

REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 01 JUL 2026

DAY.

WEDNESDAY

TABLED
BY:

HON. DWEN BAYA, M.P.

CLERK-AT
THE-TABLE:

CHRISTINE NDIRITU

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

GODOMA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

KILIFI COUNTY



**GODOMA SECONDARY SCHOOL
P.O. BOX 494 80108
KILIFI**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

Transitional Financial Statements Prepared under the International Public Sector Accounting Standards (IPSAS)

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

2. Key School Information and Management

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in 1968 under registration number 03S/3000/0145 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 550 number of students as at 30th June 2025. It has Four streams and Thirty teachers of which Ten 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	Rt. Rev Bishop Reuben Katite	Chairman	08/07/2022
2	Mr. Gilbert Charo	Secretary - Principal	08/07/2022
3	Mr. Geoffrey Katana	Member	08/07/2022
4	Mr. Joseph R Fondo	Member	08/07/2022
5	Mr. Eric Maitha	Member	08/07/2022
6	Mr. Chilumo Rimba	Member	08/07/2022
7	Mr. Luganje Morris	Member	08/07/2022
8	Ven Esther Were	Member	08/07/2022
9	Mr. Rodgers K Ngala	Member	08/07/2022
10	Mr. Rashid Mjimba	Member – Rep CEB	08/07/2022
11	Mr Fredrick Charo	Member Rep Teachers	08/07/2022
12	Rt. Rev Bishop Reuben Katite, Rev Esther Were, Mr. Joseph Ruwa	3 Members - Sponsor	08/07/2022
13	Ms. Lillian Randu	Member	08/07/2022

SCHOOL; GODOMA SECONDARY SCHOOL**P.O BOX 494-80108****KILIFI.****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	Bishop R Katite Mr. Gilbert Charo Ms. Lillian Randu Mr. Joseph Ruwa Mr. Rodgers Ngala	Chairman Secretary/Principal Member Member	3 meetings
2	Audit Committee	n/a	n/a	
3	Finance, procurement and general purposes Committee	Mr. Joseph Ruwa Ms. Lillian Randu Mr. Jacob Sirya Mr. Rodgers Ngala	Chairman Secretary Member Member	1 meeting
4	Academic Committee	Mr. Wilferd K Baya Mr. Gilbert Charo Ms. Lillian Randu Mr. Fredrick Charo	Chairman Secretary/Principal Member Member	1 meeting
5	Development Committee	Bishop R Katite Mr. Gilbert Charo Rev Shadrack Mweni	Chairman Secretary/Principal Member	3 meetings

		Mr. Eric Maitha Mr. Stephen Muna	Member	
6	Discipline and welfare Committee	Bishop R Katite Mr. Gilbert Charo Rev Shadrack Mweni Mr. Eric Maitha	Chairman Secretary/Principal Member Member	1 meeting
7	Adhoc Committee (if any during the year)	n/a	n/a	

(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	Mr. Gilbert K Charo	TSC No. 314007
2	Deputy Principal	Mr. Stephen Muna	TSC No. 533695
3	School Bursar	Lennox Mambo	ICPAK No. n/a
4	Other (specify)	n/a	n/a

(e) Schools contacts

Post Office Box: 494 80108 Kilifi
 Telephone: 0707577006
 E-mail: godomasec@gmail.com
 Website: www.godomasec.co.ke
 Facebook:
 Twitter:

(f) School Bankers

Name of Bank: KCB
 Branch - Kilifi
 Postal Address.

(g) Independent Auditors

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

3. Summary Report of Performance of The School

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

a) Financial performance:

Surplus/Deficit for the year

	30.06.2025	30.06.2024	30.06.2023
Surplus/(Deficit)	(6,227,927.400)	(35,520.40)	1,073,095.70

FSE Received from the Ministry

	30.06.2025	30.06.2024	30.06.2023
FSE Received	7,749,875.60	10,533,752.85	10,195,896.70

Ratio of Capitation per student

	30.06.2025	30.06.2024	30.06.2023
FSE	7,749,875.60	10,533,752.850	10,195,896.70
No. of students	550	771	753
Ratio	14,090	13,662	13,540

Overview of growth of other incomes

	30.06.2025	30.06.2024	30.06.2023
Other Incomes	704,772.00	993,612.00	405,150.00

Overview of growth of expenditure

	30.06.2025	30.06.2024	30.06.2023
Expenditure	38,795,572.00	42,369,584.50	49,302,991.00

Overview of movement of debtors & creditors

	30.06.2025	30.06.2024	30.06.2023
Debtors	23,094,631.12	23,274,217.12	21,211,526.12
Creditors	18,247,676.60	15,924,555.60	16,026,978.60

b) Teacher Student ratio:

	30.06.2025	30.06.2023
Teacher student ratio	1:22	1:26
No. of teachers recruited/posted	0	2
No. of teachers transferred/retired	0	3
No. of TSC teachers	19	20

No. of BOM teachers	6	10
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c) The mean score in the 2024 KCSE:

Year	No. of candidates	Mean Target	Mean Score	Transition	Comment
2024	210	6.50	5.01	131	Average
2023	141	6.50	5.9813	86	Average
2022	94	6.00	5.98	75	Good

d) Number of Candidates in the 2025 KCSE:

	30.06.2025	30.06.2024	30.06.2023
No. of candidates	153	210	141

e) The capacity of the school:

Year	No. of students	No. of Dorms	No. of Toilets	No. of classes	Kitchen/ Dining	No. of Labs
2025	550	11	31	18	1	3
2024	771	11	31	18	1	3
2023	753	12	31	18	1	3

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	Parents	Ongoing	8,598,059.20	2,900,000.00	N/a
1No. laboratory	World Bank	Stopped	N/a	N/a	30.09.2023

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 Godoma 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: Reuben S. Katite

Designation: Chairman, School Board of Management

Date: 01/04/2026



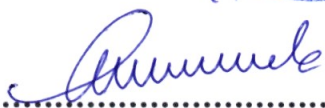


Name: Wangari Mwangi

Designation: School Principal & Secretary to Board of Management

Date: 01/04/2026





Name: Lennox Mambo

Designation: Bursar/ Finance Officer

Date: 01/04/2026



REPUBLIC OF KENYA

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E-mail: 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 GODOMA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – KILIFI 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 Godoma Secondary School set out on pages 1 to 22, 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 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 transitional IPSAS financial statements present fairly, in all material respects, the financial position of Godoma 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 (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. Variances in Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.18,247,677 as disclosed in Note 14 to the financial statements. However, the balance varies with a balance of Kshs.9,869,510 reflected in the ledger resulting in an unexplained variance of Kshs.8,378,167.

In the circumstances, the accuracy of the accounts payables balance of Kshs.18,247,677 could not be confirmed.

2. Cash and Cash Equivalents

2.1. Undisclosed and Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects an overdraft balance of Kshs.1,257,512 in respect of cash and cash equivalents. This balance includes an overdraft balance of Kshs.1,300,123 held in five (5) bank accounts as disclosed in Note 10 to the financial statements and cash balance of Kshs.42,611 as disclosed in Note 11 to the financial statements. However, the cash book, bank reconciliation statements and board of survey reports were not provided for school bus saving account. In addition, the school bus saving bank account with a balance of Kshs.42,610 balance was not disclosed in the financial statements.

2.2. Overdrawn Bank Account and Offsetting of Bank Balance

The statement of assets and liabilities reflects an overdraft balance of Kshs.1,257,512 in respect of cash and cash equivalents. This balance includes an overdraft balance of Kshs.1,300,123 held in five (5) bank accounts as disclosed in Note 10 to the financial statements and cash balance of Kshs.42,611 as disclosed in Note 11 to the financial statements. Included in the bank balance are two (2) bank accounts with an overdraft balance of Kshs.1,403,730 which has been offset against a bank balance

of Kshs.103,606. However, the authority of the National Treasury or the Board of Management to overdraw the balances was not provided for audit, contrary to Section 28(4) of the Public Finance Management Act, 2012 which states that, 'An accounting Officer for a National Government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorized by the National Treasury or a Board of a National Government entity'. Further, the offsetting was contrary to Paragraph 48 of International Public Sector Accounting Standard (IPSAS) 1 which provides that assets and liabilities shall not be offset unless required or permitted by an IPSAS.

In the circumstances, the accuracy, completeness, existence and fair presentation of cash and cash equivalents overdraft balance of Kshs.1,257,512 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.36,993,000 and Kshs.28,954,798 respectively, resulting in an under-funding of Kshs.8,038,202 or 22% of the budget. However, the School spent an amount of Kshs.32,210,333 against actual receipts amounting to Kshs.28,954,798 resulting in an over-utilization of Kshs.3,255,535 or 11 % of actual receipts.

The underfunding may have affected the planned activities and may have impacted negatively on delivery service to the stakeholders.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Significant Exemptions by PSASB in the Financial Reporting Template

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 page iii to ix which comprise of Key School Information and Management, Summary Report of Performance of the School and 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of financial performance reflects expenditure on boarding and school fund amount of Kshs.26,943,885 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.395,355 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.395,355 could not be confirmed.

2. Irregular and Unauthorized Inter-Bank Account Borrowing

The statement of assets and liabilities reflects accounts receivables balance of Kshs.23,074,542 as disclosed in Note 13 to the financial statements. The balance includes Kshs.6,203,361 disclosed as receivable on boarding, operations and tuition. In addition, payables balance of Kshs.18,247,677 as disclosed in Note 14 to the financial statements. The balance includes Kshs.6,816,361 which is disclosed as payable to tuition, infrastructure, boarding and operations. These balances relate to outstanding inter-bank account borrowings. This was contrary to Regulation 54 (1) of the Public Finance Management (National Government) Regulations, 2015 which states that except as provided for in the Act and these Regulations, an Accounting Officer of an entity may not authorize payment to be made out of funds earmarked for specific activities for purposes other than those activities.

