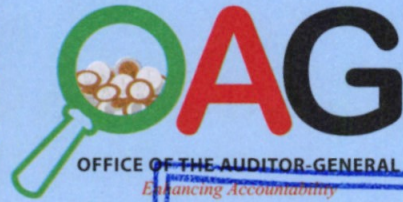


REPUBLIC OF KENYA



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Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

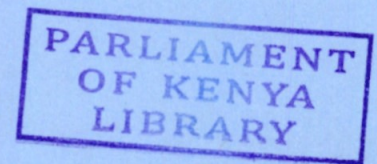
ON

AIC ITOLONI GIRLS' SECONDARY SCHOOL

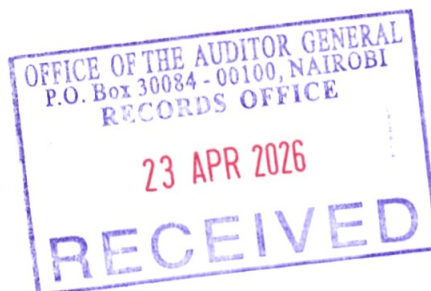
FOR THE YEAR ENDED
30 JUNE, 2025

KITUI COUNTY

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 25 JUN 2026	DAY: Thur
TABLED BY:	Hon. Owen Baya, MP Dep. leader of the majority party
CLERK-AT THE-TABLE:	M. Chumo



Revised 30th June 2025.



AIC ITOLONI 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)

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

Table of Contents

Page

1. Acronyms and Glossary of Terms.....	ii
2. Key School Information and Management.....	iii
3. Summary Report of Performance of The School.....	vi
4. Statement of School Management Responsibility	viii
5. Report Of The Independent Auditors	ix
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2025.....	1
7. Statement of Assets and Liabilities As At 30 th June 2025	2
8. Statement of Cash Flows for the Year Ended 30 th June 2025	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2025.....	5
10. Significant Accounting Policies	10
11. Notes To The Financial Statements	12
12. Annexes.....	22

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

1. Acronyms and Glossary of 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

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

2. Key School Information and Management

(a) Background information

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

The school was registered in 2006 under registration number **15S300012247** and is currently categorized as an Extra *County school* established, owned or operated by the Government.

The school is a /boarding school and had 383 number of students as at 30th June 2025. It has 3 streams and 21 teachers.

(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	Christine K.Kimanzi	Chairperson	14th May,2025
2	Dr.Lucia Ngei	Vice Chairperson	14th May,2025
3	Eunice K.Titus	Secretary/Principal	14th May,2025
4	Lilian M.Mwinzi	Member	14th May,2025
5	James M.Nduna	Member	14th May,2025
6	Raphael Maluki	Member	14th May,2025
7	Charles M.Kilonzi	PA Chairperson	14th May,2025
8	Peter K.Mutui	Member	14th May,2025
9	Benjamin Munyoki	Member	14th May,2025
10	Peninnah Muthangya	Member	14th May,2025
11	Peter Kivunzi Mutui	Member – Rep CEB	14th May,2025
12	Jamlick M.Murango	Member Rep Teachers	14th May,2025
13	Pstr.Nathan Ngatia	3 Members - Sponsor	14th May,2025
14	Philip M.Mbivya	Member - Community	14th May,2025
15	James Makau Kalinda	Member Special Needs	14th May,2025
16	Lydia Katuku	Rep Students	14th May,2025

Annual Report and Financial Statements For the year ended 30th June 2025**The functions of the School Board of Management are to:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 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			
		Christine Kimanzi	Chairperson	0 out of 3
		Eunice K. Titus	Secretary	0 out of 3
		Charles M. Kilonzi	Member	0 out of 3
		Peninnah Muthangya	Member	0 out of 3
		Lilian Mwinzi	Member	0 out of 3
2	Audit Committee			
		Benjamin Munyoki	Chairperson	0 out of 3
		Eunice K. Titus	Secretary	0 out of 3
		Nathan Ngatia	Member	0 out of 3
		James Kalinda	Member	0 out of 3
3	Finance, procurement and general purposes Committee			
		Christine Kimanzi	Chairperson	0 out of 3
		Eunice K. Titus	Secretary	0 out of 3
		Charles M. Kilonzi	Member	0 out of 3
		Peninnah Muthangya	Member	0 out of 3
		Lilian Mwinzi	Member	0 out of 3
4	Academic Committee			
		Dr. Lucia Ngei	Chairperson	0 out of 3
		Eunice K. Titus	Secretary	0 out of 3
		Peter Mutui	Member	0 out of 3
		Jamlick Murango	Member	0 out of 3
5	Development Committee			
		Raphael Maluki	Chairperson	0 out of 3
		Susan Mbulu	Secretary	0 out of 3
		Christine Kimanzi	Member	0 out of 3
		Eunice Titus	Member	0 out of 3
		Charles Muthui	Member	0 out of 3
		Philip Mbivya	Member	0 out of 3

