REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

SIPALA FRIENDS BOYS HIGH SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2025

BUNGOMA COUNTY

Revised 30th June 2025.

SIPALA FRIENDS BOYS

HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

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

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Table of Contents Page

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 located in Bungoma County, Webuye East Sub-County

The school was registered in 11/3/09 under registration number GP/A/5809/09 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a Boarding school and had 284 number of students as at *30th June 2025* It has 2 streams and 21 teachers of which 5 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	Amb Simon Nabukwesi	Chairman	2022
2	Mr.Francis Juma	Secretary- Principal	2024
3	Mr.Nyongesa Watulo	Member	2022
4	Mr. Elijah Muga	Member	2022
5	Mr.Johnstone Nakitari	Member	2022
6	Mrs.Rhoda Lusaka	Member	2022
7	Mr.Antony Chebulobi	Member	2022
8	Mr. Humphrey Silungi	Member	2022
9	Mrs Melda Nakhurenya	Member	2022
10	Mrs. Nasimiyu Mulari	Member	2022
11	Dr.David Wamamili	Member	2022
12	Mr. Alfred Walubengo	Member Rep Teachers	2022
13	Mr.Collins Namaswa		2022
14	Mrs.Florence Mwenya		2022
15	Mrs.Selah Liko	3 Members - Sponsor	2022

The function of the School Board of Management includes:

- 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, 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 theyear
1	Executive Committee	1.Dr,David Wamamili 2.Mr.Francis Juma 3.Mr.Elijah Moga 4.Mrs.Nasimiyu Mulari 5.Mr.Nyongesa Watulo	chair Principal Member Member Member	3
2	Audit Committee	1.Mr.Watulo Nyongesa 2.Mr.Elijah Moga 3.Mr.Francis Juma	Chair Member Principal	1
3	Finance,procurement and general purposes Committee	1.Mr,Antony Chebulobi 2.Mrs.Selah Liko 3.Mr.Francis Juma	Chair Member Principal	1
4	Academic Committee	1.Mr.Elijah Moga 2.Mrs.Nasimiyu Mulari 3.Mr.Francis Juma	Chair Member Principal	3
5	Development Committee	Mrs,Nasimiyu Mulari Dr.David Wamamili Mr.Nyongesa Watulo Mrs.Florence Mwenya Mr.Francis Juma	Chair Member Member Member principal	2
6	Discipline and welfare Committee	Mrs.Selah Liko Mr.Johnstone Nakitari Mrs.Rhoda Lusaka Mr.Francis Juma	Chair Member Member principal	2

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mr.Francis Juma	323378
2	Deputy Principal	Mr.protusFwamba	363154
3	School Bursar	Mrs Elizabeth Mupalia	

(e) Schools contacts

Post Office Box: PRIVATE BAG
Telephone: 0722978907
E-mail: sipalafriendsboyswebuye@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

The school operated 7 bank accounts in the following banks:

1. Name of Bank: KCB
   Branch: WEBUYE
   Account Number: 1107167248

2. Name of Bank: KCB
   Branch: WEBUYE
   Account Number: 1124357645

3. Name of Bank: K.C.B
   Branch: WEBUYE
   Account Number: 1108082734

4. Name of Bank: K.C.B
   Branch: WEBUYE
   Account Number: 1212065026

5. Name of Bank: K.C.B
   Branch: WEBUYE
   Account Number: 1109632479

6. Name of Bank: K.C. B
   Branch: WEBUYE
   Account 1130095630

7. MPESA Pay Bill No.522123, account No.50045k attached to account no.1107167248

c). Mean score in the 2025 KCSE/Number of Candidates in the 2025 KCSE:

YEAR	NO. OF STUDENT	MEAN SCORE	TRANSITION	REMARKS
2025	97	4.2025	21	
2024	81	4.272	10	
2023	71	4.197	10	

d). Capacity of the school:

NO.	FACILITY	NO	STD CAPACITY	NO.OF STUDENT	REMARKS
1.	DINING HALL	1	1000	310	Enough
2.	DORMITORIES	3	300	310	Not enough
3.	LABORATORIES	2	50	310	not enough
4.	TOILETS	20	300	310	Not Enough
5.	CLASSROOMS	8	320	310	Enough
6.	LIBRARY	1	20	310	Not Enough

e). Development projects carried out by the school:

NO.	*PROJECT*	*STATUS*	*PROJECT FUND*
1.	*TUITION BLOCK RENOVATION*	*ON GOING*	*MI*

....

