REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

NAMWELA SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2025

BUNGOMA COUNTY

NAMWELA SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2025

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

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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.

Key School Information and Management

(a) Background information

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

The school was registered in 01/2015 under registration number 39530000007 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a boarding school and had 570 number of students as at *30th June 2025*. It has nine streams and 26 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	Eng.Richard Sitati	Chairman	23/5/2022
2	Mr. Stephen Mutaki	Secretary - Principal	19/4/2023
3	Mdm Joan Nyongesa	Member	23/5/2022
4	Mrs. Florence Kwaka	Member	23/5/2022
5	Mr. Dennis kulabusia	Member	23/5/2022
6	Mdm. Nancy Wafula	Member	23/5/2022
7	Mdm. Audrey Matere	Member	23/5/2022
8	Dr. Patrick Koi	Member – Rep CEB	23/5/2022
9	Mr. Shadrack Sifuna	Member Rep Teachers	08/5/2023
10	Mr. Caleb Simiyu	Member - Sponsor	23/5/2023
11	Mdm. Juliet Wasike	Member - sponsor	23/5/2023
12	Mdm.Mry Mumelo	Member - sponsor	23/5/2023
13	Mr. Gelas Wamayengo	Member - Community	23/5/2023
14	John Sande	Member- Student Rep	23/5/2022

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

(Provide the names of the various committees of the Board established by the Board and the names of the committee members):

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Eng.Richard Sitati 2.Mr.Stephen Mutaki 3.Mdm.Joan Nyongesa 4.Mdm.Juliet Wasike 5.Mdm.Mary Mumelo 6.Dr.Patrick Koi	BOM CHAIR PRINCIPAL P.A CHAIR MEMBER MEMBER MEMBER	3
2	Audit Committee	1.Mdm.Florence Kwaka 2. Mr.Dennis Kulabusia 3.Mdm.Joan Nyongesa 4.Mr.Caleb Kishombe 5.Mr. Stephen Mutaki	Chairperson Secretary	0
3	Finance,procurement and general purposes Committee	1.Mdm. Florence Kwaka 2.Mr.Dennis Kulabusia 3.Mdm.Joan Nyongesa 4.Mr.Caleb Kishombe 5.Mr.Stephen Mutaki		0
4	Academic Committee	1.Dr.Audrey Matere 2.Mdm.Nancy Wafula 3.Mr.Dennis kilabusia 4..Mdm.Joan Nyongesa 5.Mr.shadrack Nyongesa	Chairperson Secretary	0

		6.Mr.Godfrey Wanyonyi		
5	Development Committee	1.Eng.Richard Sitati 2.Mr.Stephen Mutaki 3.Mr.Shadrack Nyongesa 4.Mr.Gellas Wamayengo 5.Mdm.Joan Nyongesa	Secretary Chairperson	4
6	Discipline and welfare Committee	1.Mr. Patrick Koi 2.Mdm.Joan Nyongesa 3.Godfrey Wanyonyi 4.Mdm.Mary Mumelo 5.Mr. Stephen Mutaki	chairpeson	0
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Mr. Stephen Mutaki	TSC No.323302
2	Deputy Principal	Mr. Sifuna Wekesa	TSC No.272155
3	School Bursar	M/S.Everlyne Wanambisi	ICPAK No.
4	Other (specify)		

(e) Schools contacts

Post Office Box: 48, Chwele.
Telephone:
E-mail: namwelaboys2017@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

Name of Bank: Co-operative
Branch: Bungoma
Postal Address.

Name of Bank: KCB
Branch: Bungoma
Postal Address.

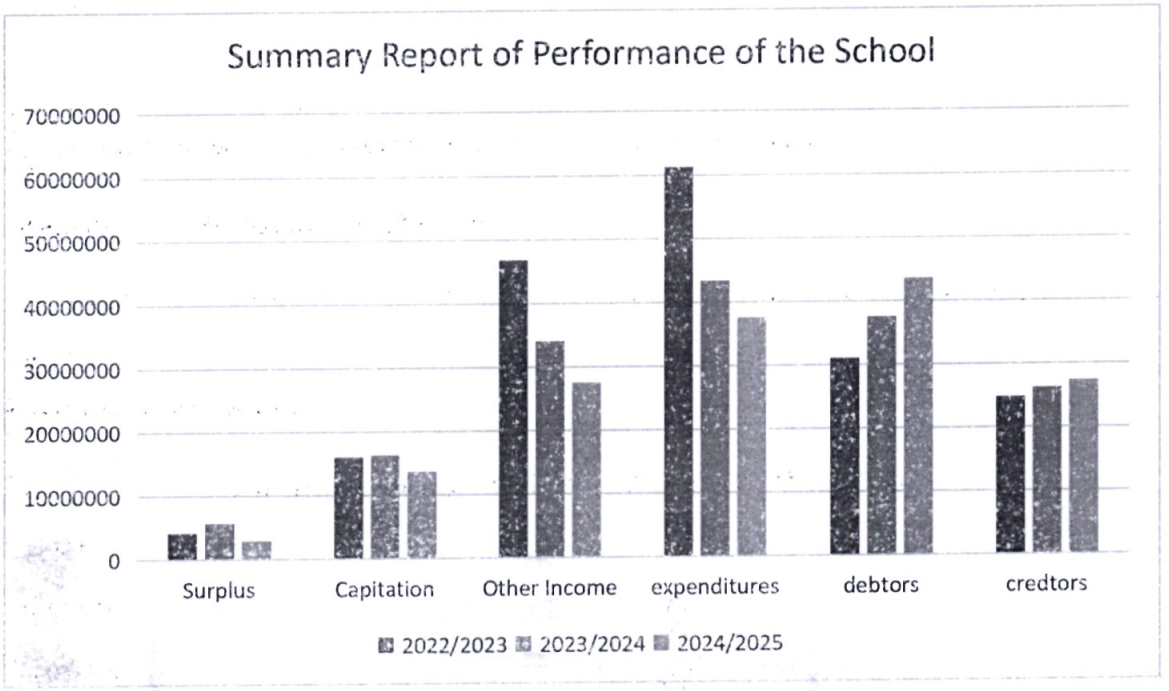
(g) Independent Auditors

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

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**:



