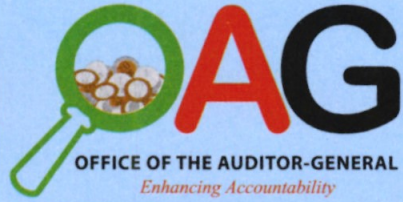


REPUBLIC OF KENYA

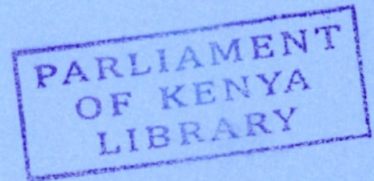


THE NATIONAL ASSEMBLY
PAPERS Laid

REPORT DATE: 02 JUN 2026 DAY: Thursday
TABLED BY: Deputy Majority Whip (Nancy Waga)
CLERK-AT-THE-TABLE: Halima Ahmed

THE AUDITOR-GENERAL

ON



GANGARA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

EMBU COUNTY

Gangara secondary school

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

Revised 30th June 2025.



GANGARA SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

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 Embu County, Mbeere North Sub-County.

The school was registered in January/1986 under registration number 14S30000477 and is currently categorized as an *Extra County*, public school established, owned or operated by the Government.

The school is a boarding school and had 161 number of students as at 30th June 2025. It has one stream and 15 teachers of which no teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Francisco Munyi	Chairman	25/04/2022
2	Richard Mugo	Secretary- Principal	25/04/2022
3	Agnes Kariuki	Member	25/04/2022
4	Jacob Nyaga	Member	25/04/2022
5	Silas Ndwiga Njiru	Member	25/04/2022
6	Monica Njoka	Member	25/04/2022
7	Michael Nyaga	Member	25/04/2022
8	Crispus Nyaga	Member – Rep CEB	25/04/2022
9	Mwakisha Syuki	Member Rep Teachers	25/04/2022
10	Naomi Njiru	3 Members - Sponsor	25/04/2022
11	Ciarago Nyaga	Member - Community	25/04/2022
12	Faustine Nyaga	Member Special Needs	25/04/2022
13	Joyfrida Karimi	Rep Students	25/04/2022

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	Fransico Munyi Richard Mugo Jacob Muriuki Agnes Kariuki	Chair man Secretary Member Member	3 out of 3
2	Audit Committee	Richard Mugo John Mwaruvie Monica njoka Francisco Munyi	Chairman Secretary Member Member	3 out of 3
3	Finance, procurement and general purposes Committee	Jacob Muriuki Richard Mugo Agnes Kariuki Francisco Munyi	Chairman Secretary Member Member	3 out of 3

4	Academic Committee	Jacob Muriuki Naomi Njiru Mwakisha Syuki Michael Nyaga	Chairman Secretary Member Member	
5	Development Committee	Crispus Nyaga Francisco Munyi Naomi Njiru Michael Nyaga Mwakisha Syuki	Chairman Secretary Member Member Member	
6	Discipline and welfare Committee	Naomi Njiru Crispus Nyaga Mwakisha Syukih Monica Njoka	Member Member Member Member	
7	Adhoc Committee (if any during the year)	Richard Mugo Crispus Nyaga Agnes Kariuki Jacob Muriuki	Member Member Member Member	

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Richard Mugo	TSC No.359641
2	Deputy Principal	Felister Kariuki	TSC No.304228
3	School Bursar	Margaret Ngugi	ID.No.9063818

(e) Schools contacts

Post Office Box: 1663- 60100 Embu
E-mail: gangarasecabdary@yahoo.com

(f) School BankS

Provide details of the school bankers.