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 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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

Name: Amb Simon Nabukwesi
Designation: Chairman, School Board of Management

Sign: ....

Date: 07/04/2026

Name: Mr.Francis Juma
Designation: School Principal& Secretary to Board of Management

Sign: ....

Date: 07/04/2026

Name: Mrs.Elizabeth Mupalia
Designation: Bursar/ Finance Officer

Sign: ....

Date: 7/4/2026

(g) Independent Auditors

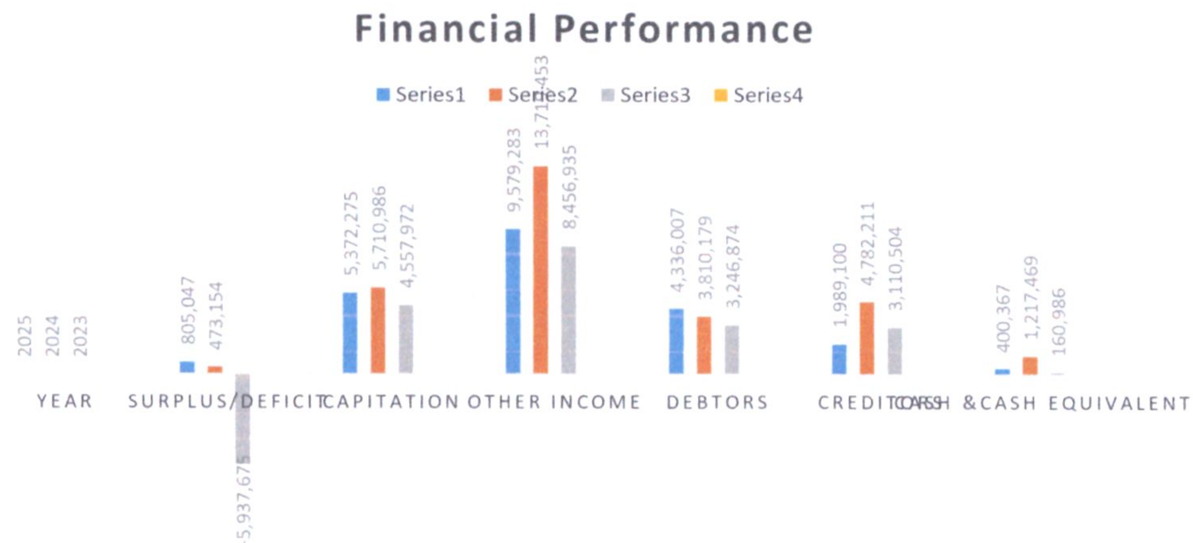
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

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:

YEAR	SURPLUS/DEFICIT	CAPITATION	OTHER INCOME	DEBTORS	CREDITORS	CASH &CASH EQUIVALENT
2025	805,047	5,372,275	9,579,283	4,336,007	1,989,100	400,367
2024	473,154	5,710,986	13,719,453	3,810,179	4,782,211	1,217,469
2023	(5,937,675)	4,557,972	8,456,935	3,246,874	3,110,504	160,986



b). Teacher -Student ratio:

Year	Teacher: Student Ratio	Total Teachers	TSC Teacher	Bom Teachers	Recruited Teachers	Transferred	Retired Teachers
2025	20:360	20	15	5		1	1
2024	22: 310	22	17	5	0	4	0
2023	22:310	22	17	5	0	0	0

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SIPALA FRIENDS BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – BUNGOMA 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 Sipala Friends Boys High School set out on pages 1 to 16, 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 Sipala Friends Boys High School as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of financial performance reflects receipts amounting to Kshs.13,739,519 in respect of Government grants for tuition, operations and infrastructure and school fund income. However, the ledgers reported the amount as Kshs.14,867,356 resulting in an unexplained variance of Kshs.1,127,837.

Further, the statement reflects total payments of Kshs.14,146,511 while the ledgers indicated the balance as Kshs.13,739,525 resulting in an unexplained variance of Kshs.406,986.

In addition, the statement of financial performance reflects comparative amount for Government grants for operations as Kshs.4,649,489 whereas the prior year financial statements reported it as Kshs.3,028,489, resulting in an unexplained variance of Kshs.1,621,000.

The statement also reported comparative amount of Government grants for infrastructure as Kshs.972,000 whereas the prior year financial statements reported it as Kshs.2,593,000 resulting in an unexplained variance of Kshs.1,621,000.