b) **Teacher Student ratio**:

26:570

1:22

Recruited and posted to the school-2

Transferred/retired-1

TSC Teachers 21

BOM Teachers 5

No.	Subject	No. of teachers	deficit
1	English /literature	4	1
2.	Chemistry/ mathematics	1	1
3.	Biology/ Agriculture	3	0
4.	Biology/Chemistry	1	0
5.	History/Geography	1	1
6.	Geography/Business	3	0

7.	History/CRE	2	0
8.	Mathematics/ Computer	1	1
9.	Kiswahili/History	3	1
10.	Chemistry/Physics	2	0
11.	Geography/CRE	1	1
12	Mathematics/Kiswahili	1	0
13	Mathematics/business	2	1
14	Art design/Any	1	0

c) The mean score in the *2024* KCSE:

YEAR	KCSE MEAN SCORE	UNIVERSITY ENTRY	COMMENT
2024	5.993	47	Positive improvement of 1.221 from previous year
2023	4.739	57	Drop in performance caused by students' unrest in school
2022	5.1689	51	Positive deviation of.0.228
2021	4.9409	63	

d) Number of Candidates in the 2024 KCSE:

YEAR	NO. of candidates
2024	**144**
2023	**307**
2022	**229**
2021	**237**

e) The capacity of the school:

-30 students per classroom. Enough classrooms for the students

- With dormitory,s capacity of 40 students, each dormitory hosts 38 students hence there are enough dormitories

-28 students per toilet

-No multipurpose hall of size that can accommodate all the students

f) Development projects carried out by the school:

Project	Source of Funds	Status	Total Cost	Amount Spent	Balance
None					

NAMWELA SECONDARY SCHOOL
P.O. Box 48 - 50202, CHWELE

.....
School Principal

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 *Namwela Secondary School* accepts responsibility for the school's transitional financial statements prepared 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.

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Name: RICHARD SITATI

Designation: Chairman, School Board of Management

Date: 18/10/2025

NAMWELA SECONDARY SCHOOL
P.O. Box 48 - 50202, CHWELE

.....

Name: STEPHEN MUTAKI

Designation: School Principal & Secretary to Board of Management

Date: 18/10/2025

.....

Name: EVERLYNE WANAMBISI

Designation: Bursar/ Finance Officer

Date: 16/10/2025

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 NAMWELA SECONDARY 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 Namwela Secondary School - Bungoma County set out on pages 1 to 21, which comprise of the

statement of assets and liabilities as at 30 June, 2025 and the statement of financial performance, statement 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 Namwela Secondary School - Bungoma County 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. Inaccuracy of Statement of Assets and Liabilities

The statement of assets and liabilities reflects net financial assets balance of Kshs.18,871,295 which differs with net assets balance of Kshs.221,963. The resultant variance of Kshs.18,649,332 was not explained or reconciled.

In the circumstances, the accuracy and completeness of the statement of assets and liabilities could not be confirmed.

2. Inaccuracy of Comparative Balances

The statement of financial performance and the statement of assets and liabilities reflect comparative amounts which differ with the amounts reflected in the previous year audited financial statements for the year ended 30 June, 2024 as shown below:

S/No.	Details	Amount as per 2024/2025 Financial Statements (Kshs.)	Amount as per Audited 2023/2024 Financial Statements (Kshs.)	Variance (Kshs.)
1	Government grants for operations	10,495,413	13,230,400	2,734,987
2	School fund income - parents' contributions	27,266,358	26,495,116	771,242
3	Miscellaneous incomes	2,137,173	2,536,289	399,116
4	Operations Expenditure	10,198,157	11,188,114	989,957

S/No.	Details	Amount as per 2024/2025 Financial Statements (Kshs.)	Amount as per Audited 2023/2024 Financial Statements (Kshs.)	Variance (Kshs.)
5	Boarding and school fund Expenditure	31,929,125	32,167,685	238,560
6	Account's receivables	0	33,523,965	33,523,965
7	Accounts payables	0	20,027,209	20,027,209

In the circumstances, the accuracy and completeness of the respective comparative balances could not be confirmed.

3. Variances Between Financial Statements and Supporting Schedules Amounts

The statement of financial performance reflects Government grants for tuition and operations expenditure amounting to Kshs.2,593,414 and Kshs.13,230,630, respectively. However, supporting schedules provided for audit reflect Government grants for tuition and operations expenditure amounting to Kshs.2,131,076 and Kshs.12,768,631 respectively, resulting to unexplained variances of Kshs.462,338 and Kshs.461,999 respectively.

In the circumstances, the accuracy and completeness Government grants for tuition and operations expenditure amounting to Kshs.2,593,414 and Kshs.13,230,630, respectively could not be confirmed.