Name of Bank: KCB

Branch Embu

Postal Address. 1663 -60100 Embu

1. School Main Account-1102844276

2. Operation Account -1102844012

3. Tuition Account -1102840165

4. M pesa PayBill 522123 –Account -38819k –KCB Bank

5. Infrastructure account- 1257378082

(g) Independent Auditors

Office of the Auditor General,

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

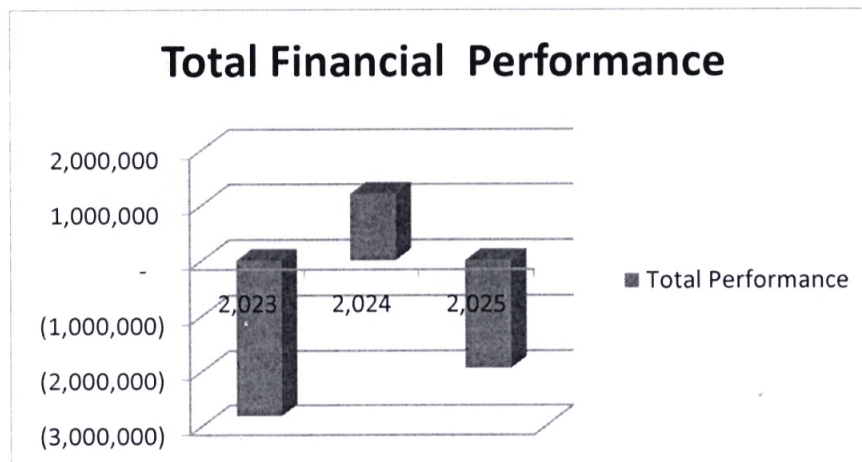
Nairobi, Kenya

3. Summary Report of Performance of The School

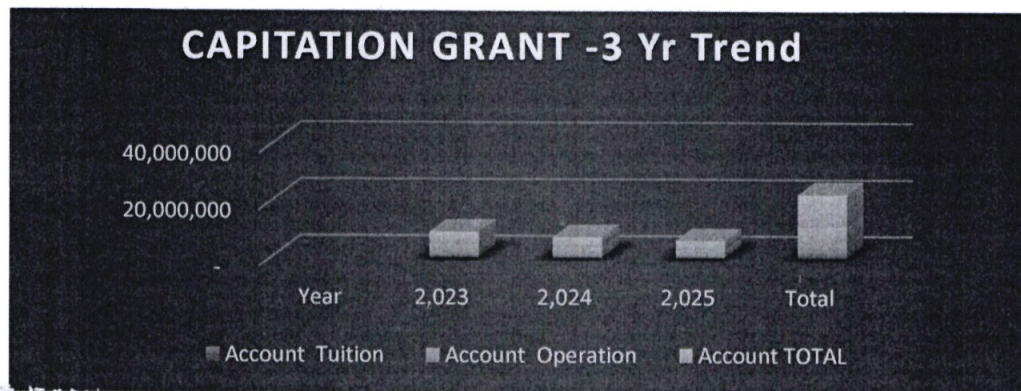
a) Financial performance:

Financial Performance - Deficits and/or Surpluses_ 3 Year Trend					
	Account				
	School Fund	Operation	Tuition	Infrastructure	Total
Year					
/2022					
2023	(3,372,238)	254,583	301,021	-	(2,816,633)
2023/2024	2,247,105	(1,142,696)	95,718	-	1,200,127
/2024					
2025	(1,820,476)	(134,832)	(21,998)	33,662	(1,943,645)
Total	(2,945,609)	(1,022,944)	374,741	33,662	(3,560,151)

		Total Performance
Year		
/2022		
2023		(2,816,633)
2023/2024		1,200,127
/2024		
2025		(1,943,645)



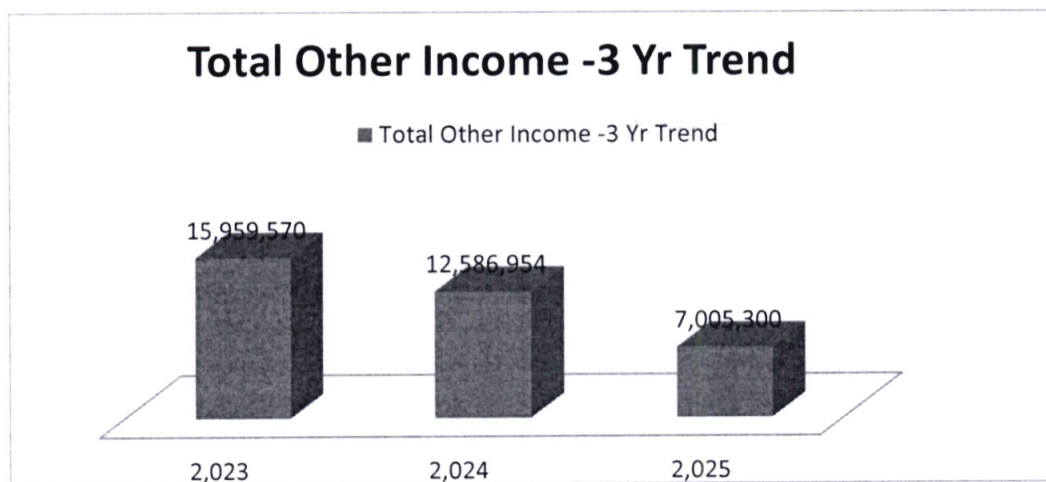
CAPITATION GRANT -3 Yr Trend				
		Account		
		Tuition	Operation	TOTAL
Year				
2022/2023		829,296	3,686,355	4,515,652
2023/2024		623,091	3,042,749	3,665,840
2024/2025		424,702	2,617,547	3,042,248
Total		1,877,089	9,346,651	11,223,740



- A three-year overview of growth of other income(s) earned by the school.

