REPUBLIC OF KENYA

REPUBLIC OF KENYA

OAG

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

NGAITA GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2025

THARAKA NITHI COUNTY

NGAITA GIRLS 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)

(Leave this page blank)

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 Tharaka Nithi County, Maara Sub-County

The school was registered in **2/12/2016** under registration number **19S00300221** and is currently categorized as a *Extra County,* public school established, owned or operated by the Government.

The school is a boarding school and had 296 number of students as at *30th June 2025*. It has Three streams and 21 teachers of which 1 teacher 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	Rev. Njeru L. Rukenya	Chairman Rep Sponsor	1/7/2022
2	Gladys N. Kirugi	Secretary / Principal	1/7/2022
3	Kinyua Royford Irai	Member Rep parents / community	1/7/2022
4	John Kaume	Member Rep parents / community	1/7/2022
5	Roline Njiru	Member Rep parents / community	1/7/2022
6	Teresia Wanjiru	Member Rep parents / community	1/7/2022
7	Mwiti Albert.	Member Rep P.A	1/7/2022
8	Humprey Munene	Member Rep special interest	1/7/2022
9	Prof. Dickson Nkonge	Member – Rep CEB	1/7/2022
10	Mbae Mark Muchiri	Member Rep Teachers	1/7/2022
11	Dorothy Kathomi	Members Rep Sponsor	1/7/2022
12	Christine Kendi	Members Rep Sponsor	1/7/2022
13	Mbae James George	Member Rep parents / community	1/7/2022
14	Rose Njeri Mugo	Member rep Special Needs	1/7/2022
15	Florah Kaari	Member Rep parents / community	1/7/2022
16	Weddy kendi	Rep Students	1/7/2022

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.

- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Rev. Njeru L. Rukenya	Chairman	3
		Kinyua Royford Irai	Vice Chairman	
		Gladys N. Kirugi	Secretary/ Principal	
		Mwiti Albert	P.A Chair	
		Dorothy Kathomi	1 B.O.M	
2	Audit Committee	Christine Kendi	Chairperson	0
		Dorothy Kathomi	Member	
		James Mbae George	Member	
3	Finance,procurement and general purposes Committee	Roline Njiru	Chairperson	0
		Christine Kendi	Member	
		Albert Mwiti	Member	
4	Academic Committee	Kinyua Royford Irai	Chairperson	0
		John Kaume	Member	
		Mbae Mark Muchiri	Member	
5	Development Committee	Kinyua Royford Irai	Chairperson	0
		Rita M. Magara	Secretary/ D. Principal	
		Rev. Njeru L. Rukenya	Member	
		Gladys N. Kirugi	Member	
		Dorothy Kathomi	Member	
		Albert Mwiti	Member	
6	Discipline and welfare Committee	James Mbae Geaoge	Chairperson	1
		Kinyua Royford Irai	Member	
			Member	
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

S/NO	DESIGNATION	NAME	T.S.C NO
1.	Principal	Gladys N. Kirugi	243468
2.	Deputy Principal	Rita Mwendia Magara	348876
3.	Accounts' Clerk	Idah Kainyu	I.D NO.27852360

(e) Schools contacts

Post Office Box: 425 chogoria
Telephone: 0700,889,630
E-mail: ngaitagirlssecschool@yahoo.com
Website:
Facebook: ngaitagirlssecschool@yahoo.com

(f) School Bankers

The following school operated 8 number of bank accounts in the following banks:

1. Name of bank: Kenya commercial bank
   Branch : chogoria
   Account number : 1103774034

2. Name of bank: Kenya commercial bank
   Branch : chogoria
   Account number : 1103524143
3. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01139057785400

4. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01139057785401

5. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01139057785402

6. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01134057785400

7. Name of bank: southern star
   Branch : chogoria
   Account number : 502002338500

(g) Independent Auditors

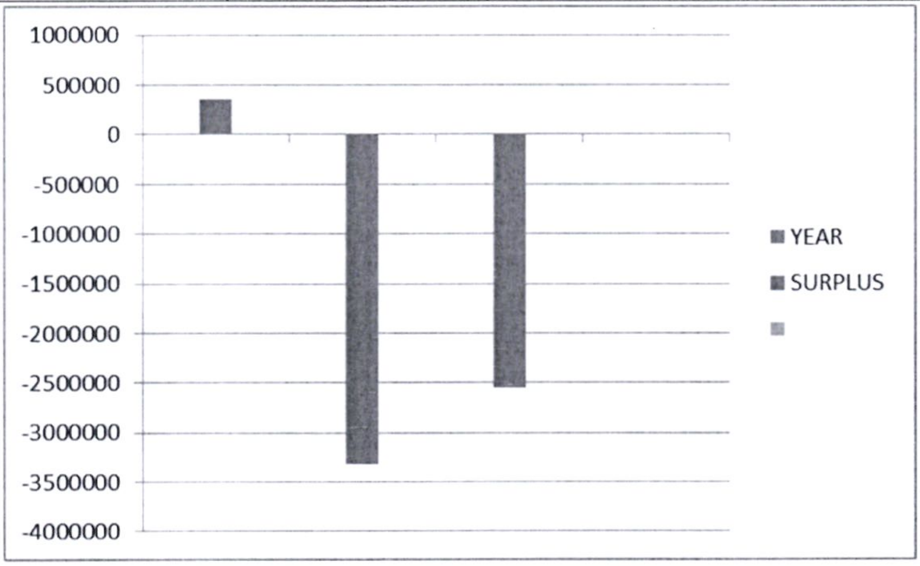
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