4. Inaccuracy of the Statement of Budgeted Versus Actual Amounts

The statement of budgeted versus actual amounts reflects actual total receipts amounting to Kshs.31,657,453 and actual total expenditure amounting to Kshs.28,214,466 while the statement of cash flows reflects Kshs.33,775,125 and Kshs.36,142,140 respectively. The resultant variances of Kshs.2,117,672 and Kshs.7,927,674 respectively, were not explained or reconciled.

In the circumstances, the accuracy and completeness of the statement of budgeted versus actual amounts could not be confirmed.

5. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.40,207,119 as disclosed in Note 13 to the financial statements, which includes fees arrears balance of Kshs.39,845,237. The balance includes fees arrears amounting to Kshs.31,034,492 that had been outstanding for a period of more than one (1) year without clear strategy to ensure recovery of the same. Additionally, there was no policy on the impairment of long outstanding accounts receivables casting doubt on the fair statement of accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of accounts receivables balance of Kshs.40,207,119 could not be confirmed.

6. Unconfirmed Accounts Payables Balance

The statement of assets and liabilities reflects accounts payables balance of Kshs.21,557,786 as disclosed in Note 14 to the financial statements. However, Annex 1 to the financial statements in respect of analysis of pending accounts payables reflects a balance of Kshs.6,289,551 resulting to unexplained variance of Kshs.15,268,235. Further, Note 14a to the financial statements in respect to ageing analysis of accounts payables reflects accounts payables balance of Kshs.17,781,183, resulting to unexplained variance of Kshs.3,776,603.

In the circumstances, the accuracy and completeness accounts payables balance of Kshs.21,557,786 could not be confirmed.

7. Unconfirmed Government Grants for Operations

The statement of receipts and payments reflects Government grants for operations amounting to Kshs.11,181,257 as disclosed in Note 2 to the financial statements. However, verification of the bank statements revealed that the actual amount received in respect of Government grants for operations was Kshs.8,984,517, resulting to unexplained variance of Kshs.2,196,740.

In the circumstances, the accuracy and completeness of the Government grants for operations amounting to Kshs.11,181,257 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Namwela Secondary School - Bungoma County 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 revenue final budget and actual on comparable basis amounts of Kshs.40,826,400 and Kshs.31,657,453 respectively, resulting to an under-funding of Kshs.9,168,947 or 22% of the budget. Further, the statements indicates that the School expended an amount of Kshs.28,214,466 against actual receipts of Kshs.31,657,453 resulting to under-utilization of Kshs.3,442,987 or 11% of actual receipts.

In the circumstances, the under-funding and under-utilization of funds affected implementation of 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 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 financial year 2024/2025 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by PSASB on 25 February, 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets, 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 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. Lack of Approved Procurement Plan

Audit review revealed that Management did not prepare an annual procurement plan as part of the annual budget preparation process in accordance with Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

2. Lack of a Functional Procurement Unit

Audit review revealed that the school did not have an established procurement function managed by qualified procurement professional and procurement activities were undertaken by individuals lacking the requisite qualifications contrary to Regulation 33 (1) and (2) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall establish a procurement function to be handled by procurement professionals whose qualification and experience are recognized in Kenya.

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

3. Lack of Staff Ethnic Diversity

Analysis of the staff list provided for audit revealed that the School had thirty-five (35) employees both in teaching and non-teaching who are serving under the terms of the School's Board of Management. The audit analysis revealed that thirty-two (32) or 91% of the staff of the School were from the dominant ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment shall have more than one third of its staff from the same ethnic community.

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

4. Over-Funding of Government Grants

The statement of receipts and payments reflects Government grants for tuition and Government grants for operations amounts of Kshs.2,593,415 and Kshs.11,181,258 respectively, as disclosed in Notes 1 and Note 2 to the financial statements.

Review of documents provided for audit revealed that the National Education Management Information System (NEMIS) indicated a total number of seven hundred and eighteen (718) students in January, 2025 and eight hundred and forty-nine (849) students in September, 2024 while the enrolment records provided by the School which includes class attendance registers indicated a total number of six hundred and fifty one (651) students and five hundred and seventy nine (579) students, during the same periods resulting in unexplained variances of sixty seven (67) students and two hundred and seventy (270) students, respectively. As a result of the variances, the School was over-funded by an amount of Kshs.1,660,429.

In the circumstances, the over-funding of the School may have affected service delivery to the public in other schools.

5. Lack of Imprest Register

During the year under review, Management did not maintain an imprest register detailing the name of applicant, amount applied, due date, date of surrender and any outstanding balances in accordance with Regulation 93(4)(b) and (c) of the Public Finance Management (National Government) Regulations, 2015 which states that before issuing temporary imprests, the Accounting Officer shall ensure that the applicant has no outstanding imprests and that the applicant has been recorded in the imprest register including the amount applied for.

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

6. Long Outstanding Accounts Payables

The statement of financial assets and liabilities and Note 14 to the financial statements reflect accounts payables balance of Kshs.21,557,786. However, the balance includes trade payables amounting to Kshs.11,491,632 which had been outstanding for more one (1) year. 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.

7. Irregular Utilization of Infrastructure Funds

The statement of receipts and payments reflects Government grants for infrastructure amounting to Kshs.2,553,250 as disclosed in Note 3 to the financial statements.