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

3. Under Funding of Capitation Grants

The statement of financial performance reflects Government grants for tuition, operations and infrastructure totalling to Kshs.7,749,876 as disclosed in Notes 1, 2 and 3 to the financial statements. During the financial year, National Education Management and Information System (NEMIS) reported a total number of four hundred and thirty-six (436) students while the enrolment records provided by the School indicated a total number of five hundred and thirty-eight (538) students, resulting in an unexplained variance of one hundred and two (102) students. As a result of the variances, the School was under funded by an amount of Kshs.986,135.

In the circumstances, the under-funding of the School may have affected service delivery to the public.

4. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects Government grants for tuition, operations and infrastructure totalling Kshs.7,749,876. Comparison of data from National Education Management and Information System (NEMIS) reflected four hundred and thirty-six (436) students while records from the County Director of Education had five hundred and thirty-eight (538) students resulting in an underfunding of the School by an amount of Kshs.986,135. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the Principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

5. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects Government grants for operations amount of Kshs.4,455,736 as disclosed in Note 2 to the financial statements from the

Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,815,750 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.1,623,750 was transferred to infrastructure account, leaving a balance of Kshs.192,000 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 guidelines.

6. Lack of a Procurement Plan

The statement of financial performance reflects amounts of Kshs.32,567,644 and Kshs.38,795,572 in respect of total receipts and payments respectively. However, during the year Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

7. Stalled Project – Proposed Construction of School Dormitory

The audit revealed that one (1) project valued at Kshs.9,109,213 had stalled and was abandoned as at 30 June, 2025. Out of the contracted amount, a total of Kshs.2,900,000 had been paid as at 30 June, 2025. Stalled projects are an indication that the public has been denied benefits that would have accrued from the completed projects and that value for money invested in the projects has not been realized.

In the circumstances, the value for money for the expenditure on projects totalling Kshs.2,900,000 could not be confirmed.

8. Lack of School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three (3) year school improvement planning cycle, one (1) priority area in each of the four (4) 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.

9. Irregular Procurement Processes

Review of the procurement process revealed the following:

- i. The tender evaluation reports were not initialed by the members of the evaluation committee.
- ii. The committee members did not sign the final evaluation report.
- iii. The professional opinion issued to the Accounting Officer/School Principal in respect of RFQ No. GSS/Labor-Dorm/2024 was not provided.
- iv. Complete procurement records were not maintained including tender documents, tender advertisements, bid evaluation reports, correspondences with supplier, contract documents, payment certificates and contract performance monitoring reports.

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

10. Non-Deduction of Capacity Building Levy

The statement of financial performance reflects expenditure on infrastructure totalling to Kshs.3,084,006 as disclosed in Note 8 to the financial statements which includes an amount of Kshs.3,083,535 in respect of procurement contracts signed with the School's suppliers. Review of payments for goods and services revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, contrary to the Levy Order 2023 issued by the Public Procurement Regulatory Authority.

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

11. Non-Compliance with Law on Recruitment of Persons with Disabilities

Review of the staff complement revealed that out of a total of twenty-seven (27) staff employed by the Board, none were classified as persons with disability. This was contrary to Section 21 (2)(a) of the Persons with Disability Act, 2025 which provides that every employer with at least twenty employees shall reserve at least five per cent of direct employment opportunities for persons with disabilities.

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

12. Long Outstanding Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.18,247,677. However, included in the balance are trade payables balance of Kshs.2,671,458 which had been outstanding for more than one (1) year and risk loss of public funds through litigations, interests and penalties. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'debt 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.

13.Failure to Replace Asbestos Roof

The Fourth Schedule of the Environmental Management and Coordination (Waste Management) Regulations, 2006 classifies materials containing asbestos as hazardous and potentially carcinogenic. Verification of the School's infrastructure conducted in March, 2026 revealed that one (1) dining hall and a dormitory had asbestos roofing. This was contrary to Ministry of Environment, Climate Change and Forestry circular Ref: MEF/EMC/1/1 dated 23 August, 2024 that directed on the removal of asbestos roofing by Government agencies including offices, houses and learning institutions' premises as a means of providing a clean, safe, healthy and sustainable environment.

In the circumstances, the School poses a health risk to the students and staff with the continued deterioration of the roofing and Management was in breach of the law.

14.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. Note 1 on significant accounting policies on basis of preparation states that the financial statements have been prepared and presented in Kenya shillings to the nearest shilling. However, the amounts and balances in the financial statements have not been rounded off to the nearest shilling.
- ii. Paragraph 3 on page ix in respect of Statement of School Management Responsibility discloses that the financial statements have been prepared on cash basis instead of transitional financial statements.
- iii. The Notes to the financial statements have guidance notes which ought to have been removed.
- iv. The statement of budgeted versus actual amounts does not include total income, while the total expenditure is incorrectly presented.
- v. Annex 1 on the analysis of pending account payables does not have amounts for current financial year.
- vi. Annex 2 on the summary of fixed assets has not been presented on a separate page and does not include totals.

Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and

information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Reports from Internal Audit and Audit Committee

During the year under review, the School had not constituted an Audit Committee while the audit reports by the Directorate of School Audit Services responsible for the Internal Audit function in public schools were not provided. This was contrary to Section 90 of the Basic Education Act, 2013 which states that the Cabinet Secretary shall establish mechanisms for school-based auditing and that the officers responsible for school-based auditing for public schools shall advise and work with the respective headteachers, principals, school administrators and governing bodies to ensure the proper maintenance of accounts and assets of the School.