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

2. Unsupported Payments

The statement of financial performance reflect tuition, operations, boarding and school fund payments of Kshs.641,859, Kshs.4,174,032 and Kshs.7,908,782 respectively as disclosed in Notes 6, 7 and 9 to the financial statements. However, examination of sampled payment vouchers amounting to Kshs.540,000 revealed that Management made payments without proper support documents as such as invoices, local purchase orders and goods received notes.

In the circumstances, the regularity, accuracy and completeness of the tuition, operations and school fund payments of Kshs.641,859, Kshs.4,174,032 and Kshs.7,908,782 respectively could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects a balance of Kshs.400,367 in respect of cash and cash equivalents. However, the bank and cash balances were not supported by bank reconciliation statements and board of survey report.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.400,367 could not be confirmed.

4. Unsupported Accounts Receivable

The statement of assets and liabilities reflected accounts receivable balance of Kshs.28,142,501 as disclosed in Note 13 to the financial statements. However, the schedules provided for audit amounted to Kshs.4,336,007 resulting in unsupported balance of Kshs.23,806,494.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.28,142,501 could not be confirmed.

5. Variance in Accounts Payable

The statement of assets and liabilities reflect accounts payable of Kshs.14,799,147 as disclosed in Note 14 to the financial statements. However, the balance differs with the amount of Kshs.1,989,100 reflected in the ledger resulting in an unexplained variance of Kshs.12,810,047.

In the circumstances, the accuracy, existence and completeness of accounts payable balance of Kshs.14,799,147 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.23,738,600 and Kshs.14,951,558 resulting in under-funding of Kshs.8,787,042 or 37% of the budget.

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

My opinion is not modified in respect of this matter.

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, 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 iv to x 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. Long Outstanding Accounts Payable

The statement of assets and liabilities reflect accounts payable of Kshs.14,799,147 as disclosed in Note 14 to the financial statements. However, included in the balance are trade payables of Kshs.9,643,868 which had been outstanding for more than two (2) years, and risk of 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, service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The School received operations capitation grant of Kshs.4,638,495 from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.874,103 in respect of infrastructure grants which was supposed to be transferred to the infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.742,000 was transferred to infrastructure account, leaving a balance of Kshs.132,103 as at 30 June, 2025. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3/3 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 Government Guidelines.

3. 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. Management did not provide commentary on significant under/overutilization in the statement of budgeted versus actual amounts.

ii. The Note on Progress on Follow Up of Auditor Recommendation was omitted.

iii. Annex 1 and Annex 2 on analysis of pending accounts payable and summary of fixed assets register respectively were incomplete.

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.

4. Late Submission of Financial Statements for Audit

During the year under review, the Management submitted financial statements to the Auditor-General on 15 October, 2025 instead of the statutory deadline of 31 August, 2025. This was contrary to The National Treasury Circular AG.3/88 Vol. VII (41) dated 4 December, 2024 which required accounting officers to submit their financial statements by 31 August, 2025 and not the initial statutory deadline of 30 September and in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Long Outstanding Accounts Receivable

The statement of assets and liabilities reflected accounts receivable balance of Kshs.28,142,501 as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivable balance of Kshs.22,546,324 which had been outstanding more than two (2) years. However, there was no policy on the impairment of long outstanding fees casting doubt on full recoverability of the accounts receivable balance.

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

2. Weaknesses in Management of Assets

Although the School is situated in a specific parcel of land, the land title deed was not provided for audit and therefore no proof of legal ownership. In addition, the log book for the school bus which has been in a garage for over five (5) years was not provided for audit. The School Management explained that the bus was co-owned by a Commercial Bank and Sipala Secondary School.

Further, the School Management did not maintain an updated fixed asset register.

In the circumstances, the existence of effective measures in the management of assets 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 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 for Supreme Audit Institutions (ISSAIs). The ISSAIs requires 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

14 May, 2026

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

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	1,034,216	1,061,497
Government grants for operations	2	2,762,559	4,649,489
Government Grants for infrastructure	3	1,575,500	972,000
School fund income- parents contributions	4	8,367,244	12,245,493
Miscellaneous incomes	5	1,212,039	1,473,960
Total Revenue		**14,951,558**	**20,402,439**
Expenditure			
Tuition	6	641,859	1,256,057
Operations	7	4,174,032	3,093,789
Infrastructure	8	1,421,838	2,676,901
Boarding and school fund	9	7,908,782	12,902,538
Total Expenditure		**14,146,511**	**19,929,285**
Surplus/Deficit		**805,047**	**473,154**

