,280 and Kshs.443,326 for capitation grants on tuition, operations, infrastructure and fees charged on parents respectively, as current year budget amounts, overstating receipts budget for the year under review;

- vii. The statement of budgeted versus actual amounts presents same amounts in respect of final budget and actual on comparable basis amounts. In addition, the actual on comparable basis amounts are inconsistent with the statement of cash flows. Hence the amounts in the statement of budgeted versus actual amounts could not be confirmed;
- viii. The statement of budgeted versus actual amounts shows total receipts and expenditure budget of Kshs.6,920,222 and Kshs.4,521,472 against budget amounts of Kshs.7,516,080 and Kshs.4,894,060 resulting in unexplained variances of Kshs.(595,858) and Kshs.(372,588) respectively, between the budget figures reported and the budget provided for audit review; and
- ix. Annex 2 of the financial statements reflects summary of fixed assets register balance of Kshs.667,129. The annex however, does not reflect any historical balance brought forward as at 1 July, 2025. Further, the statement does not reflect any additions during the year, whereas the statement of cash flows reflects Kshs.560,900 in respect of acquisition of assets. In addition, the summary of fixed assets register reflects disposals totaling Kshs.26,013,000 which was not supported by the disposal report and disposal approvals

In the circumstances, the accuracy, completeness, presentation and disclosure of the financial statements could not be confirmed.

2. Misstatement of Revenue Amounts/ Variances with Ledger Balances

The statement of financial performance reflects Kshs.6,920,222 in respect to total revenue. Included in the amount are bank account balances brought forward totalling Kshs.2,141,819, overstating the total incomes.

Further, the statement of financial performance reflects government grants for infrastructure amount of Kshs.1,200,280. Included in the amount was Kshs.800,000 which were transfers from the operations accounts to the infrastructure account, and are not actual receipts.

In the circumstances, the accuracy and completeness of the total revenue amount of Kshs.6,920,222 could not be confirmed.

3. Unsupported Expenditure on Tuition and Operations

The statement of financial performance reflects total expenditure amount of Kshs.4,521,472 which includes expenditure on tuition and operations of Kshs.412,929 and Kshs.2,455,480 as disclosed in Notes 6 and 7 to the financial statements respectively. However, examination of payment vouchers revealed payments amounting to Kshs.1,004,799 which were paid without proper supporting documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, and receipts of payments.

In the circumstances, the regularity, accuracy and completeness of payments totalling Kshs.1,004,799 could not be confirmed.

4. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.2,398,750 as disclosed in Note 10 to the financial statements. Included in the balance are tuition, operations, school fund and infrastructure bank accounts with account balances of Kshs.444,676, Kshs.1,093,807, Kshs.220,887, and Kshs.639,380 respectively. However, these balances were not supported by board of survey report and bank reconciliation statements. Further, Nil balances are reflected for three (3) bank accounts. However, the accounts status could not be confirmed as bank statements, bank correspondences and bank certificates were not provided for audit review.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.2,398,750 could not be confirmed.

5. Unsupported Accounts Payable Balance

The statement of assets and liabilities reflects accounts payable balance of Kshs.198,875 as disclosed in Note 13 to the financial statements. However, local purchase orders, invoices, delivery notes, counter receipt vouchers and inspection and acceptance reports were not provided for audit review.

In the circumstances, the accuracy, existence and completeness of the accounts payable balance of Kshs.198,875 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Significant Exemptions in the PSASB Reporting Templates

The financial statements have been prepared using the FY 2024/25 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.

Other Information

The Management is responsible for the Other Information set out on pages ii to x which comprise of Key School Information and Management, 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. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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. Late Transfer/ Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects operations grants amount of Kshs.3,549,287 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.2,512,815 from the Ministry of Education credited in the operations bank account, out of which funds totaling Kshs.730,000 in respect of infrastructure grants were to be transferred to the infrastructure bank account for maintenance and improvement of the school's facilities. However, review of bank statements revealed that the School transferred funds cumulatively with brought forward prior year funds fifty-five (55) days after receipt of 30 January, 2025 capitation, partial transfer of 17 March, 2025 capitations and failure to transfer funds received on 21 May, 2025. Further, the infrastructure account had a balance of Kshs.639,380 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 fifteen (15) days upon receipt of the funds in the operations account.