3. Summary Report of Performance of The School

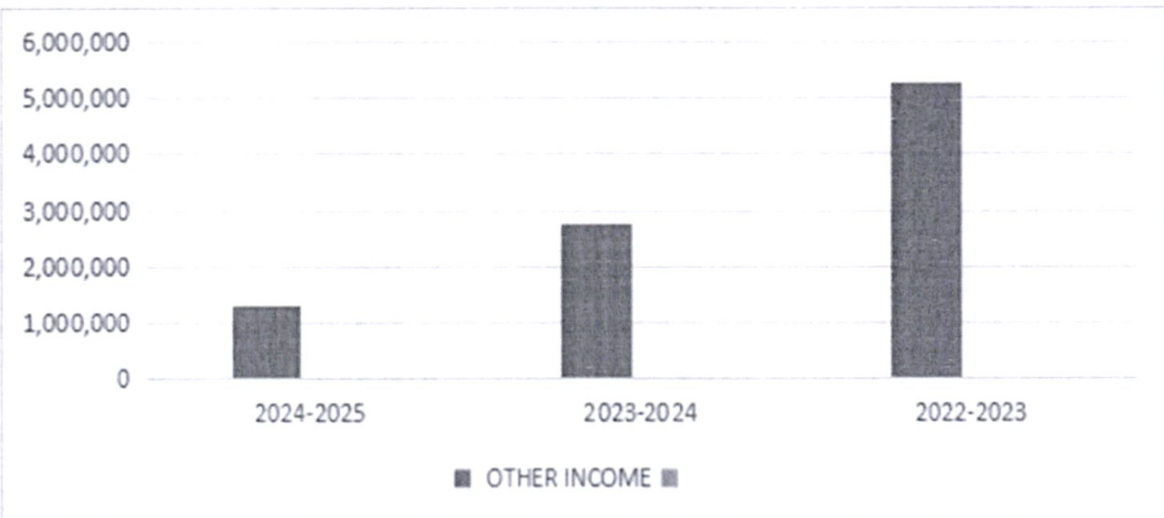
a) Financial performance:

SURPLUS / DEFICIT

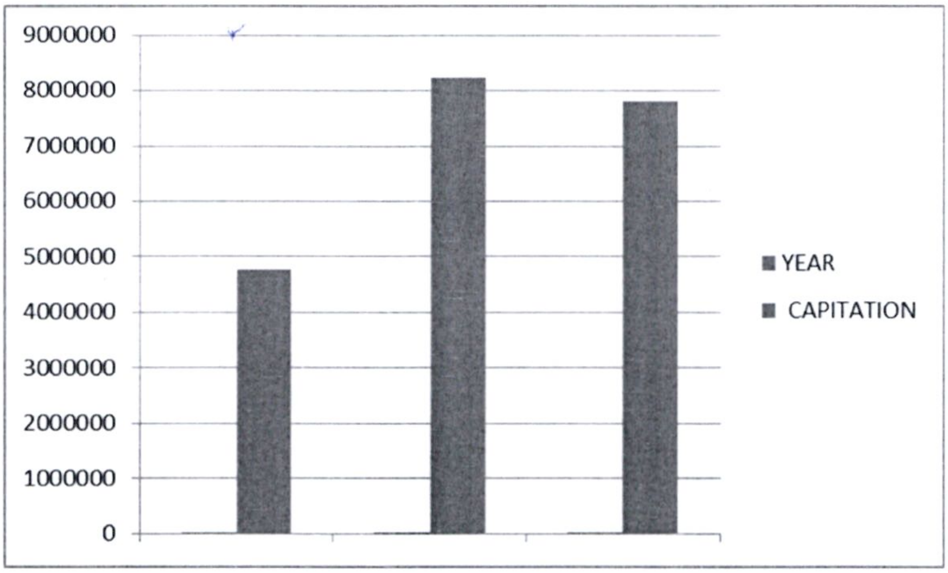
YEAR	2024-2025	2023-2024	2022-2023
SURPLUS	361,983	-3,321,467	-2,254,133