The school financial statements were approved on 7/4/ 2026 and signed by:

....	....	....
Name: MARTIN KIVEU	**Name:** FRANCIS JUMA **School Principal/ Secretary to BOM**	**Name:** Elizabeth Mupa
Chair BOM		**Bursar/ Finance Officer**
Date: 07/04/2026	**Date:** 07-04-2026	**Date:** 7/4/2026

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	389,380	1,211,455
Cash balances	11	10,987	6,014
Short term investments	12	-	-
Total cash and cash equivalent		**400,367**	**1,217,469**
Account's receivables	13	28,142,501	26,231,841
Total financial assets (a)		**28,542,868**	**27,449,310**
Financial liabilities			
Accounts payables	14	14,799,147	14,510,636
Total Financial Labilities (b)			
Net financial assets (a-b)		**13,743,721**	**12,938,674**
Represented by			
Accumulated fund b/fwd	15	12,938,674	12,465,520
Surplus/deficit for the year		805,047	473,154
Net Assets		**13,743,721**	**12,938,674**

The school's financial statements were approved on 7-4- 2026 and signed by:

....	....	....
Name: MARTIN KIVEU	**Name:** FRANCIS JUMA	**Name:** Elizabeth Mupalia
Chair BOM	**School Principal/ Secretary BOM**	**Bursar/ Finance Officer**
Date: 07/04/2026	**Date:** 07/04/2026	**Date:** 7/4/2026

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,034,216	1,061,497
Government grants for operations		2,762,559	4,649,489
Government grants for infrastructure		1,575,500	972,000
School fund income- parents contributions/ fees		8,367,244	11,368,413
Other income		1,212,039	1,473,960
Total receipts		**14,951,558**	**19,525,359**
Payments			
Cash outflows for tuition		641,859	1,050,330
Cash outflows for operations		4,174,032	3,250,136
Cash outflows Boarding/lunch and school fund payments		9,530,931	11,491,509
Total payments		**14,346,822**	**15,791,975**
Net cash inflow/outflow from operating activities		**604,736**	**3,733,384**
Cash flow from investing activities			
Acquisition of assets		(1,421,838)	(2,676,901)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments			
Net cash inflow/outflows from investing activities		**(1,421,838)**	**(2,676,901)**
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		**(817,102)**	**1,056,483**
Cash and cash equivalent at beginning of the FY		1,217,469	160,986
Cash and cash equivalent at end of the FY		**400,367**	**1,217,469**

The school's financial statements were approved on 7/4/2026 and signed by:

…………………………	…………………………	…………………………
Name:	**Name:** FRANCIS JUMA	**Name:**
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 07/04/2026	**Date:** 07/04/2026	**Date:**