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

		CDE/SCDE/Representative	Member	0 out of 3
6	Discipline and welfare Committee			
		James Nduna	Chairperson	0 out of 3
		Eunice K. Titus	Secretary	0 out of 3
		Lilian Mwinzi	Member	0 out of 3
		Charles Muthui	Member	0 out of 3

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Eunice K. Titus	409549(Tsc No.)
2	Deputy Principal	Susan Mbulu	423864(Tsc No.)
3	School Bursar	Pius Ndithya	25314574(ID NO)

(e) Schools contacts

Post Office Box: P.O Box 169-90402 Migwani
 Telephone: 0114 505 610
 E-mail: itolonigirls@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

1. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1102991708 Boarding Account
2. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1102992178 Operation account
3. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1102976652 Tuition Account
4. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1261239180 Infrastructure Account

(g) Independent Auditors

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

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

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

	2024-2025	2023-2024	2022-2023
b) Teacher Student ratio:			
The teacher to student ratio	1:18	1:22	1:17
Number of teachers recruited and posted to the school within the yr	0	1	2
Number of teachers that were transferred/ retired during the pr	1	1	1
Number of teachers employed by TSC	20	19	19
Number of teachers employed by BOM.	1	2	2
Number of teachers the school has for each subject in order to indic'			
shortage/ allocation of resources			
SUBJECTS	NO.of Teachers	NO.of Teachers	NO.of Teachers
MATHS	5	6	3
ENGLISH	3	3	4
KISWAHILI	4	3	2
CHEMISTRY	4	4	3
PHYSICS	4	5	3
BIOLOGY	3	3	2
HISTORY	3	2	2
CRE	3	3	1
AGRICULTURE	2	2	2
BUSINESS STUDIES	1	1	2
GEOGRAPHY	2	3	2
COMPUTER STUDIES	1	1	1
HOMESCIENCE	1	1	1
c) Mean score in the 2024 KCSE:			
performance of the school for each over the last three years			
Number of students that have since transitioned to institutions of higher lear	62	60	26
Mean score	6.825	6.968	6.186
Comment on improvement or otherwise as compared to school set sc	-0.143	+0.782	+0.096
Number of candidates sitting for KCSE over the last three years.	103	97	86
Number of students in the school	383	434	433
Dormitories	4	4	4
Dining hall,	1	1	1
laboratories,	2	2	1
Toilets	40	40	36
Land with legal ownership	4.93 Acres	4.93 Acres	4.93acrs
Other amenities.			

a) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of Dormitory	MOE	In-complete	23,627,615.00	1,723,116.00	2035

.....
 School Principal



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

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

The Board of Management of *Itoloni 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: Christine Kimanzi

Designation: Chairperson, School Board of Management

Date: 22/4/2026

Eunice Titus (Mrs)

.....

Name:

Designation: School Principal & Secretary to Board of Management

Date: 22/04/2026



Pius Ndithya

.....

Name:

Designation: Bursar/ Finance Officer

Date: 22/4/2026

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 AIC ITOLONI GIRLS' SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – KITUI 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 AIC Itoloni Girls' Secondary School set out on pages 1 to 17 which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other

Report of the Auditor-General on AIC Itoloni Girls' Secondary School for the year ended 30 June, 2025-Kitui County

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 AIC Itoloni Girls' Secondary School at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Basic Education Act, 2013 and 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. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.3,664,046 as disclosed in Note 10 and Note 11 to the financial statements. Included in the balance are bank balances of Kshs.3,443,916, relating to tuition, operations, School fund/boarding, savings and infrastructure bank accounts. However, bank reconciliation statements for the accounts covering the period from July 2024 to May 2025 were not provided for audit verification. Further, the bank balance includes an amount of Kshs.4,338 in a dormant savings account, which was not supported by a certificate of bank balance.