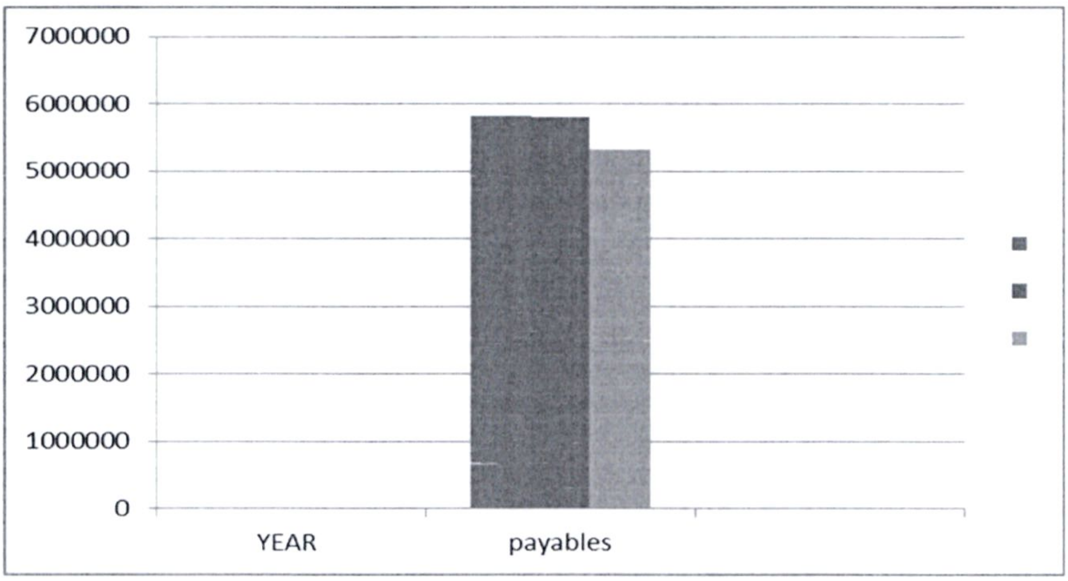
YEAR	2024-2025	2023-2024	2022-2023
OTHER INCOME	1,317,401	2,766,716	5,264,155



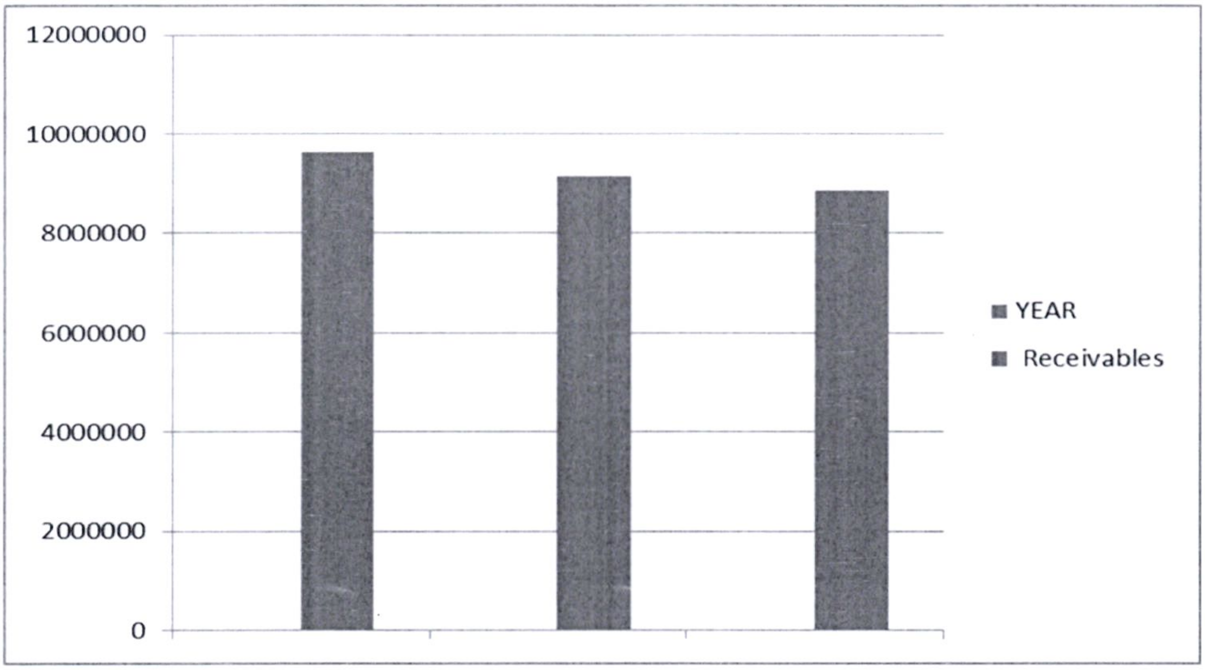
YEAR	2024-2025	2023-2024	2022-2023
CAPITATION	4,778,942	8,232,932	7,815,845