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

2. Unapproved Fees on Personnel Emoluments- Parents' Contribution

The statement of financial performance reflects boarding and school fund income-parents' contribution amount of Kshs.1,313,050 while Note 4 to the financial statements reflects Kshs.1,376,580, which includes lunch program amount of Kshs.869,724. However, examination of the School records revealed that the School charged an amount of Kshs.1,540 per student per term as personnel emoluments, which was not approved by the cabinet secretary, Ministry of Education. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that a parent will only pay for school uniforms, boarding related costs as reflected in the boarding fee structure and lunch for the day scholars.

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

3. Failure to Post Bursary Allocations to Students' Fee Ledger

The statement of assets and liabilities reflects accounts receivable balance of Kshs.2,340,693 in respect to fees arrears as disclosed in Note 12 to the financial statements. However, review of bursary disbursement schedules revealed that various students enrolled in the School were beneficiaries of bursary allocations from the County Government of Nakuru, Kuresoi South constituency NG-CDF and other private entities. Although physical receipts were issued indicating the bursary amount received in favour of the beneficiary students, it was not possible to identify the disbursing entities as the receipts lacked precise narration. In addition, it was not possible to trace the bursaries allocated to the students' fee ledger as amounts receipted lacked a narration of whether they were in respect of bursary or other school fund income.

In the circumstances, it was not possible to confirm whether the amounts were offset against the beneficiary students' fees.

4. Lack of a Procurement Plan

The statement of financial performance reflects amounts of Kshs.6,920,222 and Kshs.4,521,472 in respect of total revenue and expenditure respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

5. Unstructured Procurement Processes

Review of the procurement records during the year revealed the following anomalies:

- i. Procurement proceedings were commenced without evidence of confirmation that funds were available to meet the obligations of the resulting contracts.
- ii. There was no documented needs assessment to justify the procurement requirements.
- iii. The school did not maintain or update a list of registered suppliers, contractors and consultants according to its procurement needs.
- iv. The School exclusively applied direct procurement without documented justification demonstrating that the circumstances prescribed under the Act were met.

In the circumstances, the School procurement process may be subjected to lack of competitive procurement, inflated prices, irregular expenditure, and possible loss of public funds.

6. Non-Compliance with Law on Affirmative Action

i. Failure to Observe Ethnicity Balance

During the year under review, employee records provided for audit review showed that all seven (7) employees employed by the board were from the same ethnic community, contrary to section 7 of the National Cohesion and Integration Act 2008 which states that no public establishment shall have more than one third of its staff from the same ethnic community.

ii. Failure to Observe Persons with Disability Thresholds

During the year under review, the human resource records provided for audit, revealed that the entity had seven (7) staff employed by the board out of which none were persons with disabilities which is contrary to the Persons with Disability Act 2003 which states that at least five (5) percent of all appointments shall be to persons with disabilities.

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

7. 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 law.

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

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

- i. Annex 2 of the financial statements reflects summary of fixed assets register balance of Kshs.667,129. The annex however, does not reflect any historical balance brought forward as at 1 July, 2025, no additions during the year although the statement of cash flows reflects Kshs.560,900 in respect of acquisition of assets, but reflects disposals totaling Kshs.26,013,000. In the circumstances, the accuracy of fixed assets balance reflected as at 30 June, 2025 could not be confirmed;
- ii. The financial statements amounts are not rounded off to the nearest shilling;
- iii. Further, the statement of assets and liabilities reflects accounts receivables, accounts payables and accumulated fund brought forward respective Notes as Note 13, 14 and 15 while the actual Notes show Notes 12,13 and 14 respectively.

In the circumstances, the financial statements as prepared and presented are not in compliance with Transitional IPSAS Reporting framework.

9. Irregular Transfer of funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement financial performance reflects payments for operations amount of Kshs.2,455,480 and as disclosed in Note 7 to the Financial Statements. Included in the expenditure is an amount of Kshs.223,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.223,500 could not be confirmed.

10. Unbalanced Budget

The statement of budgeted versus actual amounts reflects final receipts budget of Kshs.6,920,223. However, the statement reflects expenditure budgeted amount of Kshs.4,521,472, resulting to unbalanced budget contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which requires budget of a national government entity to be balanced.