In the circumstances, the accuracy and completeness of the cash and cash equivalents of Kshs.3,664,046 could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.10,217,652 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables of Kshs.8,694,399, which have been outstanding for more than two (2) years. However, there was no ageing analysis and policy for the impairment of long outstanding fees arrears, casting doubt on the fair presentation of the accounts receivable balance.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.8,694,399 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the AIC Itoloni 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 qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.23,911,705 and Kshs.21,880,081, respectively, resulting in an under-funding of Kshs.2,031,624 or 9% of the budget. However, the School spent an amount of Kshs.29,092,250 against actual receipts of Kshs.21,880,081, resulting in an over-utilization of Kshs.7,212,169 or 33% of the actual receipts. Further, the School received a total of Kshs.1,986,661 under miscellaneous income arising from bus hire and sale of tender, which was not provided for in the approved budget for the year.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

1. Significant Exemptions by Public Sector Accounting Standards Board 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/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.

2. Unresolved Prior Year Audit Matters

The Auditor-General's report for the year ended 30 June, 2024 raised several audit issues which remained unresolved as at 30 June 2025. Management has not taken adequate action to address these matters. The issues relate to prior periods and have been reported for emphasis of matter purposes:

No.	Audit Issue
1	Long Outstanding Receivables
2	Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

No.	Audit Issue
3	Failure to Open a Separate Bank Account for Other Income-Generating Activities
4	Excess Supply of Books and Non-Effective Management of Textbooks
5	Late Transfer of Infrastructure Funds From Operations Bank Account
6	Inadequate number of Board and Board Committee Meetings
7	Lack of Land Ownership Documents

Other Information

Management is responsible for the Other Information set out on pages iii to viii which comprise of Key School Information and Management, Summary Report of Performance of the School, Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit of 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. Late Submission of Financial Statements for Audit

The financial statements for the year under review were submitted for audit on 17 September, 2025, which was after the statutory deadline of 31 August, 2025. This was contrary to The National Treasury Circular No: AG.3/88 Vol. VII (41) of 4 December 2024, in compliance with Section 81 of the Public Finance Management Act, 2012, on preparation of the financial statements.

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

2. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects operational payments of Kshs.6,903,037 as disclosed in Note 7 to the financial statements. Included in the *Report of the Auditor-General on AIC Itoloni Girls' Secondary School for the year ended 30 June, 2025-Kitui County*

expenditure is an amount of Kshs.77,000 transferred to the 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 the Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.77,000 could not be confirmed.

3. Failure to Maintain Procurement Records

Review of the procurement process revealed that the School carried out cash procurement of goods and services totaling Kshs.2,607,468 for boarding and other infrastructure-related procurement and tuition totaling Kshs.3,333,277. However, the need analysis reports supported by requisitions from user departments, professional opinions, Inspection and Acceptance Committee reports, and stores control records were not provided for audit verification. This was contrary to Section 68 of the Public Procurement and Asset Disposal Act, 2015, which states that the Accounting Officer of a procuring entity should keep records for each procurement for at least six (6) years after the contract is completed or, if no contract resulted after the procurement proceedings were terminated.

Further, review of expenditure records revealed that Opening and Evaluation Committee members did not complete individual score sheets or append their signatures on the opening minutes and evaluation reports and did not initialize each page of the minutes. This was contrary to Section 69 of the Public Procurement and Asset Disposal Act, 2015, which requires all approvals in procurement to be in writing, properly dated, documented and filed.

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

4. Non-Deduction of Capacity Building Levy

The statement of receipts and payments reflects total payments of Kshs.30,974,328, which includes an amount of Kshs.3,333,277 in respect of procurements by the School from various suppliers of tuition, operations, infrastructure and boarding items. However, review of payments to suppliers revealed that the School did not withhold the capacity building levy of 0.03% on the contracts. This was contrary to the Levy Order 2023, issued by the Public Procurement Regulatory Authority, which requires all procuring entities to deduct a levy on all procurement contracts signed between the suppliers and a procuring entity at a rate of zero point three per cent (0.03%) of the value of signed contracts.

In the circumstances, Management was in breach of the Levy Order, 2023.