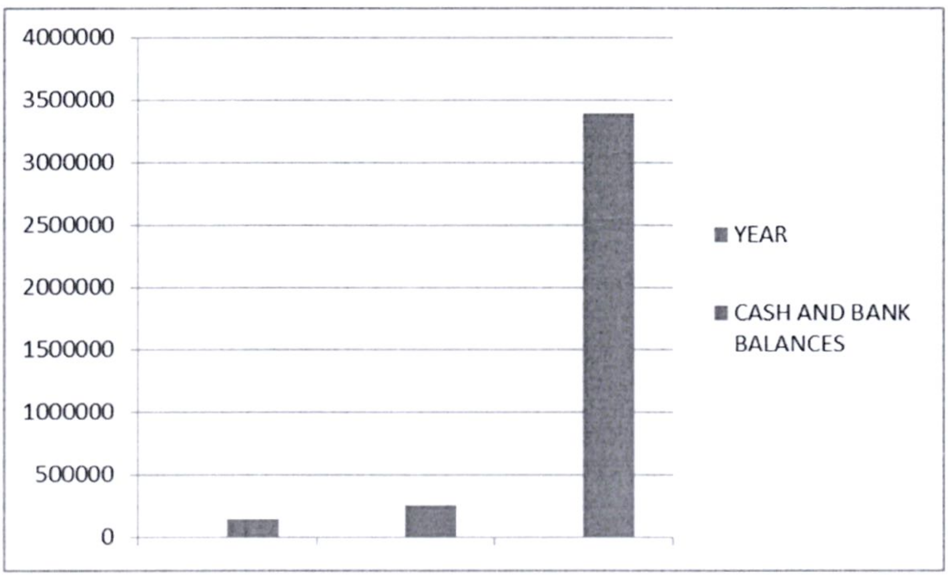
YEAR	2024-2025	2023-2024	2022-2023
payables	5,821,265	5,811,040	5,323,260



YEAR	2024-2025	2023-2024	2022-2023
Receivables	9,638,791	9,153,273	8,855,535



YEAR	2024-2025	2023-2024	2022-2023
CASH AND BANK BALANCES	142,641	256,221	3,387,646



b) Teacher Student ratio:

S/NO	Teacher to student ratio	Number of teachers recruited and posted to the school within the year	Number of teachers transferred during the period	Number of teachers retired during the period	Number of teachers employed by t.s.c	Number of teachers employed by b.o.m
1	1:21	2	4	0	20	1

S/NO	**SUBJECTS TAUGHT**	**NO. OF TEACHERS PER SUBJECT**	**SHORTAGE/ ALLOCATION RESOURCES**
1.	English / Literature	4	Biology / Chemistry
2.	Kiswahili /C.R.E	1	Computer / Mathematics
3.	Kiswahili / History	2	Chemistry /Mathematics
4.	Maths / Physics	4	B/ studies/ Geography
5.	Maths / Chemistry	2	
6.	Biology / Chemistry	1	
7.	Biology / Agriculture	1	
8.	Geography / business studies	2	
9.	History / C.R.E	3	
10	Home science	1	

c) Mean score in the year 2021 – 2024 K.C.S.E.

YEAR	**MEAN SCORE**	**MEAN GRADE**	**INDEX**	**NO. OF STUDENTS SCORED C+ AND ABOVE**	**COMMENT**
2024	5.1939	C-	+0.299	21	
2023	5.164	C-	+0.386	17	Average performance targeting for a mean of 6.5 year 2025
2022	4.778	C-	-1.133	15	
2021	4.9083	C-	+0.1303	12	

d) Number of Candidates in the K.C.S.E 2024:

YEAR	**NO. OF CANDIDATES**

1	*classrooms*	*12*	*296*	*296*	
2	*dormitories*	*5 x110*	*296*	*296*	
3	*Laboratories*	*2*	*296*	*296*	
4	*Dinning hall*	*1 x 296*	*296*	*296*	

f). **Development projects carried out by the school:**

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)
Construction of a modern dormitory	Ministry of education and	Ongoing project	12,000,000	815,000

....

School Principal

4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

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

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

....

Name: NIMROD P. MIRATI

Designation: Chairman, School Board of Management

Date: 17/4/2026

....

Name: Gladys Wingi

Designation: School Principal & Secretary to Board of Management

Date: 17/4/2026.

....

Name: IDAH KAIRU

Designation: Bursar/ Finance Officer

Date: 17/4/2026

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
[illegible]il: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

REPUBLIC OF KENYA

OAG
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NGAITA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 - THARAKA NITHI 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.

An Unmodified Opinion is issued when the Auditor-General concludes that, 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

Opinion

I have audited the accompanying transitional IPSAS financial statements of Ngaita Girls Secondary School set out on pages 1 to 19, 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 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, the financial statements present fairly, in all material respects, the financial position of Ngaita Girls Secondary School as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) including the transitional provisions permitted under IPSAS 33 and comply with Public Finance Management Act, 2012, Basic Education Act, 2013 and the National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.23,794,925 and Kshs.20,367,857 respectively, resulting to an under-funding of Kshs.3,427,068 or 14% of the budget. However, the school spent Kshs.20,005,874 against actual receipts of Kshs.20,367,857, resulting to an under-utilization of Kshs.361,983.

The underfunding and underutilization may have affected the planned activities of the school and may have impacted negatively on service delivery to the students.

My opinion is however not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements, I have determined that there are no other key audit matters to report in the year under review.