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

2. Failure to Maintain a Textbooks Catalogue

Review of management of textbooks revealed that the School has received a total of eight thousand nine hundred and seventy-four (8,974) books from the Ministry of Education since 2018. However, it was observed that the School did not maintain a functional library catalogue (either manual or automated). There is no centralized record detailing the list of titles, authors, ISBNs, acquisition dates, or current locations of textbooks and reference materials. As a result, the School could not accurately report the volume of its library holdings thereby making it difficult to verify adequacy of its resources in relation to academic operational standard.

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

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register which include land valued at Kshs.22,500,000. However, the land ownership documents were not provided for audit. In addition, Management did not prepare an updated fixed assets register and the assets at the School were not tagged for ease of identification.

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

4. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.23,074,542 which includes fee arrears balance of Kshs.15,727,903 as disclosed in Note 13 to the financial statements. Included in the fee arrears is an amount of Kshs.10,447,229 which had been outstanding for more than two (2) years. However, there was no age analysis and policy on the impairment of long outstanding fee arrears casting doubt on full recoverability of the accounts receivables balance.

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

5. Lack of Adequate Facilities in the Institution

Audit inspection of the School facilities carried out in March, 2026 revealed the following:

- i. The School has one (1) storey building with stairways but with no provision for learners with disabilities and no ramps since the foundation is raised above the ground.
- ii. The fencing of the School is incomplete posing a risk to the School.

In the circumstances, the existence of effective mechanisms for the safety of the students could not be confirmed.

6. Weak Internal Controls in Inventory Management

Note 19 to the financial statements reflects Nil inventory balance as at 30 June, 2025. However, Management did not conduct annual stock take exercise as required.

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

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

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (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.

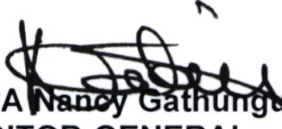
Auditor-General's Responsibilities for the Audit

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

29 May, 2026

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

Description Of Vote Head	Note	30.06.2025	30.06.2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	1,478,389.50	1,796,473.60
Government grants for operations	2	4,455,736.10	5,888,479.25
Government Grants for infrastructure	3	1,815,750.00	2,849,500.00
School fund income- parents' contributions	4	24,112,997.00	30,806,000.00
Miscellaneous incomes	5	704,772.00	993,612.00
Total Revenue		32,567,644.60	42,334,064.85
Expenditure			
Tuition	6	1,834,909.00	1,737,998.00
Operations	7	6,932,780.00	6,806,404.00
Infrastructure	8	3,084,006.00	4,370,586.00
Boarding and school fund	9	26,943,885.00	29,454,597.25
Total Expenditure		, 38,795,572.00	42,369,585.25
Surplus/Deficit		(6,227,927.00)	(35,520.40)

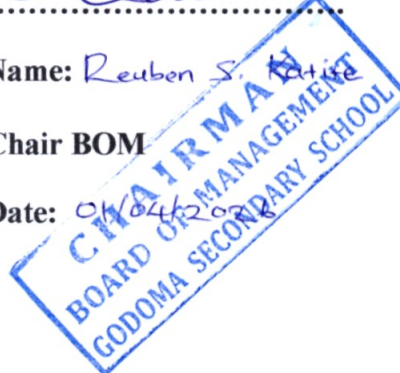
The school financial statements were approved on _____ 2025 and signed by:



Name: Reuben S. Kariuki

Chair BOM

Date: 01/04/2026





Name: Wang Wang
School Principal/ Secretary to BOM

Date:





Name: Lennox Mambo

Bursar/ Finance Officer

Date: 01/04/2026



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

Description	Note	30.06.2025	30.06.2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	(1,300,123.24)	2,452,657.91
Cash balances	11	42,610.80	15,050.05
Short term investments	12	0.00	0.00
Total cash and cash equivalent		(1,257,512.44)	2,467,707.96
Account's receivables	13	23,074,542.12	23,254,128.12
Total financial assets (a)		21,817,029.68	25,721,836.08
Financial liabilities			
Accounts payables	14	18,247,676.60	15,924,555.60
Total Financial Labilities (b)		18,247,676.60	15,924,555.60
Net financial assets (a-b)		3,569,353.08	9,797,280.48
Represented by			
Accumulated fund b/fwd	15	9,797,280.48	9,832,800.88
Surplus/deficit for the year		(6,227,927.40)	(35,520.40)
Net Assets		3,569,353.08	9,797,280.48

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

Name: Reuben S. Katite

Chair BOM

Date:

Name: *W. M. M. M.*
School Principal/ Secretary to BOM

Date:

Name: Lennox Mambo

Bursar/ Finance Officer

Date: 01/04/2026

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

Description	Note	30.06.2025	30.06.2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,478,389.50	2,114,473.00
Government grants for operations		6,268,646.10	11,303,350.25
Government grants for infrastructure		1,623,750.00	1,476,000.00
School fund income- parents contributions/ fees		22,655,671.00	26,705,877.00
Other income		10,507,813.00	15,239,054.00
Total receipts		42,534,269.60	56,835,754.25
Payments			
Cash outflows for tuition		1,862,147.00	1,780,296.00
Cash outflows for operations		8,732,714.00	10,753,147.75
Cash outflows Boarding/lunch and school fund payments		32,581,094.00	42,175,016.30
Total payments		43,175,955.00	54,708,460.00
Net cash inflow/outflow from operating activities		(641,685.40)	2,127,294.20
Cash flow from investing activities			
Acquisition of assets		(3,083,535.00)	(4,327,928.00)
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		(3,083,535.00)	(4,327,928.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		(3,083,535.00)	(4,327,928.00)
Net increase/decrease in cash and cash equivalents		(3,725,220.40)	(2,200,633.80)
Cash and cash equivalent at beginning of the FY		2,467,707.96	4,668,342.36
Cash and cash equivalent at end of the FY		(1,257,512.44)	2,467,707.96

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(The above presentation of the cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).

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

Name: Reuben S. Katite

Chair BOM

Date: 01-04-2026
CHAIRMAN
BOARD OF MANAGEMENT
GODOMA SECONDARY SCHOOL

Name: Wana mayi
School Principal/ Secretary to
BOM

Date:

Name: Lennox Mambo

Bursar/ Finance Officer

Date: 01-04-2026

BURSAR
GODOMA SEC. SCHOOL
P.O BOX 494-80108 KILELE
Date: _____ Sign: _____

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	0.00	0.00	0.00	0.00	0
Exercise Books	1,069,500.00	0.00	1,069,500.00	944,525.00	88
Laboratory Equipment	480,750.00	0.00	480,750.00	424,573.80	88
Internal Exams	0.00	0.00	0.00	0.00	0
Teaching / Learning Materials	63,750.00	0.00	63,750.00	56,301.00	88
Chalks	60,000.00	0.00	60,000.00	52,989.50	88
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	4,950,000.00	0.00	4,950,000.00	2,551,273.60	52
Repairs And Maintenance	0.00	0.00	0.00	0.00	0
Local Transport / Travelling	450,000.00	0.00	450,000.00	231,933.80	52
Electricity And Water	337,500.00	0.00	337,500.00	173,950.00	52
Medical	1,050,000.00	0.00	1,050,000.00	541,179.50	52
Administration Costs	750,000.00	0.00	750,000.00	386,556.40	52
Activity	1,162,500.00	0.00	1,162,500.00	561,792.70	48
Gratuity	0.00	0.00	0.00	0.00	
	8,700,000.00		8,700,000.00	4,446,686.10	

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	1,815,000.00	0.00	1,815,000.00	1,815,000.00	100
M&I parents' contribution	0.00	0.00	0.00	0.00	0
Economic Stimulus Programs	0.00	0.00	0.00	0.00	0
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0
Administration Block	0.00	0.00	0.00	0.00	0
(4) Fees Charged on Parents					
Personnel Emoluments	4,070,000.00	0.00	4,070,000.00	3,462,298.00	85
Repairs And Maintenance	658,600.00	0.00	658,600.00	883,639.00	134
Local Transport / Travelling	1,480,000.00	0.00	1,480,000.00	1,317,597.00	89
Electricity And Water	925,000.00	0.00	925,000.00	790,445.00	85
Medical	0.00	0.00	0.00	0.00	0
Administration Costs	1,502,200.00	0.00	1,502,200.00	1,312,897.00	87
Activity	370,000.00	0.00	370,000.00	171,311.00	46
SMASSE	0.00	0.00	0.00		0
Fee On Boarding Equipment and Stores	15,414,200.00	0.00	15,414,200.00	13,035,864.00	85
5) Miscellaneous Income					
Loans / Borrowing	0.00	0.00	0.00	0.00	0
Rent income	234,000.00	0.00	234,000.00	205,672.00	88
Income From Farming Activities	0.00	0.00	0.00		0
Insurance Compensation	0.00	0.00	0.00		0
Income From Posho Mill	0.00	0.00	0.00		0

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Bus Hire	150,000.00	0.00	150,000.00	35,000.00	23
Fee For Hire of Ground and Equipment	0.00	0.00	0.00	0.00	0
Interest Income	0.00	0.00	0.00	0.00	0
Income From Any Other Investment	0.00	0.00	0.00	0.00	0
Total Income					
(6) Expenditure For Tuition					
Textbooks	0.00	0.00	0.00	0.00	0
Reference Materials	0.00	0.00	0.00	70,000.00	0
Exercise Books	1,069,500.00	0.00	1,069,500.00	384,310.00	36
Laboratory Equipment	480,750.00	0.00	480,750.00	450,000.00	94
Internal Exams	0.00	0.00	0.00	120,000.00	0
Teaching / Learning Materials	63,750.00	0.00	63,750.00	100,000.00	156
Chalks	60,000.00	0.00	60,000.00	50,000.00	83
Exams And Assessment	0.00	0.00	0.00	0.00	0
Teachers Guides	0.00	0.00	0.00	0.00	0
Administration Costs	0.00	0.00	0.00	0.00	0
Bank Charges	0.00	0.00	0.00	0.00	0
(7) Expenditure For Operations					
Personnel Emoluments	4,950,000.00	0.00	4,950,000.00	4,422,135.00	89
Repairs, Maintenance & Improvements	0.00	0.00	0.00	0.00	0
Local Transport / Travelling	450,000.00	0.00	450,000.00	12,000.00	26