5. Late Transfer of Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,730,369 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. The amount includes infrastructure grants of Kshs.365,000 received on 31 January 2025 and Kshs.365,000 received on 14 March 2025, which were to be transferred to the infrastructure bank account for maintenance and improvement of the school's facilities. However, the amounts were

transferred forty-eight (48) and seventy-four (74) days after receipt, respectively. 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 circular.

6. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,114,106 and Kshs.4,730,369, respectively, as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported an average enrolment of three hundred and ninety-four (394) students, while the enrolment records provided by the School indicated an average enrolment of four hundred and twenty (420) students, resulting in an unexplained variance of 26 students. As a result of the variance, the School was under funded by an amount of Kshs.402,772.

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

7. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totaling Kshs.7,724,925. Comparison of data from the National Education Management Information System (NEMIS) with records from the School's register revealed that during the financial year ended 2025, NEMIS reflected an average of three hundred and ninety four students (394) while records from the School's enrollment register had four hundred and twenty (420) students, resulting in an underfunding of the School by an amount of Kshs.402,772. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021, requiring all learners to be accurately registered in NEMIS

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

8. Excess Supply of Textbooks

The Ministry of Education distributed textbooks to Public Secondary Schools through the Kenya Institute of Curriculum Development (KICD). Examination of sampled records revealed that the Institute distributed a total of 3,614 textbooks to the School, while only 2,535 textbooks were issued to the students, resulting in an unexplained excess of 1,079 textbooks in the School store. Further, an inspection of the store revealed that some books issued to the School were still kept in store unused, as they were no longer required in the curriculum.

In the circumstances, value for money for the excess textbooks could not be confirmed.

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 an Audit Committee

During the year under review, the School had not constituted an audit committee as required by Regulation 166(2) of the Public Finance Management (National Government), 2015, which states that each year the Audit Committee shall carry out annual review of the independence, performance and competency of the internal audit unit and comment on their effectiveness in the annual report. Further, Section 61(2)(d) of the Basic Education Act 14 of 2013, requires the Board of Management to establish an Audit Committee among other Board committees.

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

2. Lack of Land Ownership Documents and Fixed Assets Register

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.37,828,155, which includes land with a balance of Kshs.1,580,000 and motor vehicles with a balance of Kshs.5,000,000. However, the School does not have land ownership documents. Further, the School did not have an updated fixed asset management register covering all assets existing in the School. In addition, the School lacked an asset management control initiative, such as labelling or tagging of the assets.

In the circumstances, the effectiveness of internal control measures for the management of assets could not be confirmed.

4. Deficiencies in the School's Accounting System

The School procured the School Accounting Management Information System (SAMIS) to facilitate the recording of receipts and payments. However, audit review revealed that the system was not effectively utilized to generate complete and accurate accounting records. Key system functionalities such as preparation of general ledgers and trial balances, processing of receivables and payables, asset management, posting of general ledger transactions, segregation of duties, and system-assisted data backups were either underutilized or not used at all. As a result, the School was unable to produce reliable records to support the figures disclosed in the financial statements. In addition, the general ledgers lacked essential details such as transaction descriptions, payee information, and budget codes, thereby compromising the integrity of audit trails.

In the circumstances, Management did not benefit from the operational effectiveness intended from the use of the system.

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

27 April, 2026

AIC ITOLONI GIRLS' SECONDARY SCHOOL

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

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

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,114,106.00	1,091,647
Government grants for operations	2	2,849,919.00	5,297,333
Government Grants for infrastructure	3	1,880,450.00	1,213,200
School fund income- parents' contributions	4	16,035,606.00	18,601,879
Miscellaneous incomes	5	1,986,661.00	3,127,007
Total Receipts		23,866,742.00	29,331,066
Payments			
Tuition	6	1,673,299.00	388,366
Operations	7	5,022,587.00	3,735,285
Infrastructure	8	1,723,116.00	1,335,532
Boarding and school fund	9	20,674,876.00	22,990,512
Total Payments		29,093,878.00	28,449,695
Surplus/Deficit		(5,227,136.00)	881,371

The school financial statements were approved on 30th June 2025 and signed by:

Name Christine Kimanzi

Chair BOM

Sign.....

Date: 22/4/2026

Name: Eunice Titus(Mrs)

School Principal/ Secretary to BOM

Sign.....

Date:

22 APR 2026

Name: Pius Ndithya

Bursar/ Finance Officer

Sign.....