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

Management is responsible for the Other Information set out on page iii to xii which comprise of the School's Key Information and Management , Summary Report of School Performance and Statement of School's 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 transitional IPSAS 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 and 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 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects operations grants amount of Kshs.3,466,224 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount was Ksh.1,120,500 in respect of infrastructure grants which ought to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.400,000 was transferred to infrastructure account, leaving a balance of Kshs.720,500 as at 30 June, 2025. This was contrary to The Ministry of Education Circular Ref. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

2. IrregularTransfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of financial performance reflects boarding and school fund payments of Kshs.16,147,721 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.278,677 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the value for money transferred to KESSHA amounting to Kshs.278,677 could not be confirmed.

3. Failure to Deduct Capacity Building Levy

The statement of financial performance reflects total payments of Kshs.20,005,874 which includes procurement contracts signed with the school's suppliers. Review of payments for goods and services revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, contrary to the Levy Order No. 206 of 2023 issued by the Public Procurement Regulatory Authority.

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

4. Long Outstanding Payables

The statement of assets and liabilities and Note 14 to the financial statements reflects accounts payables balance of Kshs.5,821,265. Review of documents provided and ageing analysis revealed that there have been long outstanding payables up to two (2) years amounting to Kshs.2,165,900 contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that "an accounting officer shall not commence procurement proceedings unless satisfied that sufficient funds to meet the obligations of the resulting contract are reflected in the approved estimates".

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 and 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 Land Ownership Documents

Annex 2 to the financial statements for the period ended 30 June, 2025 reflects summary of fixed assets register with school land measuring five (5) acres valued at Kshs.9,000,000. However, land ownership documents were not availed for audit verification. Management disclosed that the land is registered under Ngaita Primary School.

In the circumstances, the effectiveness of the management of the assets and the accuracy, completeness and ownership of land balance of Kshs.9,000,000 could not be confirmed.

2. Long Outstanding Receivables

The statement of assets and liabilities and Note 13 to the financial statements reflects accounts receivables balance of Kshs. 9,781,432. Included in the balance are receivables amounting to Kshs.3,188,691 which had been outstanding for more than two years. However, there was no policy on the impairment of long outstanding fee arrears casting doubt on the fair statement of the accounts receivables balance.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 for 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

22 May, 2026

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

Description Of Vote Head	Note	2024-2025 Kshs	2023-2024 Kshs
Revenue			
Government grants for tuition	1	912,718	1,129,950
Government grants for operations	2	3,466,224	6,214,182
Government Grants for infrastructure	3	400,000	888,800
School fund income- parents' contributions	4	14,271,514	18,715,512
Miscellaneous incomes	5	1,317,401	2,766,716
Total Revenue		**20,367,857**	**29,715,160**
Expenditure			
Tuition	6	239,460	1,113,410
Operations	7	2,803,693	6,450,447
Infrastructure	8	815,000	3,286,292
Boarding and school fund	9	16,147,721	22,186,478
Total Expenditure		**20,005,874**	**33,036,627**
Surplus/Deficit		**361,983**	**(3,321,467)**

The school financial statements were approved on 17/4/2026 and signed by:

………………………………

Name: NIMROD P. MIRITI

Chair BOM

Date: 17/4/2026

………………………………

Name: GLADYS N KIRAGU

School Principal/ Secretary to BOM

Date: 17/4/2026

………………………………

Name: IDAH KAINYU

Bursar/ Finance Officer

Date: 17/4/2026

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	121,000	**255,721**
Cash balances	11	21,641	500
Short term investments	12	0	0
Total cash and cash equivalent		**142,641**	**256,221**
Account's receivables	13	9,638,791	9,153,273
Total financial assets (a)		**9,781,432**	**9,409,494**
Financial liabilities			
Accounts payables	14	(5,821,265)	(5,811,040)
Total Financial Labilities (b)		**(5,821,265)**	**(5,811,040)**
Net financial assets (a-b)		**3,960,167**	**3,598,454**
Represented by			
Accumulated fund b/fwd	15	3,598,454	6,919,921
Surplus/deficit for the year		361,713	(3,321,467)
Net Assets		**3,960,167**	**3,598,454**

The school's financial statements were approved on 17/4/2026 and signed by

....	....	....
Name: NIMROD P.MIRITI	**Name:** Gladys Kirugi **School Principal/ Secretary to BOM**	**Name:** IDAH KAIMYU
Chair BOM		**Bursar/ Finance Officer**
Date: 17/4/2026	**Date:** 17/4/2026.	**Date:** 17/4/2026

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		912,718	1,129,950
Government grants for operations		3,466,224	6,214,182
Government grants for infrastructure		400,000	888,800
School fund income- parents contributions/ fees		13,785,726	23,316,776
Other income		1,317,401	2,766,716
Total receipts		**19,882,069**	**34,316,424**
Payments			
Cash outflows for tuition		933,480	1,113,410
Cash outflows for operations		3,521,193	6,450,447
Cash outflows Boarding/lunch and school fund payments		14,725,976	24,329,904
Total payments		**19,180,649**	**31,893,761**
Net cash inflow/outflow from operating activities		**701,420**	**2,422,663**
Cash flow from investing activities			
Acquisition of assets dormitory		(815,000)	(5,554,088)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans	**18**	0	0
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		**(113,580)**	**(3,131,425)**
Cash and cash equivalent at beginning of the 2025		**256,221**	3,387,646
Cash and cash equivalent at end of the 2025		**142,641**	**256,221**