Verification of the bank statements revealed that Management transferred a total of Kshs.1,058,000 from the infrastructure fund account to the School fund account and subsequently utilized the funds on recurrent expenditure. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

8. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements for the year ended 30 June, 2025 to the Auditor-General on 17 November, 2025 instead of the statutory deadline of 31 August, 2025 contrary to Section 47(1) of the Public Audit Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate and The National Treasury Circular No.AG.3/88 VOL.II(41) dated 4 December, 2024 which directed all National and County Governments entities to submit annual financial statements by 31 August, 2025.

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

9. Non-Compliance with Access to Government Procurement Opportunities Requirement

During the year under review, the School management made procurements worth Kshs.16,580,063. However, Management did not provide records for audit review indicating that Management had reserved a minimum of thirty per cent of the budgetary allocations for enterprises owned by women, youth, persons with disabilities and other disadvantaged groups in accordance with Section 53 (6) of the Public Procurement and Asset Disposal Act, 2015 which provides that all procurement and asset disposal planning shall reserve a minimum of thirty per cent of the budgetary allocations for enterprises owned by women, youth, persons with disabilities and other disadvantaged groups.

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

10. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan, contrary to paragraph 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

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

Review of the financial statements prepared and presented for audit revealed that although financial statements' amounts have been referenced to the Notes to the financial statements, the Notes have not been numbered as required by the reporting template prescribed by the Public Sector Accounting Standards Board.

In the circumstances, the financial statements do not comply with the requirements of the reporting template prescribed by the Public Sector Accounting Standards Board.

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 Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit in accordance with Section 73 (1) of the Public Finance Management Act, 2012 which states that every National Government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the School's oversight mechanisms were ineffective.

2. Weaknesses Inventory Management

The financial statements reflect stock/inventory balance of Kshs.715,907 as disclosed under other important disclosure notes. However, the schedule provided for audit review does not indicate the composition or breakdown of various stock/inventory balances held by the School as at 30 June, 2025.

In the circumstances, the effectiveness of internal controls on inventory Management could not be confirmed.

3. Lack of Approved Salary Structure and Scheme of Service

The statement of financial performance reflects payments for operations amount of Kshs.13,230,630 as disclosed under Note 7 to the financial statements. Included in this amount is personnel emoluments expenditure of Kshs.3,650,168. Review of personnel records and information provided by Management revealed that the School had not developed an approved salary structure for the School Board of Management staff, to guide remuneration of staff based on years of service, job grade, performance, and assigned responsibilities.

Further, the school had not developed and approved a scheme of service for the School Board of Management staff defining job descriptions, recruitment criteria, qualifications, and terms of service. In addition, the School did not have an approved staff establishment outlining authorized positions and staffing levels.

In the circumstances, the existence of effective internal controls on human resource management could not be confirmed.

4. Weaknesses in the Board of Management

The current School Board of Management was constituted by the County Education Board on 23 May, 2022. However, review of the Board's records revealed that during the year under review, the full Board only held one meeting on 20 January, 2025.

Further, there was no evidence indicating that any of the Board's sub-committees held meetings during the year under review. In addition, gazette notices indicating the appointment of Board members were not provided for audit verification.

In the circumstances, the effectiveness of the School's governance 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

21 April, 2026

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

[illegible]	[illegible]	[illegible]	[illegible]
Revenue			
Government grants for tuition	1	2,593,414.90	2,487,523.40
Government grants for operations	2	11,181,257.50	10,495,413.40
Government Grants for infrastructure	3	2,553,250.00	1,648,800.00
School fund income- parents' contributions	4	31,544,018.00	27,266,358.00
Miscellaneous incomes	5	3,847,765.00	2,137,173.00
Total Revenue		**51,719,705.40**	**44,035,267.80**
Expenditure			
Tuition	6	3,092,148.00	2,120,760.00
Operations	7	13,230,630.00	10,198,157.00
Infrastructure	8	2,630,049.00	500,230.00
Boarding and school fund	9	35,133,893.35	31,929,125.15
Total Expenditure		**54,086,721.05**	**44,754,272.15**
Surplus/Deficit		**(2,367,015.65)**	**-719,004.35**

The school financial statements were approved on 16/10/ 2025 and signed by:

NAMWELA SECONDARY SCHOOL P.O. Box 48 - 50202, CHWELE

.....	.....	.....
Name: Richard Sitati	Name: Stephen Mutaki	Name: Everlyne Wanambisi
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 16/10/2025	Date: 16/10/2025	Date: 16/10/2025

Statement of Assets and Liabilities as at 30th June 2025

Description	Note	2024/2025 KSH	2023/24 KSH
Financial Assets			
Cash and cash equivalents			
Bank balances	10	127,653.32	2,587,450.47
Cash balances	11	94,309.50	1,528.00
Short term investments	12	-	0.00
Total cash and cash equivalent		**221,962.82**	**2,588,978.47**
Account's receivables	13	40,207,119.00	
Total financial assets (a)		**40,429,081.82**	
Financial liabilities			
Accounts payables	14	(21,557,786.00)	
Total Financial Labilities (b)			
Net financial assets (a-b)		**18,871,295.82**	
Represented by			
Accumulated fund b/fwd	15	2,588,978.47	
Surplus/deficit for the year		(2,367,015.65)	
Net Assets		**221,962.82**	

The school's financial statements were approved on 16/10/ 2025 and signed by:

Name: Richard Sitati	Name: Stephen Mutua	Name: Evelyne Wanamsisi
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 16/10/2025	Date: 18/10/2025	Date: 16/10/2025