Date: 24/4/2026

AIC ITOLONI GIRLS' SECONDARY SCHOOL

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

6. 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	3,443,916.00	8,274,118
Cash balances	11	220,130.00	84,302
Short term investments	12	-	-
Total cash and cash equivalent		3,664,046.00	8,358,420
Account's receivables	13	10,217,652.00	10,733,732
Total financial assets		13,881,698.00	19,092,152
Financial liabilities			
Accounts payables	14	617,791.00	601,109
Net financial assets		13,263,907.00	18,491,043
Represented by			
Accumulated fund b/fwd.	15	18,491,043.00	17,609,672
Surplus/deficit for the year		(5,227,136.00)	881,371
Net financial position		13,263,907.00	18,491,043

The school's financial statements were approved on 30th June 2025 and signed by:

Name: Christine Kimanzi

Chair BOM

Sign: 

Date: 22/4/2026

Name: Eunice Titus(Mrs)
School Principal/ Secretary to BOM

Sign: 

Date:



Name: Pius Ndithya

Bursar/ Finance Officer

Sign: 

Date: 22/4/2026

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,114,106.00	1,091,647
Government grants for operations		2,849,919.00	4,084,133
Government grants for infrastructure		1,880,450.00	1,213,200
School fund income- parents contributions/ fees		16,568,368.00	16,720,327
Other income		1,986,661.00	5,228,959
Total receipts		24,399,504.00	28,338,266
Payments			
Cash outflows for tuition		1,673,299.00	388,367
Cash outflows for operations		5,022,587.00	2,522,085
Cash outflows Boarding/lunch and school fund payments		20,674,876.00	22,389,402
Total payments		27,370,762.00	25,299,854
Net cash inflow/outflow from operating activities		(2,971,258.00)	3,038,412
Cash flow from investing activities			
Acquisition of assets		1,723,116.00	1,335,532
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		(4,694,374.00)	1,702,880
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(4,694,374.00)	1,702,880
Cash and cash equivalent at beginning of the FY2024-2025		8,358,420.00	6,655,540
Cash and cash equivalent at end of the FY2024-2025		3,664,046.00	8,358,420

AIC ITOLONI GIRLS' SECONDARY SCHOOL

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

The school's financial statements were approved on 30th June 2025 and signed by:

Sign: 
Name: Christine Kimanzi

Chair BOM

Date: 22/4/2026

Sign: 
Name: Eunice Titus(Mrs)
School Principal/ Secretary to
BOM
Date:



Sign: 
Name: Pius Ndithya
Bursar/ Finance Officer
Date: 22/4/2026

Annual Report and Financial Statements For the year ended 30th June 20258. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2025

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis D Kshs	% Of Utilization e=d/c % Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	1,456,222.00		1,456,222.00	1,114,106.00	76.51%
Totals	1,456,222.00		1,456,222.00	1,114,106.00	
<i>(2) Capitation Grant on Operations</i>					
Maintenance & Improvement					
Medical	702,800.00		702,800.00	403,670.00	57.44%
Activity	527,100.00		527,100.00	268,465.00	50.93%
Other vote heads	3,303,160.00		3,303,160.00	2,177,784.00	81.53%
Totals	6,290,060.00		6,290,060.00	2,849,919.00	
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	1,757,000.00		1,757,000.00	1,880,450.00	107.03%
Totals	1,757,000.00		1,757,000.00	1,880,450.00	
<i>(4) Fees Charged on Parents</i>					
Repair & Maintenance	662,000.00		662,000.00	466,693.00	70.50%
Other vote heads	4,507,968.00		4,507,968.00	4,209,167.00	93.37%
Activity	82,750.00		82,750.00	93,799.00	113.35%
Fee On Boarding Equipment and Stores	9,155,705.00		9,155,705.00	11,265,947.00	123.05%
Total Income	14,408,423.00		14,408,423.00	16,035,606.00	
	23,911,705.00		23,911,705.00	21,880,081.00	