The school's financial statements were approved on 17/4/2026 and signed by:

………………………………	………………………………	………………………………
Name: NIMROD P. MIRITI	**Name:** Gladys Huingi	**Name:** IDAH KAINYU
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 17/4/2026.	**Date:** 17/4/2026	**Date:** 17/4/2026

4

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Exercise Books	500,000	0	500,000	400,000	80%
Laboratory Equipment	500,000	0	500,000	300,000	60%
Teaching / Learning Materials	491,810	0	491,810	212,718	43%
(2) Capitation Grant on Operations					
Personnel Emoluments	1,404,000	0	1,404,000	1,090,764	77%
Repairs And Maintenance	800,000	0	800,000	717,500	90%
Medical	204,750	0	204,750	224,590	110%
Activity	540,000	0	540,000	339,770	41%
ADM COST	720,000	0	720,000	500,000	77%
EWC	720,000	0	720,000	248,600	34%
LT&T	540,000		540,000	345,000	63%
3) FDSE for infrastructure					
Dormitory consruction	1,000,000		1,000,000	400,000	40%
(4) Fees Charged on Parents					
Personnel Emoluments	1,768,500	0	1,768,500	1,768,500	100%
Repairs And Maintenance	720,000	0	720,000	720,000	100%
Local Transport / Travelling	745,500	0	745,500	745,000	100%
Electricity And Water	1,065,000	0	1,065,000	1,065,000	100%
Administration Costs	1,065,000	0	1,065,000	765,000	72%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Activity	90,000	0	90,000	69,339	77%
Fee On Boarding Equipment and Stores	9,138,675	0	9,138,675	9,138,675	100%
5) Miscellenous Income					
Income From Bus Hire	500,000	0	500,000	450,200	90%
Pta funds	1,239,690		1,239,690	830,201	67%
Rent	12,000	0	12,000	12,000	100%
Income from tenders	30,000	0	30,000	25,000	83%
Total Income	**23,794,925**		**23,794,925**	**20,367,857**	**86%**
(6) Expenditure For Tuition					
Exercise books	500,000	0	500,000	239,460	80%
Laboratory equipment	500,000	0	500,000	0	0%
Teaching and learning materials	491,810	0	491,810	0	0%
(7) Expenditure For Operations					
Personnel Emoluments	1,404,000	0	1,404,000	1,090,073	77%
Repairs, Maintenance & Improvements					
Medical	204,750	0	204,750	339,770	47%
Activity Expenses	540,000	0	540,000	224,590	41%
ADM COST	720,000	0	720,000	555,660	47%
E.W.C	720,000	0	720,000	248,600	34%
LT&T	540,000	0	540,000	345,000	64%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(8) Expenditure For infrastructure					
Construction of dormitory	1,800,000	0	1,800,000	815,000	45%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	1,768,500	0	1,768,500	1,768,500	100%
Repairs, Maintenance and Improvements	720,000	0	720,000	719,500	71%
Local Transport / Travelling	745,500	0	745,500	744,100	73%
Electricity, Water and Conservancy	1,065,000	0	1,065,000	1,064,600	79%
Administration Costs	1,065,000	0	1,065,000	1,064,300	59%
Activity	90,000	0	90,000	85,000	72%
Bus hire	500,000	0	500,000	369,720	74%
Rent expences	12,000	0	12,000	0	0%
Boarding Equipment and Stores	9,138,675	0	9,138,675	9,138,675	100%
Tenders expences	30,000		30,000	25,000	83%
Pta funds	1,239,690	0	1,239,690	1,168,326	93%
Totals	**23,794,925**		**23,794,925**	**20,005,874**	**84%**

N/B
1. Operation and tuition account are below 90 % because what the school budgeted was not released by the government .
2. School fund account is below 90% because fees was not fully paid .

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

Statement of Compliance

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

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, statement of cash flow). Under an accrual basis, revenues are recognized when rights to assets are earned or levied rather than when cash is received, and expenses are recognized when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of revenue and expenditure

The school recognizes all revenue from various sources when earned and all expenses when incurred.

The capitation grants include recurrent and development grants. Recurrent capitation are recognised in the statement of financial performance while development grants are recognised in the statement of financial position after meeting the revenue recognition criteria. The conditional grants will be recognised as revenue upon fulfilment of the set conditions.