NAMWELA SECONDARY SCHOOL P.O. BOX 48 - 50202 CHWELE

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

Description	Note	2024/2025 Ksh's	2023/2024 Ksh's
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,131,076.90	2,487,523.40
Government grants for operations		9,084,110.50	13,230,400.40
Government grants for infrastructure		2,553,250.00	1,648,800.00
School fund income- parents contributions/ fees		18,311914.90	26,495,116.00
Other income		1,694,773.00	2,536,289.00
Total receipts		**33,775,125.30**	**46,398,128.80**
Payments			
Cash outflows for tuition		2,629,810.00	2,126,760.00
Cash outflows for operations		10,935,403.00	11,188,114.00
Cash outflows Boarding/lunch and school fund payments		20,986,878.95	32,167,685.15
Cash outflows infrastructure		1,590,049.00	500,230.00
Total payments		**36,142,140.95**	**45,982,789.15**
Net cash inflow/outflow from operating activities		**(2,367,015.65)**	**415,339.65**
Cash flow from investing activities			
Acquisition of assets		-	0
Proceeds from sale of Assets		-	0
Proceeds from investments		-	0
Ministry Infrastructure			
Purchase of investments		-	0
Net cash inflow/outflows from investing activities		-	
Cash flow from Financing activities			
Proceeds from borrowings/ loans	**18**	0	0
Repayment of principal borrowings		0	0
Net cash inflow/outflow from financing activities		**0**	**0**
Net increase/decrease in cash and cash equivalents		**(2,367,015.65)**	**415,339.65**
Cash and cash equivalent at beginning of the FY		2,588,978.47	2,173,638.82
Cash and cash equivalent at end of the FY		**221,962.82**	**2,588,978.47**

The school's financial statements were approved on 16/10/ 2025 and signed by:

.....	.....	.....
Name: Richard Sitati	Name:	Name: Evelyn Wanamsisi
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 18/10/2025	Date:	Date: 16/10/2025

NAMWELA SECONDARY SCHOOL
P.O. Box 48 - 50202, NAMWELA

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

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	2,486,400.00	-	2,486,400.00	2131076.90	85.71
(2) Capitation Grant on Operations					
Personnel Emoluments	2,700,000.00	-	2,700,000.00	3,606,360.00	135
Repairs And Maintenance	2,400,000.00	-	2,400,000.00	1,904,250.00	79.34
Local Transport / Travelling	1,170,000.00	-	1,170,000.00	424,433.00	36.28
Electricity And Water	1,200,000.00	-	1,200,000.00	870,863.30	72.57
Medical	1,200,000.00	-	1,200,000.00	538,500.00	44.88
Administration Costs	1,170,000.00	-	1,170,000.00	870,861.00	74.43
Activity	900,000.00	-	900,000.00	618,330.00	68.70
3) FDSE for infrastructure					
Maintenance &Improvement MoE	2,400,000.00	-	2,400,000.00	2553250	106.39
M&I parents' contribution	1,200,000.00		1,200,000.00	689102.00	57.43
(4) Fees Charged on Parents					
Personnel Emoluments	3,000,000.00	-	3,000,000.00	1,845,390.00	61.51
Repairs And Maintenance	1,200,000.00		1,200,000.00	689,102.00	57.43
Local Transport / Travelling	1,800,000.00		1,800,000.00	1,264,153.00	70.23

Expected Expenditure	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity And Water	1,740,000.00		1,740,000.00	1,336,939.00	76.84
Administration Costs	1,200,000.00		1,200,000.00	1239787.00	103.32
Activity	150,000.00		150,000.00	189315.00	126.21
Fee On Boarding Equipment and Stores	14,910,000.00		14,910,000.00	8,195,338.00	54.97
5) Miscellaneous Income					
Loans / Borrowing	-	1,400,000.00	1,400,000.00	1,400,000.00	100
Rent income	-		-		
Income From Farming Activities	-	402,353.00	402,353.00	402,353.00	100
Income From Bus Hire	-	-	-	866,050.00	
Fee For Hire of Ground and Equipment		-	-	22,000.00	
Total Income	**40,826,400.00**		**40,826,400.00**	**31657453.2**	**77.54**
(6) Expenditure For Tuition					
Teaching / Learning Materials	2,485,800.00	-	2,485,800.00	1,205,870.00	48.51
Bank Charges	-	-	-	940.00	
(7) Expenditure For Operations					
Personnel Emoluments	2,700,000.00	-	2,700,000.00	3,186,888.00	118.03
Repairs, Maintenance & Improvements	2,400,000.00	-	2,400,000.00	2,778,585.00	115.77
Local Transport / Travelling	1,170,000.00	-	1,170,000.00	895,835.00	76.57
Electricity, Water and Conservancy	1,200,000.00	-	1,200,000.00	921,334.00	76.78
Medical	1,200,000.00	-	1,200,000.00	44,670.00	3.72
Administration Costs	1,170,000.00	-	1,170,000.00	1,180,830.00	100.93