Annual Report and Financial Statements 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
Teaching / Learning Materials	1,456,222.00		1,456,222.00	1,671,671.00	144.80%
Total Expenditure	1,456,222.00		1,456,222.00	1,671,671.00	
<i>(7) Expenditure For Operations</i>					
Maintenance & Improvement	1,757,000.00		1,757,000.00	0.00	0%
Medical	702,800.00		702,800.00	-	
Activity Expenses	527,100.00		527,100.00	60,555.00	11.49%
Other Vote Heads	3,303,160.00		3,303,160.00	4,962,032.00	150.22%
Totals	6,290,060.00		6,290,060.00	5,022,587.00	
<i>(8) Expenditure For infrastructure</i>					
Construction of storey Dormitory	1,757,000.00		1,757,000.00	1,723,116.00	98.00%
Totals	1,757,000.00		1,757,000.00	1,723,116.00	
<i>(9) Expenditure For school fund Acc'</i>					
Repairs, Maintenance and Improvements	662,000.00		662,000.00	1,022,394.00	154.44%
Activity	82,750.00		82,750.00	106,550.00	128.76%
Other vote heads	4,507,968.00		4,507,968.00	4,761,208.00	105.62%
Boarding Equipment and Stores	9,155,705.00		9,155,705.00	12,841,103.00	140.25%
Fees refund				74,716.00	0.00%
Special diet				17,560.00	0.00%
Student id				9,800.00	0.00%
Bus hire				416,920.00	0.00%
Tender fee				22,000.00	0.00%
Bursary grant				1,402,625.00	0.00%
Totals	14,408,423.00		14,408,423.00	20,674,876.00	
	23,911,705.00		23,911,705.00	29,092,250.00	

9. 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

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imp rest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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 receipts and payments both as a receipt and as a payment 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 insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

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

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 fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has 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.

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

10. Notes to the Financial Statements

1 Government Grants for Tuition

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Teaching / Learning Materials	1,114,106.00	1,091,647	
Total	1,114,106.00	1,091,647	

2 Government Grants for Operations

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Repairs And Maintenance	0.00	1,726,900	
Medical and insurance	403,670.00	359,775	
Activity	268,465.00	353,395	
Other Vote Heads	2,177,784.00	2,857,262	
Total	2,849,919.00	5,297,333	

3 Government Grants for infrastructure

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Maintenance & Improvement	1,880,450.00	1,213,200	
Total	1,880,450.00	1,213,200	

4 School Fund Income - Parents Contribution/Fees

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Repairs and maintenance	466,693.00	958,090	
Activity	93,799.00	117,500	
Fee on Boarding Equipment and stores	11,265,947.00	11,116,425	
Others vote heads	4,209,167.00	6,409,864	
Total	16,035,606.00	18,601,879	

5 Miscellaneous Incomes

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Income From Bus Hire	488,000.00	1,213,900	
Tender fee	42,000.00	93,000	

AIC ITOLONI GIRLS' SECONDARY SCHOOL

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

Refund	26,236.00	0.00
Bursary from CDF	1,402,625.00	1,601,140
Special diet	18,000.00	84,000
Student ID	9,800.00	81,267
Other Income; Kcse Exam	0	53,700
Total	1,986,661.00	3,127,007

Notes to the Financial Statements (continued)

6 Tuition

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Teaching / Learning Materials	1,671,671.00	384,580	
Others (Bank Charges)	1,628.00	3,786	
Total	1,673,299.00	388,366	

7 Operations

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Repairs And Maintenance & Improvements	0.00	1,213,200	
Activity	60,555.00		
Others vote heads	4,962,032.00	2,522,085	
Total	5,022,587.00	3,735,285	

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Construction of Storey Dormitory	1,722,990.00	1,329,820	
Others (Bank charges)	126.00	5,712	
Total	1,723,116.00	1,335,532	

9 Boarding and School Fund

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Repairs And Maintenance & Improvements	1,022,394.00	916,155	
Fees Refund	74,716.00	39,271	
Special Diet	17,560.00	84,000	
Student id	9,800.00	81,267	
Expenses on hire of school bus	416,920.00	1,213,900	
Tender fee	22,000.00	93,000	
Activity expenses	106,550.00	301,570	
Bursary grants	1,402,625.00	1,601,140	
Other vote heads	4,761,208.00	6,256,854	
Fee On Boarding Equipment and Stores	12,841,103.00	12,349,655	
Others (kcse)		53,700	
Total	20,674,876.00	22,990,512	