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment, or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of financial performance both as revenue and as expenditure in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits, and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2025.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	*2024-2025*	*2023-2024*
		Ksh
Reference Materials		
Exercise Books	400,000	229,950
Laboratory Equipment	300,000	500,000
Internal Exams		0
Teaching / Learning Materials	212,718	400,000
Others *(specify)**		
Total	**912,718**	**1,129,950**

2 Government Grants for Operations

Description	*2024-2025*	*2023-2024*
	kshs	kshs
Personnel Emoluments	1,090,764	2,252,592
Repair and Maintenance	717,500	
Local Transport / Travelling	345,000	250,000
Electricity And Water	248,600	600,000
Medical	339,770	667,275
Administration Costs	500,000	600,000
Activity	224,590	267,875
Cbc classrooms	0	1,576,440
Total	**3,466,224**	**6,214,182**

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	kshs	
Maintenance & Improvement	400,000	888,800
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Total	**400,000**	**888,800**

4 School Fund Income - Parents Contribution/Fees

Description	*2024-2025*	*2023-2024*
	kshs	kshs
Personnel emoluments	1,768,500	2,979,795
Repairs and maintenance	720,000	909,320
Local transport / travelling	745,000	888,406
Electricity and water	1,065,000	1,286,900
Medical		
Administration costs	765,000	1,234,311
Activity	69,339	101,733
Fee on Boarding Equipment and stores	9,138,675	11,315,047
PA Levies*		
Others (specify)		
Total	**14,271,514**	**18,715,512**

5 Miscellaneous Incomes

Description	*2024-2025*	*2023-2024*
	kshs	kshs
Rent Income	12,000	12,000
Income From Farming Activities		
Insurance Compensation		
Income From fees arreas		
Income From Bus Hire	450,200	460,000
Fee For Hire of Ground and Equipment		
Income PTA funds	830,201	2,267,716
Income from tenders	25,000	27,000
Dividends Income		
Loans/Borrowings*		
Other Income *(specify)**		
Total	**1,317,401**	**2,766,716**

6 Tuition

Description	*2024-2025*	*2023-2024*
	kshs	**kshs**
Exercise Books	239,000	212,938
Laboratory Equipment		500,000
Teaching / Learning Materials		400,152
Bank Charges	460	320
Total	**239,460**	**1,113,410**

7 Operations

Description	*2024-2025*	*2023-2024*
	kshs	**kshs**
Personnel Emoluments	1,090,073	2,300,000
Administration Cost	555,200	602,944
Local Transport / Travelling	345,000	435,473
Electricity And Water	248,600	600,800
Medical	339,770	667,275
Activity Expenses	224,590	267,075
Bank charges	460	440
Cbc classroom		1,576,440
Total	**2,803,693**	**6,450,447**

8 Infrastructure

Description	*2024-2025*	*2023-2024*
	kshs	kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory	815,000	3,286,292
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
Total	**815,000**	**3,286,292**

9 Boarding And School Fund

Description	*2024-2025*	*2023-2024*
	kshs	kshs
Personnel Emoluments	1,768,500	2,810,243
Repairs And Maintenance & Improvements	719,500	889,295
Local Transport / Travelling	744,100	1,070,123
Electricity And Water	1,064,600	1,250,904
Administration Costs	1,064,300	1,230,000
Lunch Programme		
Activity	85,000	100,700
Expenses bus hire	369,720	308,780
Fee On Boarding Equipment and Stores	9,138,675	12,231,717
Pta funds expences	1,168,326	2,267,716
Sale of tenders expences	25,000	27,000
Bank charges		
Total	**16,147,721**	**22,186,478**

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		kshs	kshs
Tuition Account	Active	01139057785400	225	277.60
Operations Account	Active	01139057785402	509	20,986.00
School Fund Account/Boarding	Active	1103774034	87,939	175,863.00
Bus Account	Active	1103524143	1,892	1,892.00
Income Generating Activities Account	Active	502002338500	29,406	29,973
Infrastructural Account	Active	01139057785401	1,029	26,729
Total			**121,000**	**255,721**

11 Cash In Hand

Description	2024-2025	2023-2024
Notes and Coins	21,641	500
Total		

12 Short Term Investments

Description	2024-2025	2023-2024
	kshs	kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	**0**	**0**

13 Accounts Receivable

Description	*2024-2025*	*2023-2024*
		kshs
Fees Arrears	9,638,791	9,153,273
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	**9,638,791**	**9,153,273**

13 b) Ageing Analysis of Accounts Receivable

Description	*2024-2025*	*2023-2024*
	Kshs	*Kshs*
Less than 1 year	6,450,100	6,126,921
Between 1- 2 years	3,188,691	3,026,352
Between 2-3 years		
Over 3 years		
Total (should tie to note 13 a)	**9,638,791**	**9,153,273**

14 Accounts Payable

Description	*2024-2025*	*2023-2024*
	kshs	kshs
Trade Creditors (See Ageing Below and Appendix 1)	5,821,265	5,811,040
Prepaid Fees		
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables *(specify)*		
Total	**5,821,265**	**5,811,040**

14a. Ageing Analysis of Accounts Payable

Description	2024-2025 kshs	2023-2024 kshs
Less than 1 year	3,655,365	4,958,640
Between 1- 2 years	2,165,900	852,400
Between 2-3 years		
Over 3 years		
Total (should tie to note 14)	**5,821,265**	**5,811,040**