[illegible]	Original Budget	Adjustments	Final Budget	Actual Expenditure	% Utilization
Activity Expenses	900,000.00	-	900,000.00	381,560.00	42.40
(8) Expenditure For infrastructure					
Construction of classrooms	2,400,000.00	-	2,400,000.00	435,910.00	18.16
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	3,000,000.00	-	3,000,000.00	3,208,625.00	106.95
Repairs, Maintenance and Improvements	1,200,000.00	-	1,200,000.00	1,098,630.00	91.55
Local Transport / Travelling	1,800,000.00	-	1,800,000.00	1,582,881.00	87.94
Electricity, Water and Conservancy	1,740,000.00	-	1,740,000.00	1,050,440.00	60.37
Medical Expenses	-	-	-	38,220.00	
Administration Costs	1,200,000.00	-	1,200,000.00	1,549,595.00	129.13
Activity	150,000.00	-	150,000.00	807,370.00	538.25
Boarding Equipment and Stores	14,910,000.00	-	14,910,000.00	7,846,283.00	52.62
Totals	**39,625,800.00**		**39,625,800.00**	**28,214,466.00**	**71.20**

i. *Underutilization on capitation grant is caused by failure of government to release full capitation while underutilization on contribution from parents is caused by poor fees payment.*
ii. *Overutilization came about due to fluctuation of commodities price.*

Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. **Statement of compliance and basis of preparation**

Statement of Compliance

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

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (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.

Notes To the Financial Statements

Government Grants for Tuition

Description	2024/2025	2023/2024
	Kshs	Kshs
Reference Materials	-	0
Exercise Books	100,614.00	91,634.00
Laboratory Equipment	200,000.90	1,083,843.80
Internal Exams	100,615.00	735,982.60
Teaching./ Learning Materials	1,729,847.00	576,063.00
payables	462,338.00	0
Total	**2,593,414.90**	**2,487,523.40**

Government Grants for Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel Emoluments	3,606,360.00	3,686,345.00
Repairs And Maintenance	1,904,250.00	1,649,000.00
Local Transport / Travelling	424,433.20	1,144,755.00
Electricity And Water	870,863.30	1,120,428.00
Medical	538,500.00	1,041,975.00
Administration Costs	870,861.00	1,144,755.40
Activity	618,330.00	708,155.00
Bus insurance	150,920.00	-
statutory	497260.00	
Elimu sacco	266,112.00	
Salary advance	43,910.00	
payables	1,389,458.00	
Total	**11,181,257.50**	**10,495,413.40**

Government Grants for infrastructure

Description	2024/2025	2023/2024
	Kshs	Kshs

Description	2024/2025	2023/2024
	Ksh	Ksh
Maintenance & Improvement	2,553,250.00	1,648,800.00
Transition infrastructure grants		
Other *(specify)(NGCDF and County govt.*		
Total	**2,553,250.00**	**1,648,800.00**

School Fund Income - Parents Contribution/Fees

Description	2024/2025	2023/2024
	Ksh	Ksh
Personnel emoluments	2,790,688.00	2,421,704.00
Repairs and maintenance	847,307.00	1,050,413.00
Local transport / travelling	1,818,608.00	1,614,098.00
Electricity and water	1,945,513.00	1,709,297.00
Medical	-	600.00
Administration costs	2,018,413.00	1,245,096.00
Activity	282,336.00	142,777.00
Fee on Boarding Equipment and stores	13,452,113.00	12,243,553.00
PA Levies	946,000.00	2,732,612.00
KCSE Registration 2023/2025	278,900.00	29,600.00
KCSE Registration 2024		172,000.00
Fees arrears	1,669,342.00	3,124,761.00
Prepaid fee	1,057,043.00	779,847.00
Payables	4,437,755.00	
Total	**31,544,018.00**	**27,266,358.00**

Miscellaneous Incomes

Description	2024/2025	2023/2024
	Ksh	Ksh
Rent Income		0
Income From Farming Activities	402,353.00	171,115.00
Income From Bus Hire	866,050.00	287,900.00
Fee For Hire of Ground and Equipment	22,000.00	0
Scrap material*	-	104,700.00
Empty jericans Income	8,300.00	6,760.00

Water income	95,070.00	31,180.00
Infrastructure a/c	1,058,000.00	
Miscellaneous	301,000.00	925,518.00
Savings account	97,400.00	
statutory	570,534.00	
Salary advance	162,346.00	
Elimu sacco	264,712.00	
Total	**3,847,765.00**	**2,137,173.00**

Tuition

Description	2024/2025 Ksh	2023/2024 Ksh
Exercise Books	-	390,000.00
Teaching / Learning Materials	1,472,408.00	79,800.00
Exams And Assessment	195,800.00	663,000.00
Bank Charges	940.00	3,960.00
Sundry creditors	1,423,000.00	990,000.00
Total	**3,092,148.00**	**2,126,760.00**

Operations

Description	2024/2025 Ksh	2023/2024 Ksh
Personnel Emoluments	3,650,168.00	4,202,802.00
Administration Cost	1,180,830.00	1,264,450.00
Repairs And Maintenance & Improvements	2,778,585.00	1,819,405.00
Local Transport / Travelling	895,835.00	909,500.00
Electricity And Water	1,357,834.00	776,150.00
Medical	61,370.00	5,750.00
Activity Expenses	381,560.00	548,850.00
Insurance Cost (Bus)	147,000.00	50,000.00
Bus maintance	20,000.00	
NSSF	542,452.00	
Housing levy	103,815.00	
Bank charges	4,001.00	5,100.00
School farm		55,650.00
Nita	14,400.00	3,500.00

SHA	52,705.00	
Elimu sacco	611,776.00	
Paye	7,009.00	
Union dues	49,790.00	
Salary advance	5,500.00	
Sundry creditors	1,366,000.00	557,000.00
Total	**13,230,630.00**	**10,198157.00**