AIC ITOLONI GIRLS' SECONDARY SCHOOL

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

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024/2025	2023/2024	
	Active/Dormant		Kshs	Kshs	
Tuition Account	Active	1102976652	144,562.00	703,755	
Operations Account	Active	1102992178	183,716.00	2,390,828	
School Fund Account/Boarding	Active	1102991708	2,091,907.00	4,300,138	
Savings Account	Dormant	0590298811984	4,338.00	4,338	
Infrastructural Account	Active	1261239180	1,019,393.00	875,059	
Total			3,443,916.00	8,274,118	

11 Cash In Hand

Description	2024/2025	2023/2024	
	Kshs	Kshs	
Operations account	40,742.00	6,298	
School fund account	166,388.00	78,004	
Infrastructure account	13,000.00	0	
Total		84,302	

12 Short Term Investments

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2024/2025	2023/2024
	Kshs	Kshs
Fees Arrears	10,217,652.00	10,733,732
Total		10,733,732
(include an ageing of the fees /non fees arrears below		
Fees arrears below 1 year		1,623,047
Fees arrears between 1-2 years		639,178
Fees arrears between 2-3 years		999,561
Fees arrears over 3 years		7,471,746
Total		10,733,732

13 b Ageing Analysis of Accounts Receivable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	1,523,253.00	14.9%	1,623,047	15%
Between 1- 2 years	0		639,178	6%
Between 2-3 years	222,892.00	2.18%	999,561	9%
Over 3 years	8,471,507.00	82.9%	7,471,746	70%
Total (should tie to note 13 a)	10,217,652.00		10,733,746	100%

14 Accounts Payable

Description	2024/2025	2023/2024
	Kshs	Kshs
Trade Creditors		
Prepaid Fees	617,791.00	601,109
Total	617,791.00	601,109

AIC ITOLONI GIRLS' SECONDARY SCHOOL

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

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	617,791.00	100%	601,109	100%
Total (should tie to note 14)	617,791.00	100%	601,109	100%

15 Fund Balance Brought Forward

Description	2024/2025	2023/2024
	Kshs	Kshs
Bank Balances	3,443,916.00	8,274,118
Cash Balances	220,130.00	84,302
Receivables	10,217,652.00	10,733,732
Payables	617,791.00	601,109
Total	13,263,907.00	18,491,043

Annual Report and Financial Statements For the year ended 30th June 2025**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**17 Biological assets**

Description	Numbers	2024/2025	2023/2024
		Kshs	Kshs
Trees	25	75,000.00	88,000
Others (specify)			
Total		75,000.00	88,000

18 Borrowings

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

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

Other important disclosure notes

19 Stock/ Inventory

Description	2024/2025	2023/2024
	Kshs	Kshs
Food stuffs	148,720.00	221,700.00
Lab consumables	62,455.00	265,245.00
Construction Materials	Nil	8,900.00
Tuition materials	702,110.00	698,000.00
	913,285.00	1,193,845.00

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

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)
	Long outstanding Account Receivables	We have not resolved but in the next financial year	Not resolved	30/9/2026
	Lack of procurement plan	We have already implemented procurement plan	resolved	resolved
	Late submission of Financial statements for Audit	We have adhered to the set timelines on submission of books	resolved	resolved
	Inaccurate balance and lack of ownership documents	We corrected the inaccurate balance however land ownership documents not yet	Not resolved	Not resolved
	Failure to maintain Board of Management Records	We are currently keeping clean Board of Management record	resolved	resolved
	Failure to maintain proper inventory records	Inventory records are well maintained	resolved	resolved


 Sign and Date
 Principal



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

11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.	0					
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total	0					
Supply Of Services						
6.						
7.						
8.						
Sub-Total						

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

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land 1	550,000.00			550,000
Land 2	1,030,000.00			1,030,000
Buildings And Structures	13,617,907.00	1,723,116.00		15,341,023.00
Motor Vehicles	5,400,000.00		400,000.00	5,000,000
Office Equipment, Furniture And Fittings	7,068,000.00	131,385.00		7,199,385.00
Textbooks	1,803,000.00			1,803,000
ICT Equipment	4,052,000.00	173,000.00		4,225,000.00
Tools And Apparatus	715,000.00	406,590.00		1,121,590.00
Other Machinery And Equipment	895,000.00			895,000
Intangible Assets- Soft Ware	420,000.00	243,157.00		663,157.00
Total	35,550,907.00	2,677,248.00	400,000.00	37,828,155.00