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	337,500.00	0.00	337,500.00	57,700.00	17
Medical	1,050,000.00	0.00	1,050,000.00	0.00	0
Administration Costs	750,000.00	0.00	750,000.00	245,234.00	33
Activity Expenses	1,162,500.00	0.00	1,162,500.00	428,500.00	37
Gratuity	0.00	0.00	0.00	0.00	0
SMASSE	0.00	0.00	0.00	0.00	0
<i>(8) Expenditure For infrastructure</i>					
Construction of classrooms	0.00	0.00	0.00	0.00	0
Construction of LAB	0.00	0.00	0.00	0.00	0
Construction of DORMS	0.00	0.00	0.00	0.00	0
Purchase of furniture, Windows, Doors	1,815,000.00	0.00	1,815,000.00	3,083,535.00	170
Purchase of equipment,	0.00	0.00	0.00	0.00	0
Purchase of machinery	0.00	0.00	0.00	0.00	0
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	4,070,000.00	0.00	4,070,000.00	2,295,301.00	56
Repairs, Maintenance and Improvements	658,600.00	0.00	658,600.00	790,765.00	120
Local Transport / Travelling	1,480,000.00	0.00	1,480,000.00	1,449,175.00	98
Electricity, Water and Conservancy	925,000.00	0.00	925,000.00	1,153,789.00	124
Medical Expenses	0.00	0.00	0.00	0.00	0

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	1,502,200.00	0.00	1,502,200.00	1,954,305.00	130
Activity	370,000.00	0.00	370,000.00	604,700.00	163
Gratuity	0.00	0.00	0.00	0.00	0
Lunch Programme	0.00	0.00	0.00	0.00	0
Boarding Equipment and Stores	15,414,200.00	0.00	15,414,200.00	12,524,124.00	81
Expenditure For Income Generating Activity	150,000.00	0.00	0.00	86,000.00	0
Insurance Costs	0.00	0.00	0.00	0.00	0
Other Expenses On Investments	0.00	0.00	0.00	0.00	0
Rent Expenses	0.00	0.00	0.00	0.00	0
Bank Charges	0.00	0.00	0.00	0.00	0
Loan Interest Repayment	0.00	0.00	0.00	0.00	0
Loan Principal Repayment	0.00	0.00	0.00	0.00	0
Acquisition Of Assets	1,480,000.00	0.00	1,480,000.00	1,928,760.00	130
Totals	26,050,000.00	0.00	26,050,000.00	22,786,919.00	87

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- i. Xxx
- ii. Xxx

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	30.06.2025	30.06.2024
	Kshs	Kshs
Reference Materials	0.00	0.00
Exercise Books	944,525.20	1,147,746.60
Laboratory Equipment	424,573.80	515,922.60
Internal Exams	0.00	0.00
Teaching / Learning Materials	56,301.00	68,414.00
Others (specify)*	52,989.50	64,390.40
Total	1,478,389.50	1,796,473.60

*Include others as per MOE circulars

2 Government Grants for Operations

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Personnel Emoluments	2,551,273.60	3,330,990.45
Repairs And Maintenance	0.00	0.00
Local Transport / Travelling	231,933.80	302,817.00
Electricity And Water	173,950.10	227,113.00
Medical	541,179.50	706,574.00
Administration Costs	386,556.40	504,694.50
Activity	561,792.70	615,590.30
Other Vote Heads (specify)*	9,050.00	0.00
Total	4,455,736.10	5,888,479.25

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Maintenance & Improvement	1,815,750.00	2,849,500.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify)(NGCDF and County govt.	0.00	0.00
Total	1,815,750.00	2,849,500.00

4 School Fund Income - Parents Contribution/Fees

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Personnel emoluments	3,662,925.00	4,637,405.50
Repairs and maintenance	589,456.00	756,280.00
Local transport / travelling	1,383,482.00	1,683,280.00
Electricity and water	828,922.00	1,047,643.00
Medical	0.00	0.00
Administration costs	1,398,732.00	1,701,908.00
Activity	150,004.00	207,956.00
Fee on Boarding Equipment and stores	14,948,731.00	19,499,928.00
PA Levies*	0.00	0.00
Others (specify)	1,150,745.00	1,271,598.00
Total	24,112,997.00	30,806,000.00

*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

5 Miscellaneous Incomes

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Rent Income	205,672.00	235,550.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	35,000.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Other Income (specify) *	464,100.00	757,062.00
Total	704,772.00	993,612.00

(Include an explanation on the kind and source of grants/ donations received by the school.)

*Ensure proper authorization from MOE before obtaining loans/borrowings.