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	1,437,600	-	1,437,600	1,034,216	72%
Sub-totals	**1,437,600**	**-**	**1,437,600**	**1,034,216**	**72%**
(2) Capitation Grant on Operations					
Medical	70,000	-	70,000	139,125	199%
Repair,Maintenance and Improvement	1,750,000		1,750,000	132,104	8%
LTT	400,000		400,000	300,000	75%
EWC	450,000		450,000	400,000	89%
Personnel Emoluments	2,500,000		2,500,000	941,244	38%
Activity	300,000	-	300,000	50,086	17%
Administration Cost	800,000	-	800,000	800,000	100%
Sub-totals	**6,270,000**	**-**	**6,270,000**	**2,762,559**	**44%**
3) FDSE for infrastructure					
Maintenance &Improvement MoE	1,750,000	-	1,750,000	1,575,500	90%
Transition Infrastructure Grant		-	-	-	
Sub-totals	**1,750,000**	**-**	**1,750,000**	**1,575,500**	**90%**
(4) Fees Charged on Parents					
Personnel Emoluments	1,800,000		1,800,000	188,207	10%
Repair,Maintenance and Improvement	1,600,000		1,600,000	142,656	9%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS					
Activity	380,000		380,000	14,319	4%
Administration Cost	400,000		400,000	558,550	140%
Medical	50,000		50,000	2,314	5%
LTT	800,000		800,000	476,675	60%
EWC	350,000		350,000	636,952	182%
Exams	40,000		40,000	38,200	96%
boarding equipment and stores	6,850,000		6,850,000	6,309,371	92%
Sub-totals	**12,270,000**	-	**12,270,000**	**8,367,244**	**68%**
5) Miscellenous Income			-		
Income From Bus Hire	600,000	-	600,000	-	0%
Farm income	300,000		300,000	102,639	34%
Excess fees	1,000		1,000	4,400	440%
Hire charges of Property	110,000		110,000	105,000	95%
CDF Donations	1,000,000	-	1,000,000	1,000,000	100%
Sub-totals	**2,011,000**	-	**2,011,000**	**1,212,039**	60%
TOTAL INCOME	**23,738,600**	-	**23,738,600**	**14,951,558**	**63%**
PAYMENTS					
(6) Expenditure For Tuition					
Teaching / Learning Materials	200,000	-	200,000	263,000	132%
Exams And Assessment	100,000	-	100,000	-	0%
Exercisebooks	200,000		200,000	-	0%
Laboratory Equipment	300,000		300,000	268,000	89%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS					
Internal Exams	300,000		300,000	90,000	30%
Reference /Library Materials	237,600		237,600	-	0%
Chalks	100,000		100,000	17,485	17%
Bank Charges	4,000	-	4,000	3,374	84%
Sub-totals	**1,441,600**	**-**	**1,441,600**	**641,859**	**45%**
(7) Expenditure For Operations					
Personnel Emoluments	2,500,000	-	2,500,000	2,924,801	117%
Administration Cost	800,000	-	800,000	914,400	114%
Local Transport / Travelling	400,000	-	400,000	150,000	38%
Electricity And Water	450,000	-	450,000	-	0%
Activity Expenses	300,000	-	300,000	131,400	44%
Repair,Maintenance and Improvement	1,750,000		1,750,000	46,900	3%
Bank Charges	6,500		6,500	6,531	100%
Medical	70,000	-	70,000	-	0%
Sub-totals	**6,276,500**	**-**	**6,276,500**	**4,174,032**	**67%**
(8) Expenditure For infrastructure					
Renovation of classrooms	-	-	-	-	
Construction of Classrooms	-		-	1,418,940	
Construction of Twin laboratory	1,750,000	-	1,750,000	1,421,838	81%
Purchase of furniture	-	-	-	-	
Sub-totals	**1,750,000**	**-**	**1,750,000**	**2,840,778**	**162%**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS					
(9)Expenditure for Boarding/school fund					
Personnel Emoluments	1,800,000	-	1,800,000	227,070	**13%**
Refund of excess fees	35,000		35,000	-	**0%**
boarding equipment and stores	6,850,000		6,850,000	4,519,663	66%
Activity	380,000		380,000	204,100	54%
Administration Cost	400,000		400,000	621,130	155%
Medical Expenses	50,000		50,000	22,130	44%
tender fee	60,000		60,000	-	0%
EWC	350,000		350,000	235,554	67%
LTT	800,000		800,000	483,950	60%
Farm expenses	150,000		150,000	15,480	10%
Bank Charges	1,500		1,500	7,315	488%
Expenses on Bus hire	600,000		600,000	-	0%
Repair,Maintenance and Improvement	1,600,000	-	1,600,000	1,572,390	98%
Sub-totals	**13,076,500**	**-**	**13,076,500**	**7,908,782**	**60%**
TOTAL EXPENDITURE	**22,544,600**	**-**	**22,544,600**	**15,565,451**	**69%**

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/thi[rd]/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

ii. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	-	210,299
Laboratory Equipment	-	212,299
Internal Exams	-	194,000
Teaching / Learning Materials	1,034,216	424,599
Chalks	-	20,300
Total	**1,034,216**	**1,061,497**

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personal emolument	941,244	1,265,500
Repair,Maintenance and Improvements	132,104	1,621,000
LTT	300,000	190,200
EWC	400,000	541,089
Medical	139,125	259,500
Adm costs	800,000	563,800
Activity	50,086	208,400
Total	**2,762,559**	**4,649,489**

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	1,575,500.00	972,000.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Total	**1,575,500.00**	**972,000.00**

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	188,207	336,385
Repairs maintenance & improvement	142,656	77,625
Local transport / travelling	476,675	621,365
Electricity and water	636,952	614,324
Medical	2,314	375
Administration costs	558,550	561,565
Activity	14,319	49,417
Fee on Boarding Equipment and stores/Lunch	6,309,371	9,926,337
Exams	38,200	58,100
Total	**8,367,244**	**12,245,493**

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Income From Farming Activities	102,639	8,140
Income from Posho mill	4,400	-
Fee For Hire of Ground and Equipment	105,000	87,000
Income From Grants and Donations-CDF	1,000,000	-
Bursary	-	1,375,860
Textbook replacement	-	2,960
Total	**1,212,039**	**1,473,960**