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

11. Failure to Settle Accounts Payable as First Charge in the Year

The statement of assets and liabilities reflects accounts payables of Kshs.198,875 as disclosed in Note 13 to the financial statements. The outstanding accounts payable balance of Kshs.198,875 was not settled during the year they occurred. The Management did not provide explanations for non-payment of the accounts payable. Failure to settle payables during the year to which they relate adversely affects the budgetary provisions for the subsequent year as they form a first charge. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

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

12. Irregular Remittance of Employee Statutory Deduction

Review of the School payroll records revealed that the employees' statutory deductions were not being deducted from the employees' gross salaries. Instead, the employer fully funded the statutory obligations of Kshs.71,280 with respect to NSSF and SHA deduction for the year contrary to Section 11(1) of the National Social Security Fund Act, 2013 and Section19(1) of the Employment Act, 2007.

In the circumstances, Management was in breach of law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of matter 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 Internal Audit Function and Functional Audit Committee

During the year under review, the School did not constitute an internal audit unit and an audit committee as required by section 73 Subsection (1) (a), and subsection 5 of the Public Finance Management Act 2012 which state that "every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board"

and that “every national government public entity shall establish an audit committee whose composition and functions shall be as prescribed by the regulations”.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register with a balance of Kshs.667,129. However, this balance does not include the cost of the school's parcels of land. Further, the School does not have land ownership documents in form of title deeds.

In addition, Management did not prepare an updated fixed assets register to support the reported balance, and the assets at the school were not tagged for identification as control.

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

3. Ineffective Governance by the Board of Management

Review of the Board of Management files provided for review revealed the following inefficiencies in governance and oversight of the school;

- i. Board of Management only met once (1) during the financial year under review, contravening part 6 (1) of the fourth schedule of the Basic Education Act, 2013 on the frequency of meetings of Board of Management which outlines that a Board of Management shall meet at least once every four months.
- ii. There was no evidence of meetings held by the six (6) committees of the board in the year under review although the financial statements indicated that various meetings had been conducted.
- iii. The individual qualifications of the Board of Management members could not be ascertained, as their personal files did not contain copies of academic certificates or other relevant credentials. Further, the identities of the Board Members could not be verified since copies of their National Identification Cards or passports were not included in the respective files.

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

4. Inadequate Controls in the Management of School Text Books

Review of the School's text book management controls revealed that there was no register of books within the School indicating the title of book, date acquired and the serial numbers. The records were not standardized, up to date and did not indicate the dates when the books were issued to students and/or returned. Further, physical verification conducted on 3 March, 2026 revealed that textbooks were stored in cartons in the store and were not systematically arranged.

In the circumstances, the School's text book management system could be weak.

5. Long Outstanding Receivable Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.2,340,693 in respect to fees arrears as disclosed in Note 12 to the financial statements. Included in the balance are accounts receivable balances totaling Kshs.2,308,143 representing approximately ninety-eight percent (98%) of the total receivables which had been outstanding for more than one (1) year. Further, the detailed aging analysis in support of the amount was not provided for audit review.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and 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 Management and Board of Management

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.

The Board of Management is 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

08 May, 2026

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

Description Of Vote Head	Note	1ST JULY 2024- 30th June 2025	1ST JULY 2023- 30TH JUNE 2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	857,604.85	691,581.85
Government grants for operations	2	3,549,287.12	2,681,086.32
Government Grants for infrastructure	3	1,200,280.00	791,800.00
School fund income- parents' contributions	4	1,313,049.77	1,581,059.05
Miscellaneous incomes	5	-	
Total Revenue		6,920,221.74	5,745,527.22
Expenditure			
Tuition	6	412,929.00	429,841.00
Operations	7	2,455,480.00	1,644,614.00
Infrastructure	8	560,900.00	391,520.00
Boarding and school fund	9	1,092,163.13	1,137,733.49
Total Expenditure		4,521,472.13	3,603,708.49
Surplus/Deficit		2,398,749.61	2,141,819

The school financial statements were approved on 17/03/2026 and signed by:

.....


Name: MEHUSELAH C.
 LANGATI RONO
 Chair BOM

Date: 17/03/2026

.....


Name: Dr Richard K Langat
 School Principal/ Secretary to
 BOM

Date: 17/03/2026

.....