*Indicate what other income relates to including income arising from writebacks if any.

6 Tuition

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Exercise Books	1,044,310.00	1,141,000.00
Textbooks	450,000.00	0.00
Reference materials	70,000.00	0.00
Laboratory Equipment	450,000.00	467,768.00
Teaching / Learning Materials	100,000.00	68,650.00
Internal Exams	120,000.00	0.00
Teachers Guides	0.00	0.00
Bank Charges	591.00	580.00
Others (specify)	70,000.00	60,000.00
Total	1,834,901.00	1,737,998.00

7 Operations

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Personnel Emoluments	4,757,526.00	4,7984,300.00
Service Gratuity	0.00	0.00
Administration Cost	731,394.00	756,208.00
Repairs And Maintenance & Improvements	0.00	0.00
Local Transport / Travelling	12,000.00	282,000.00
Electricity And Water	269,340.00	246,746.00
Medical	0.00	39,500.00
Activity Expenses	1,122,520.00	687,650.00
Insurance Cost	0.00	0.00
Others (specify)	40,000.00	0.00
Total	6,932,780.00	6,806,404.00

8 Infrastructure

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Construction of classrooms	0.00	3,468,428.00
Construction of laboratory	0.00	0.00
Construction of dormitory	0.00	0.00
Purchase of furniture	769,950.00	900,000.00

Purchase of equipment	0.00	0.00
Doors, Windows	1,095,000.00	0.00
Painting	445,900.00	0.00
Window Panes	552,185.00	0.00
Signwriting	93,500.00	0.00
Litter Bins	127,000.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Others (specify)	471.00	2,158.00
Total	3,084,006.00	4,370,586.00

9 Boarding And School Fund

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Personnel Emoluments	4,013,637.00	4,279,284.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	658,865.00	780,271.00
Local Transport / Travelling	1,449,175.00	1,487,490.00
Electricity And Water	1,153,789.00	1,117,339.00
Medical Expenses	0.00	118,368.00
Administration Costs	1,854,305.00	1,850,200.50
Lunch Programme	0.00	0.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities**	0.0	779,510.00
Fee On Boarding Equipment and Stores	15,438,594.00	16,590,331.00
Rent Expenses	0.00	0.00
Activity	604,700.00	370,795.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	1,428,760.00	1,479,736.00
Others	342,060.00	601,272.00
Total	26,943,885.00	29,454,596.50

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous revenue as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	30.06.2025	30.06.2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1102210846	3,535.20	387,292.70
Operations Account	Active	1102209686	(336,184.85)	1,409,326.05
School Fund Account/Boarding	Active	1102211265	(1,067,544.84)	4,161.91
Savings Account	Active	1236314425	99,381.00	99,381.00
Income Generating Activities Account	Dormant		0.00	0.00
Infrastructural Account	Active	1236313852	690.25	552,496.25
Total			(1,300,123.24)	2,452,657.91

11 Cash In Hand

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Notes and Coins	42,610.80	15,050.05
Total	42,610.80	15,050.05

12 Short Term Investments

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

13 Accounts Receivable

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Fees Arrears	15,727,903.12	16,008,217.12
Other Non-Fees Receivables		
Damages	848,106.00	0.00
Salary Advances (list/schedule attached)	172,000.00	0.00
Boarding A/c in Infrastructure	0.00	200,000.00
Boarding A/c in Tuition	3,455,015.00	3,455,015.00
Operations A/c in Infrastructure	785,600.00	1,373,500.00
Operations A/c in Boarding	130,950.00	385,600.00
Tuition A/c in Operations	1,831,796.00	1,831,796.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	123,172.00	0.00
Total	23,074,542.12	23,254,178.12

13 b) Ageing Analysis of Accounts Receivable

<u>Description</u>	<u>30.06.2025</u>		<u>30.06.2024</u>	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,343,418.00	14.48	5,344,455.00	22.96
Between 1- 2 years	1,937,256.00	8.39	2,553,663.00	10.97
Between 2-3 years	10,447,229.12	45.32	8,110,099.12	34.93
Over 3 years	0.00	0	0.00	0
Damages	848,106.00	3.67	0.00	0
Rent arrears (list/schedule attached)	123,172.00	0.53	0.00	0
Salary Advances (list/schedule attached)	172,000.00	0.74	0.00	0
Boarding A/c in Tuition	0.00	0	200,000.00	0.66
Operations A/c in Infrastructure	785,600.00	3.40	1,373,500.00	5.90
Operations A/c in Boarding	130,950.00	0.57	385,600.00	1.65
Tuition A/c in Operations	1,831,796.00	7.93	1,831,796.00	7.87
Boarding A/c in Tuition	3,455,015.00	14.96	3,455,015.00	14.84
Total (should tie to note 13 a)	23,074,542.12	100	23,254,128.12	100