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	-	-
Chalk	17,485	-
Reference materials	-	-
Laboratory Equipment	268,000	230,000
Teaching / Learning Materials	263,000	372,756
Exams And Assessment	-	264,190
Internal exams	90,000	387,000
Bank Charges	3,374	2,111
Total	**641,859**	**1,256,057**

7 Operations

Description	2024-2025 Kshs	2023-2024 Kshs
Personnel Emoluments	2,924,801	1,910,237
Administration Cost	914,400	563,787
Repairs And Maintenance & Improvements	46,900	-
Local Transport / Travelling	150,000	170,200
Electricity And Water	-	288,240
Medical	-	3,200
Activity Expenses	131,400	157,774
Bank charges	6,531	351
Total	**4,174,032**	**3,093,789**

8 Infrastructure

Description	2024-2025 Kshs	2023-2024 Kshs
Construction of classrooms	-	972,000
Renovation of classrooms	1,418,940	1,704,901
Bank charges	2,898	-
Total	**1,421,838**	**2,676,901**

9 Boarding And School Fund

Description	2024-2025 Kshs	2023-2024 Kshs
Personnel Emoluments	227,070	1,096,257
Repairs And Maintenance & Improvements	1,572,390	272,745
Local Transport / Travelling	483,950	273,910
Electricity, Water & conservancy	235,554	317,383
Medical Expenses	22,130	27,850
Administrative costs	621,130	448,327
Bank Charges	7,315	-
Fee On Boarding Equipment and Stores/Lunch	4,519,663	8,861,981
Farm Expenses	15,480	41,540
Insurance Cost (Life Property)	-	-
Activity	204,100	186,685
Bursary	-	1,375,860
Uniform	-	-
Total	**7,908,782**	**12,902,538**

10 Bank Accounts

Name of Bank, Account No. & currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account		1108082734	153,815	236,580
Operations Account		1124357645	1,516	606,089
Savings		1130095630	-	26,087
School Fund Account/Boarding		1107167248	94,404	-
Infrastructural Account		1212065026	139,645	342,699
Total			**389,380**	**1,211,455**

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Operation account	-	-
School fund account	10,987.00	6,014.00
Total	**10,987.00**	**6,014.00**

12 Short Term Investments

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

13 Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	28,142,501	26,202,841
Other Non-Fees Receivables	-	29,000
Unrecovered NSSF	-	-
Unrecovered Salary Advances (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	**28,142,501**	**26,231,841**

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025 Kshs		2023-2024 Kshs	
	2024-2025	**% of the total**	**2023-2024**	**% of the total**
Less than 1 year	4,336,007	15%	3,810,179	15%
Between 1- 2 years	1,260,170	4%	2,368,773	9%
Between 2-3 years	2,368,773	8%	4,902,596	19%
Over 3 years	20,177,551	72%	15,121,293	58%
Total (should tie to note 13 a)	**28,142,501**	**100%**	**26,202,841**	**100%**

14 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (Ageing Below & Appendix 1)	14,799,147	14,426,079
Prepaid Fees	-	84,557
Excess fees	-	-
Unpaid salaries and statutory deductions	-	-
Unawarded bursaries	-	-
Total	**14,799,147**	**14,510,636**

14a. Ageing Analysis of Accounts Payable

Description	2024-2025 Kshs		2023-2024 Kshs	
	2024-2025	**% of the total**	**2023-2024**	**% of the total**
Less than 1 year	1,989,100	13%	4,782,211	33%
Between 1- 2 years	3,166,179	21%	1,711,168	12%
Between 2-3 years	1,711,168	12%	2,404,959	17%
Over 3 years	7,932,700	54%	5,527,741	38%
Total (should tie to note 14)	**14,799,147**	**100%**	**14,426,079**	**100%**

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank balances	1,211,455	154,782
Cash balances	6,014	6,204
Short Term Investments	-	-
Receivables	26,231,841	23,512,697
Payables	(14,510,636)	(11,208,163)
Total	**12,938,674**	**12,465,520**

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

17 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle	2	-	-
Goats		-	-
Trees	79	-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)pigspigs	14	-	-
Total		-	-

18 Borrowings

Description	2024-2025	2023-2024
Borrowings at beginning of the year	Kshs	Kshs
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

19 Stock/ Inventory

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

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance June,2025	Outstanding Balance June,2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				