Name: CHEMUTAI ALICE
 Bursar/ Finance Officer

Date: 17/03/2026

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

Description	Note	1ST JULY 2024-30TH JUNE 2025	1ST JULY 2023-30TH JUNE 2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	2,398,749.61	2,141,818.73
Cash balances	11	-	0.00
Short term investments	12	-	0.00
Total cash and cash equivalent		2,398,749.61	2,141,818.73
Account's receivables	13	2,340,693.73	2,249,238.73
Total financial assets (a)		4,739,443.34	4,391,057.46
Financial liabilities			
Accounts payables	14	198,875.00	107,420.00
Total Financial Liabilities (b)		4,540,568.34	4,283,637.46
Net financial assets (a-b)		198,875.00	107,420.00
Represented by			
Accumulated fund b/fwd	15	4,540,568.34	4,153,667.46
Surplus/deficit for the year		2,398,749.61	2,141,818.73
Net Assets		6,939,117.95	6,295,486.19

The school's financial statements were approved on 17/03/2026 and signed by:


 Name: METHUSELAH C.
 LANGAT ROND
 Chair BOM

Date: 17/03/2026


 Name: Dr. Richard Langat
 School Principal/ Secretary to
 BOM

Date: 17/03/2026


 Name: CHEMUTAI ALICE
 Bursar/ Finance Officer

Date: 17/03/2026

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

Description	Note	1ST JULY 2024- 30th June 2025	1ST JULY 2023- 30TH JUNE, 2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		857,604.85	691,581.85
Government grants for operations		3,549,287.12	2,681,086.32
Government grants for infrastructure		1,200,280.00	791,800.00
School fund income- parents contributions/ fees		1,313,049.77	1,581,059.05
Other income			
Total receipts		6,920,221.74	5,745,527.22
Payments			
Cash outflows for tuition		412,929.00	429,841.00
Cash outflows for operations		2,455,480.00	1,644,614.00
Cash outflows Boarding/lunch and school fund payments		1,092,163.13	1,137,733.49
Total payments		3,960,572.13	3,212,188.49
Net cash inflow/outflow from operating activities		2,959,649.61	2,533,338.73
Cash flow from investing activities			
Acquisition of assets		-560,900.00	-391,520.00
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		-560,900.00	-391,520.00
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		2,398,749.61	2,141,818.73
Net increase/decrease in cash and cash equivalents			
Cash and cash equivalent at beginning of the FY		2,141,818.73	2,141,818.73
Cash and cash equivalent at end of the FY		2,398,749.61	2,141,818.73

The school's financial statements were approved on 17/03/2025 and signed by:

Tulwet Secondary School

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


.....
Name: METHUSELAH C.
LANGATI RONO
Chair BOM
Date: 17/03/2026


.....
Name: Dr Richard Langat
School Principal/ Secretary to
BOM
Date: 17/03/2026


.....
Name: CHEMUTAI ALICE
Bursar/ Finance Officer
Date: 17/03/2026

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

Receipt/Expenses Item	Original Budget	Amendments	Total Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books	141,864.00		141,864.00	141,864.00	100%
Laboratory Equipment	164,300.00		164,300.00	164,300.00	100%
Internal Exams	164,300.00		164,300.00	164,300.00	100%
Teaching / Learning Materials	125,400.00		125,400.00	125,400.00	100%
Bank Balance (b/f)	261,740.85		261,740.85	261,740.85	100%
Sub Total	857,604.85		857,604.85	857,604.85	100%
(2) Capitation Grant on Operations					
Personnel Emoluments	645,772.80		645,772.80	645,772.80	100%
Repairs And Maintenance	675,061.00		675,061.00	675,061.00	100%
Local Transport / Travelling	675,061.00		675,061.00	675,061.00	100%
Electricity And Water	516,920.00		516,920.00	516,920.00	100%
Medical					100%
Administration Costs					100%
Bank Balance (b/f)	1,036,472.32		1,036,472.32	1,036,472.32	100%
					100%
Sub total	3,549,287.12		3,549,287.12	3,549,287.12	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
3) FDSE for infrastructure					
Maintenance & Improvement MoE	200,000.00		200,000.00	200,000.00	100%
M&I parents' contribution	300,000.00		300,000.00	300,000.00	100%
Economic Stimulus Programs	300,000.00		300,000.00	300,000.00	100%
Bank Balance (b/f)	400,280.00		400,280.00	400,280.00	100%
Sub Total	1,200,280.00		1,200,280.00	1,200,280.00	100%
(4) Fees Charged on Parents					
Personnel Emoluments	869,724.21		869,724.21	869,724.21	100%
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Medical					
Administration Costs					
Activity					
Bank Balance (b/f)	443,325.56		443,325.56	443,325.56	100%
Sub Total	1,313,049.77		1,313,049.77	1,313,049.77	100%
5) Miscellaneous Income					
Loans / Borrowing					
Rent income					
Income From Farming Activities					
Insurance Compensation					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	Kshs	Kshs	Kshs	Kshs	e=d/c %
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	6,920,221.74		6,920,221.74	6,920,221.74	100%
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					
Exercise Books	106,229.00		106,229.00	106,229.00	100%
Laboratory Equipment	306,470.00		306,470.00	306,470.00	100%
Internal Exams					
Teaching / Learning Materials					
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges	230.00		230.00	230.00	100%
Sub Total	412,929.00		412,929.00	412,929.00	100%
(7) Expenditure For Operations					
Personnel Emoluments					
Repairs, Maintenance & Improvements	800,000.00		800,000.00	800,000.00	100%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
			$c=a+b$	d	$e=d/c \%$
	Kshs	Kshs	Kshs	Kshs	Kshs
Local Transport / Travelling	1,068,100.00		1,068,100.00	1,068,100.00	100%
Electricity, Water and Conservancy	110,000.00		110,000.00	110,000.00	100%
Medical	398,700.00		398,700.00	398,700.00	100%
Administration Costs	72,500.00		72,500.00	72,500.00	100%
Activity Expenses					
Gratuity					
Bank Charges	6,180.00		6,180.00	6,180.00	100%
Sub Total	2,455,480.00		2,455,480.00	2,455,480.00	100%
(8) Expenditure For infrastructure					
RMI	560,900.00		560,900.00	560,900.00	100%
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Sub Total	560,900.00		560,900.00	560,900.00	100%
(9) Expenditure For school fund/lunch/boarding					
Lunch Programme	581,155.00		581,155.00	581,155.00	100%
Personnel Emoluments	508,710.00		508,710.00	508,710.00	100%
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical Expenses					