Infrastructure

Description	2024/2025	2023/2024
Construction of classrooms/tution block	435,910.00	300,000.00
Bank charges	997.00	230.00
Sundry creditors	1,153,142.00	200,000.00
Schoolfund a/c	1,040,000.00	
Total	**2,630,049.00**	**500,230.00**

Boarding And School Fund

Description	2024/2025	2023/2024
Personnel Emoluments	3,208,625.00	2,766,217.00
Repairs and Maintenance & Improvements	1,158,630.00	2,467,680.00
Local Transport / Travelling	1,582,881.00	2,572,935.00
Electricity And Water	1,056,440.00	1,203,414.00
Medical Expenses	38,220.00	49,850.00
Administration Costs	1,549,595.50	2,112,354.00
Activity	807,370.00	-
Bank Charges	2,634.25	6004.15
Expenses On Income Generating Activities	-	215,145.00
Fee On Boarding Equipment and Stores	12,203,938.00	13,370,700.00
Insurance Cost Bus	40,000.00	-
Bus hire/maintenance	804,700.00	
Farming activities	270,773.00	
Miscellaneous	492,802.60	
KCSE Registration	244,800.00	
NITA	3,200.00	
Salary advance	62,100.00	
Miscellaneous		736,000.00
P.A Project	10,000.00	471,600.00
Fee refund	84,368.00	151,060.00
Savings	220,000.00	75000.00,
SHA	76,696.00	
Paye	2,960.00	

House levy	23,070.00	
Sundry creditors	2,379,345.00	2,498,294.00
Receivables	8,810,745.00	
Total	**35,133,893.35**	**31,854,125.15**

Bank Accounts

Account Name & Currency	Status Active/Dormant	Bank Account Number	2024/2025 Ksh	2023/2024 Ksh
Tuition Account	Active	011039049931300	9,513.57	508,246.67
Operations Account	Active	011039049931301	3,781.75	2,043,322.75
School Fund Account/Boarding	Active	1106248775	88,652.00	22,286.05
Savings Account	Active	1105398153		
Parent Association Development Account	-	-	-	-
Income Generating Activities Account	-	-	-	-
Infrastructural Account	Active	1260936236	25,706.00	13,595.00
Total			**127,653.32**	**2,587,450.47**

Cash In Hand

Description	2024/2025 Ksh	2023/2024 Ksh
Notes and Coins	**94,309.50**	**1,528.00**
Total	**94,309.50**	**1,528.00**

Short Term Investments

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

Accounts Receivable

Description	2024/2025 Ksh	2023/2024 Ksh
Fees Arrears	39,845,237.00	32,712,439.00
Other Non-Fees Receivables		
Elimu sacco	230,810.00	141,656.00
Unrecovered statutory deductions		421,670.00
Namwela Sacco	3,548.00	-
Salary Advances (list/schedule attached)	61524.00	182,200.00
Imprest (list/schedule attached)	66,000.00	66,000.00
Total	**40,207,119.00**	**33,523,965.00**

13 b) Ageing Analysis of Accounts Receivable

Description	2024/2025 Ksh		2023/2024 Ksh	
	2024/2025	**% of the total**	**2023/2024**	**% of the total**
Less than 1 year	8,810,745.00	22.11%	8,508,162.00	26.00
Between 1- 2 years	6,838,820.00	17.16%	13,001,432.00	39.74
Between 2-3 years	13,001,432.00	32.62%	2,766,504.00	8.45
Over 3 years	11,194,240.00	28.09%	8,436,341.00	25.79
Total (should tie to note 13 a)	**39,845,237.00**	**%**	**32,712,439.00**	

Accounts Payable

Description	2024/2025	2023/2024
	Ksbs	Ksbs
Trade Creditors (See Ageing Below and Appendix 1)	17,781,183.00	18,206,594.00
Prepaid Fees	2,788,025.00	1,815,350.00
NSSF	765,471.00	316,503.00
SHA	62,922.00	106,450.00
Union dues	58,926.00	10,904.00
House levy	98,468.00	-
Paye	2,791.00	
Total	**21,557,786.00**	**20,027,209.00**

14a. Ageing Analysis of Accounts Payable

Description	2024/2025		2023/2024	
	Ksbs		Ksbs	
	2023/2025	**% of the total**	**2023/2024**	**% of the total**
Less than 1 year	6,289,551.00	35.37	6,040,960.00	33.18
Between 1- 2 years	0.00	-	3,495,649.00	19.20
Between 2-3 years	3,215,122.00	18.08	4,211,484.00	23.13
Over 3 years	8,276,510.00	46.55	4,458,501.00	24.49
Total (should tie to note 14)	**17,781,183.00**		**18,206,594.00**	

Fund Balance Brought Forward

Description	2024/2025	2023/2024
	Ksbs	Ksbs
Bank Balances	2,587,450.47	2,172,538.82
Cash Balances	1,528.00	2,900.00
Short Term Investments	-	0
Receivables		
Payables		
Total	**2,588,978.47**	**2,175,438.82**

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.