15 Fund Balance Brought Forward

Description	2024-2025 kshs	2023-2024 kshs
Bank Balances	255,721	3,369,981
Cash Balances	500	17,665
Short Term Investments		
Receivables	9,153,273	8,855,535
Payables	(5,811,040)	(5,323,260)
Total	**3,598,454**	**6,919,921**

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 Kshs	2023-2024 Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	**0**	**0**

17 Biological assets

Description		2024-2025	Numbers	2023-2024
		kshs		Kshs
Cattle	4	250,000	4	250,000
Pigs	10	200,000	10	200,000
Trees	10	50,000	10	50,000
sheep	8	39,000	8	39,000
Total		**539,000**		**539,000**

18 Borrowings

Description	2024-2025 kshs	Kshs 2023- 2024
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	0	0
Balance at the end of the year	**0**	**0**

Other important disclosure notes

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	
Food stuffs	230,008	240,186
Lab consumables	600,145	449,221
Stationary	272,343	802,452
Construction Materials		
Others (specify)		

20 Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
1	Long Outstanding Receivables.	The management has created policies that will ensure clearance of school fees by the end of every term.	Resolved	-
2	Under funding of Capitation Funds	The management to ensure compliance with NEMIS registration. Birth certificates to be collected on reporting date.	Resolved	-
3	Late Transfer of Funds from Operations Account	Signatories were unavailable. Henceforth transfers will be effected as per the MOE directives.	Resolved	-
4	Irregularities in Construction of Dormitory	The failure of retaining 10% of the payment as retention has been noted and due diligence will be observed in future.	Resolved	-
5	Long Outstanding Payables	The BOM will put up a plan to clear the debts on time.	Resolved	-
6	Unbalanced Budget	Amendments done.	Resolved	-
7	Fixed Asset Register and Lack of Ownership Documents.	Land allotment letter available. The tittle deed is still with Ngaita primary school .The school is pursuing official sub- division of the land and issuance of Ngaita girls tittle deed .	Resolved	-

------------------------------------ 17/4/2026

Sign and Date
Principal

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2025	Outstanding Balance Comparative 2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Mwinka engineering	1,119,325		815,000	304,325	0	To be paid in the next financial year
2.						
3.						
Sub-Total						
Supply Of Goods						
4. Classic food store and flour mills	1,363,000	September to june 2024	0	1,363,000	0	To be paid in the next financial year
5. Kimka supermarket	1,180,960	May 2025	884,800	296,160	0	To be paid in the next financial year
6. Mafuko industries	560,615	January 2025	348,535	212,080	0	To be paid in the next financial year
7. Sarah karimi	155,350	May 2025	114,350	41,000	0	To be paid in the next financial year
8. Cathrine kaari	310,380	May 2025	251,580	58,800	0	To be paid in the next financial year
9. Jeremy kinyua	33,020	May 2025	20,450	12,570	0	To be paid in the next financial year
10. Lawrence Gitonga	999,600	March to june 2025	717,400	282,200	0	To be paid in the next financial year
11. Kenson karani	27,300	June 2025	14,600	12,700	0	To be paid in the next financial year
12. Amazon fire services	152,400	February 2025	76,200	76,200	0	To be paid in the next financial year
13. Shabtec supplies	688,200	October 2024	380,000	308,200	0	To be paid in the next financial year

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2025	Outstanding Balance Comparative 2024	Comments
14. Readers quest	575,470	November to may 2025	200,000	375,470	0	To be paid in the next financial year
15. Maua glorious	151,700	March 2025	0	151,700	0	To be paid in the next financial year
16. Tankam enterprises	434,750	January 2025	150,000	284,750	0	To be paid in the next financial year
17. Gichimbo enterprises	1,898,830	2024 and 2025	516,020	1,382,810	0	To be paid in the next financial year
18. Munilas enterprises	98,500	May 2025	90,000	8,500	0	To be paid in the next financial year
19. Hethwell company ltd	1,580,800	January to june 2025	930,000	650,800	0	To be paid in the next financial year
	11,330,200		**5,508,935**	**5,821,265**	**0**	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2024	Additions during the year2024-2025 (Kshs)	Disposals during the year 2024-2025 (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
Land	9,000,000	0	0	9,000,000
Buildings And Structures	63,691,633	815,000	0	64,506,633
Motor Vehicles	2,500,000	0	0	2,500,000
Office Equipment, Furniture And Fittings	1,000,000	0	0	1,000,000
Textbooks	10,376,943	121,000	0	10,497,943
ICT Equipment	1,982,000	508,000	0	2,490,000
Tools And Apparatus	4,416,413	119,323	0	4,535,736
Other Machinery And Equipment	11,096,975		0	11,096,975
Heritage And Cultural Assets	0	0	0	0
Intangible Assets- Soft Ware	100,000	61,272	0	161,272
Total	**104,163,964**	**1,624,595**	**0**	**105,788,559**