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
Administration Costs					
Activity					
Gratuity					
Lunch Programme					
Boarding Equipment and Stores					
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Rent Expenses					
Bank Charges					
Loan Interest Repayment					
Bank charges	2,298.13		2,298.13	2,298.13	100%
SUBTOTALS	1,092,163.13		1,092,163.13	1,092,163.13	100%
TOTAL	4,521,472.13		4,521,472.13	4,521,472.13	100%

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/second/third/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 (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.

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	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Reference Materials	141,864.00	93,324.80
Exercise Books	164,300.00	110,676.00
Laboratory Equipment	164,300.00	110,676.00
Teaching / Learning Materials	125,400.00	180,192.00
Main Account (b/f)	261,740.85	196,713.05
Others (specify)*		
Total	857,604.85	691,581.85

*Include others as per MOE circulars

2 Government Grants for Operations

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Personnel Emoluments	645,772.80	369,043.30
Repairs And Maintenance	675,061.00	602,754.55
Local Transport / Travelling	675,061.00	602,754.55
Electricity And Water	516,920.00	817,128.00
Medical		
Administration Costs		
Main Account (b/f)	1,036,472.32	289,405.92
Other Vote Heads (specify)*		
Total	3,549,287.12	2,681,086.32

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Maintenance & Improvement	200,000.00	200,000.00
Transition infrastructure grants	300,000.00	
Administration Block	300,000.00	
Main Account (b/f)	400,280.00	591,800.00

Tulwet Secondary School

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

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Other (specify)(NGCDF and County govt.		
Total	1,200,280.00	791,800.00

4 School Fund Income - Parents Contribution/Fees

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Lunch Program	869,724.21	1,486,246.60
Administration costs		
Activity		
Fee on Boarding Equipment and stores		
Main Account (b/f)	443,325.56	94,812.45
Others (specify)		
Total	1,376,579.77	1,581,059.05

5 Miscellaneous Incomes

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income (specify) *		
Total		

6 Tuition

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Exercise Books		42,300.00
Textbooks	106,229.00	193,401.00
Reference materials	306,470.00	45,600.00
Laboratory Equipment		54,550.00
Teaching / Learning Materials		93,640.00
Exams And Assessment		
Teachers Guides		
Bank Charges	230.00	350.00
Others (specify)		
Total	412,929.00	429,841.00

7 Operations

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity	1,068,100.00	859,000.00
Administration Cost	110,000.00	10,000.00
Repairs And Maintenance & Improvements	398,700.00	445,524.00
Local Transport / Travelling	800,000.00	200,000.00
Electricity And Water		
Medical		
Activity Expenses	72,500.00	129500
Insurance Cost		
Others (specify)	6,180.00	590
Total	2,455,480.00	1,644,614

8 Infrastructure

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Construction of classrooms	xxx	xxx
Construction of laboratory		
Construction of dormitory		
RMI	560,900.00	373800
Purchase of equipment		
Bank Charges		120
Drilling of boreholes		
Operation		17600
Total	560,900.00	391,520