Non-current Liabilities Summary

Description	30/6/2025 Kshs	30/6/2024 Kshs
Bank Loans	-	0
Outstanding Leases	-	0
Hire Purchase	-	0
Gratuity And Leave Provision	-	375,000.00
Others (specify)	-	
Total	-	**375,000.00**

Biological Assets

Description	Numbers		30/6/2025	30/6/2024
	30/6/2025	30/6/2024	Kshs	Kshs
Cattle	1	5	35,000.00	250,000.00
Goats	0	0	0	0
Trees	1643	1500	2,464,500.00	400,000.00
Coffee Or Tea Plantation	560	560	112,000.00	28,000.00
Poultry	0	0	-	-
Others (specify)	-	-	-	-
Total			**2,611,500.00**	**678,000.00**

Borrowings

Description	[illegible]	[illegible]
Borrowings at beginning of the year	0	0
Borrowings during the year	1,400,000.00	500,000.00
Repayments during the year	1,400,000.00	(500,000.00)
Balance at the end of the year	**0.00**	**0.00**

Other important disclosure notes

Stock/ Inventory

Description	30/6/2025 Ksh	30/6/2024 Ksh
Food stuffs	260,907.00	604,202.00
Lab consumables	455,000.00	101,000.00
Farm produce	-	241,000.00
Medication	-	30,000.00
Construction Materials	-	**120,000.00**
Others (specify)	-	**0**
	715,907.00	**1,096,202.00**

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)	Timeline (Put a date if not your expective issue to be resolved)

NAMWELA SECONDARY SCHOOL
P.O. BOX 48 - 50202, CHWELE

16/10/2025

Sign and Date
Principal

Annexes

Annex I - Analysis of Pending Accounts Payable

SCHOOL FUND A/C

NAME OF SUPPLIER	YEAR	VOTEHEAD	ITEM	AMOUNT
Isaac Wanyama	2025	BES	Maize	493217.00
Gilbert Kasembe Masinde	2025	BES	Beans	230502.00
Elizabeth Wakhungu	2025	BES	Maize	292568.00
Hesbon Wafula	2025	BES	Maize	146580.00
Nobert Mathias Mpaka	2025	BES	Beans	232126.00
Kennedy Nalianya	2025	BES	Beans	60000.00
Amos Masidza	2025	BES	Maize	300000.00
Nancy Wasilwa	2025	BES	Maize	102215.00
Naswa Welfare	2025	BES	Maize	356800.00
Richard Wanyama	2025	M&I	School bus shelter	60000.00
Pamimi stores	2025	BES	Boarding items	418570.00
Moses Biketi barasa	2025	BES	Beef	765830.00
Roseline Nafuna Simiyu	2024	BES	Maize	47424.00
Samuel Sikuku Wafula	2024	BES	Maize	53714.00
Moses Waliaula	2024	BES	maize	34037.00
Sesa climu centre	2024	BES	Maize	171634.00
Kennedy I. barasa	2024	BES	Maize	149503.00
George wafula	2024	BES	Maize	231249.00
Jacob Mneria Naibei	2024	BES	Maize	228035.00
Hellen M.Otanga	2024	BES	Firewood	23650.00
Chwele sideway	2024	BHM	Bus repair	14100.00

Mary Wekhui	2024	EWC	Detergent and disinfectant	20000.00
Charles Sitati	2024	EWC	Electrical repairs in school	6000.00
TOTAL				4437755.00

OPERATION A/C

NAME OF SUPPLIER	YEAR	VOTEHEAD	ITEM	AMOUNT(KSH.)
Kinya Fire Protectors	2024	EWC	Fire Extingushers	356500.00
Mark Musamali	2024	PE	Gratuity	165000.00
Gallytop kenya ltd	2025	EWC	Disinfectant	35000.00
Emily Muraya	2025	EWC	Disinfectant	20000.00
Goyviewers Enterprises	2025	EWC	Disinfectant	25000.00
Joycare pharmacy	2025	MEDICAL	Student drugs	16700.00
Benard Muchuma	2025	P.E	Gratuity	298280.00
SHA	2025	SHA	SHA	10205.00
HOUSE LEVY	2024/2025	HOUSE LEVY	"	80745.00
NITA	2024/2025	NITA	"	11200.00
NSSF	2024/2025	NSSF	"	370828.00
TOTAL				**1339458.00**

TUITION A/C

NAME OF SUPPLIER	YEAR	VOTEHEAD	ITEM	AMOUNT(KSH)
Claseque photoshop	2025	Internal exam	Electronics materials	95160.00
Nziobooks Supplies	2025	T/learning material	Stationery	79908.00
Mas lab supplies	2023/2024	Lab chemicals	Lab chemical and equip	287270.00
TOTAL				**462338.00**

Grand total =ksh.6,289,551

Annex 2 – Summary of Fixed Assets Register

[illegible]	[illegible] (Ksha) [illegible]	[illegible] during the year (Ksha)	Disposals during the year (Ksha)	Revised Cost of (Ksha) 30th June 2025
Land	3,500,000.00	-	-	3,500,000.00
Buildings And Structures	200,250,000.00	-	-	200,250,000.00
Motor Vehicles	14,000,000.00	-	-	14,000,000.00
Office Equipment, Furniture and Fittings	2,900,000.00	-	-	2,900,000.00
Textbooks	1,540,000.00	9,400.00	-	1,549,400.00
ICT Equipment	3,070,000.00	-	-	3,070,000.00
Tools And Apparatus	5,125,000.00	-	-	5,125,000.00
Other Machinery and Equipment	4,150,000.00	-	-	4,150,000.00
Heritage And Cultural Assets	0	-	-	-
Intangible Assets- Soft Ware	400,000.00	-	-	400,000.00
Total	**234,935,000.00**			**234,944,400.00**