14 Accounts Payable

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	9,869,510.60	4,829,899.60
Prepaid Fees	1,561,805.00	1,642,763.00
Co-op Dues	0.00	189,838.00
Damages	0.00	1,403,144.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables (<i>specify</i>)		
Tuition A/c in Boarding	3,455,015.00	3,455,015.00
Infrastructure A/c in Boarding	0.00	200,000.00
Infrastructure A/c in Operations	785,600.00	1,373,500.00
Boarding A/c in Operations	130,950.00	385,000.00
Operations A/c in Tuition	1,831,796.00	1,831,796.00
Operations	613,000.00	613,000.00
Total	18,247,676.60	15,924,555.60

14a. Ageing Analysis of Accounts Payable

Description	30.06.2025		30.06.2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	7,198,052.00	39.45	1,858,089.00	11.59
Between 1- 2 years	2,671,458.00	14.64	2,971,810.60	18.54
Between 2-3 years	0.00	0	0.00	0
Prepaid Fees	1,561,805.00	8.56	1,642,763.00	10.25
Co-op Dues	0.00	0	189,838.00	1.118
Damages	0.00	0	1,403,144.00	8.75
Tuition A/c in Boarding	3,455,015.00	18.83	3,455,015.00	21.56
Infrastructure A/c in Boarding	0.00	0	200,000.00	1.26
Infrastructure A/c in Operations	785,600.00	4.31	1,373,500.00	8.57
Boarding A/c in Operations	130,950.00	0.72	385,000.00	2.41
Operations A/c in Tuition	1,831,796.00	10.04	1,831,796.00	11.43
Operations	613,000.00	3.36	613,000.00	3.85
Total (should tie to note 14)	18,247,676.00	100	15,924,555.60	100

15 Fund Balance Brought Forward

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Bank Balances	(1,300,123.24)	2,452,657.91
Cash Balances	42,610.80	15,050.05
Short Term Investments	0.00	0.00
Receivables	23,074,542.12	23,254,128.12
Payables	(18,247,676.00)	(15,924,555.60)
Total	3,569,353.68	9,797,280.48

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

Description	30.06.2025	30.06.2024
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17 Biological assets

Description	Numbers	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
Cattle		0.00	0.00
Goats		0.00	0.00
Trees		0.00	0.00
Coffee Or Tea Plantation		0.00	0.00
Poultry		0.00	0.00
Others (specify)		0.00	0.00
Total		0.00	0.00

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes

19 Stock/ Inventory

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Food stuffs	0.00	0.00
Lab consumables	0.00	0.00
Farm produce	0.00	0.00
Medication	0.00	0.00
Construction Materials	0.00	0.00
Others (specify)	0.00	0.00
	0.00	0.00

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

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 / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Sign and Date
Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Msa Rd Gen Contractors	3,280,445.00	01.04.2024	(2,900,000.00)		380,445.00	
Sub-Total	3,280,445.00	01.04.2024	(2,900,000.00)		380,445.00	
Supply Of Goods						
2. Balances b/f 01.7.2024	4,829,899.60	2024	(2,158,441.00)		2,671,458.60	
3. Asal Printers	660,000.00	01.7.24-30.6.25			660,000.00	
4. Bom salaries	2,520,301.00	01.7.24-30.6.25			2,520,301.00	
5. Nasrullah Hardware	177,960.00	01.7.24-30.6.25			177,960.00	
6. Al Rahma Shop	699,190.00	01.7.24-30.6.25			699,190.00	
7. Mwamumba Enterprises	1,642,025.00	01.7.24-30.6.25	(350,000.00)		1,292,025.00	
8. Nbi Sports Hse	164,460.00	01.7.24-30.6.25			164,460.00	
9. Calmax Ventures	529,560.00	01.7.24-30.6.25			529,560.00	
10. Kenya Power	43,710.00	01.7.24-30.6.25			43,710.00	
11. Kimawasco Ltd	167,930.00	01.7.24-30.6.25			167,930.00	
12. Myksons Investments	357,900.00	01.7.24-30.6.25			357,900.00	

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. Megastore Ltd	128,260.00	01.7.24-30.6.25			128,260.0	
Sub-Total	11,997,506.60		(2,508,441.00)		9,489,057.60	
Supply Of Services						
14.						
Sub-Total	0.00		0.00		0.00	
Grand Total	15,277,951.60		(5,408,441.00)		9,869,510.60	

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	22,500,000.00	0.00	0.00	22,500,000.00
Buildings And Structures	52,500,000.00	0.00	0.00	52,500,000.00
Motor Vehicles	4,767,000.00	0.00	0.00	4,767,000.00
Office Equipment, Furniture and Fittings	3,521,000.00	0.00	0.00	3,521,000.00
Textbooks	1,000,000.00	0.00	0.00	1,000,000.00
ICT Equipment	1,066,000.00	0.00	0.00	1,066,000.00
Jikos/Crockery	700,000.00	0.00	0.00	700,000.00
Tools And Apparatus	2,000,000.00	0.00	0.00	2,000,000.00
Other Machinery and Equipment	800,000.00	0.00	0.00	800,000.00
Heritage And Cultural Assets	0.00	0.00	0.00	0.00
Intangible Assets- Soft Ware	150,000.00	0.00	0.00	150,000.00

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(The school should ensure that a detailed fixed assets register is maintained).

[illegible]

13.85 A

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26