9 Boarding And School Fund

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Personnel Emoluments	508,710.00	690,350.00
Service Gratuity		443,640.00
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Administration Costs		
Lunch Programme	581,155.00	690350
Bank Charges		
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
PA expenses		
Others (specify)	2,298.13	3,743.49
Total	1,092,163.13	1,137,733.49

Bank Accounts

Account Name & Currency	Status	Bank Account Number	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	7700413479	444,675.85	261,740.85
Operations Account	Active	7700413460	1,093,807.12	1,036,472.32
School Fund Account/Boarding	Active	5040189005	220,886.64	443,325.56
Savings Account				
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account	Active	7700183147	639,380.00	400,280.00
Total			2,398,749.61	2,141,818.73

10 Cash In Hand

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Notes and Coins		
Total		

11 Short Term Investments

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

12 Accounts Receivable

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Fees Arrears	2,340,693.73	2,249,238.73
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	2,340,693.73	2,249,238.73

13 b) Ageing Analysis of Accounts Receivable

Description	1ST JULY 2024-30th June 2025		1ST JULY 2023-30TH JUNE,2024	
	Kshs		Kshs	
	1ST JULY 2024-30th June 2025	% of the total	1ST JULY 2023-30TH JUNE,2024	% of the total
Less than 1 year	32,550.00	41%	690,655.00	39%
Between 1- 2 years	690,655.00	39%	585,722.00	20%
Between 2-3 years	585,722.00	26%	391,420.00	0%
Over 3 years	1,031,766.73	30%	581,441.73	25%
Total (should tie to note 13 a)	2,340,693.73	30%	2,249,238.73	21%

13 Accounts Payable

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	198,875.00	107,420.00
Prepaid Fees		
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	198,875.00	107,420.00

14a. Ageing Analysis of Accounts Payable

Description	1ST JULY 2024-30th JUNE 2025		1ST JULY 2023-30TH JUNE, 2024	
	Kshs		Kshs	
	1ST JULY 2024-30th June 2025	% of the total	1ST JULY 2023-30TH JUNE, 2024	% of the total
Less than 1 year	xxx	%	xxx	%
Between 1- 2 years	198,875	15%	107,420	13%
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)	198,875	13%	107,420	13%

14 Fund Balance Brought Forward

Description	1ST JULY 2024-30th JUNE 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Bank Balances	2,398,749.61	2,141,818.73
Cash Balances	-	-
Short Term Investments	-	
Receivables	2,340,693.73	2,119,268.73
Payables	198,875.00	107,420.00
Total	4,540,568.34	4,153,667.46

Other important disclosure notes

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

15 Non-current Liabilities Summary

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total		

16 Biological assets

Description	Numbers	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE, 2024
		Kshs	Kshs
Cattle	5	100,000.00	100,000.00
Goats			
Trees	332	33,200.00	33,200.00
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total	337	133,200.00	133,200.00

17 Borrowings

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

Other important disclosure notes

18 Stock/ Inventory

Description	1ST JULY 2024-30th June 2025	1ST JULY 2023-30TH JUNE,2024
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

Tulwet Secondary School

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

19 Progress On Follow Up of Auditor Recommendations

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

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

12/3/2026
Sign and Date
Principal

Tulwet Secondary 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	Amount Due Balance 2024 - 2025	Outstanding Balance 2023 - 2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
1. LIGHT KURESOI BOOK CENTRE	207535	20/05/2019	160000	47535	47535	Shall pay when funds are available
2. NGERA COMPUTER GARAGE	32500	20/01/2025		32500	32500	Shall pay when funds are available
3. AMBROSE TOWETT (TOILET MAINTAINANCE)	2000	06/04/2025		2000	2000	Shall pay when funds are available
Sub-Total	242035		160000	82035	82035	
Supply of services						
4. MAJESTIC FIRE ENGINEERS	165840	05/06/2019	49000	116840	116840	Shall pay when funds are available
5. Grand Total	407875		209000	198875	198875	
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2025	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land 2				
Buildings and structures		SCHOOL	20,776,000.00	560,900.00
Motor vehicles				
Office equipment, furniture and fittings		SCHOOL	2,398,000.00	
ICT Equipment, and Other ICT Assets				
Tools and apparatus		SCHOOL	2,839,000.00	106,229.00
Textbooks				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets- soft ware				
Total			26,013,000.00	667,129.00