Growth of Other Incomes -3 Yr Trend				
		Income Source		
		School Fund	Infrastructure	Total
YEAR				
2022/2023		15,959,570	-	15,959,570
2023/2024		12,586,954	-	12,586,954
2024/2025		6,344,475	660,825	7,005,300
Total		34,890,999	660,825	35,551,824

		Total Other Income -3 Yr Trend
Year		
	2022/2023	15,959,570
	2023/2024	12,586,954
	2024/2025	7,005,300

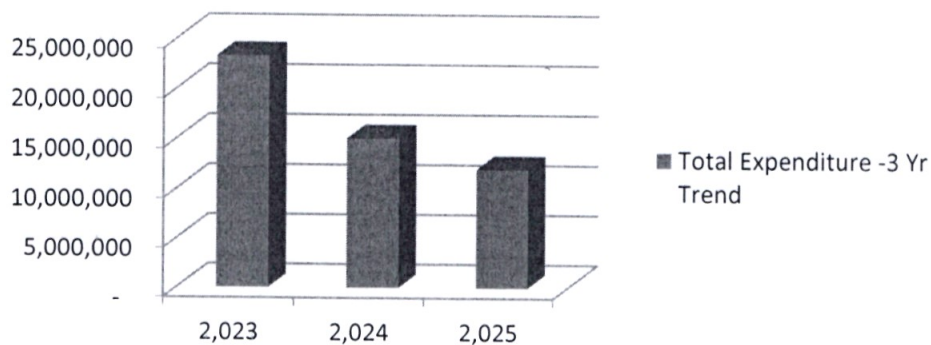


A three-year overview of growth in expenditure of the school

Expenditure -3Yr Trend					
YEAR	School Fund	Operation	Tuition	Infrastructure	Yr Total
2023	19,331,808	3,431,772	528,275	-	23,291,855
2024	10,339,849	4,185,445	527,373	-	15,052,667
2025	8,164,951	2,752,379	446,700	627,163	11,991,193
Total	37,836,608	10,369,596	1,502,348	627,163	50,335,715

Year	Total Expenditure -3 Yr Trend
2023	23,291,855
2024	15,052,667
2025	11,991,193

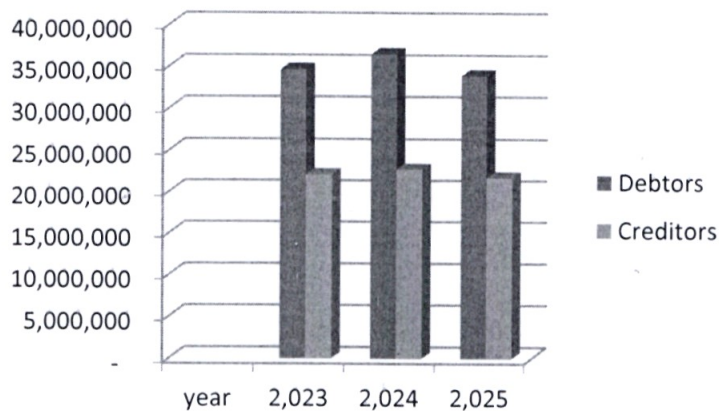
Total Expenditure -3 Yr Trend



- Movement of debtors and creditors of the school over the last three years

Debts and Creditors -3Yr Trend						
		Account				
Year			School Fund	Operation	Tuition	Yr Total
2023	Debtors		34,600,774			34,600,774
	Creditors		11,294,496	6,051,485	4,711,145	22,057,126
2024	Debtors		36,455,842	-	-	36,455,842
	Creditors		10,865,854	7,095,363	4,729,445	22,690,662
2025	Debtors		33,871,312	-	-	33,871,312
	Creditors		10,029,693	7,075,363	4,574,445	21,679,501
Total	Debtors		104,927,927	-	-	104,927,927
	Creditors		32,190,043	20,222,211	14,015,034	66,427,288

year	Debtors	Creditors
2,023	34,600,774	22,057,126
2,024	36,455,842	22,690,662
2,025	33,871,312	21,679,501



b) Teacher Student ratio:

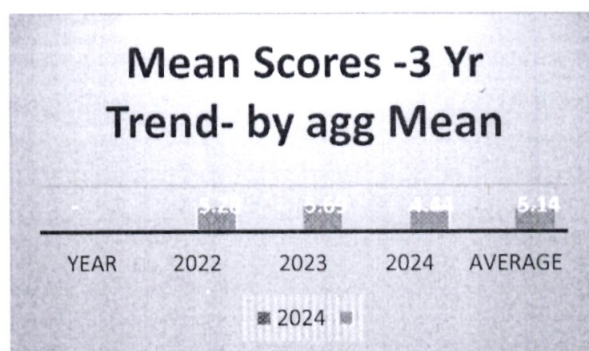
Ratio of students to Teachers	
Total enrolment	160
Total No of Teachers	18
Students : Teachers ratio	1: 9

Teachers Turnover	
No of teachers recruited in the year	-
No of teachers transferred inwards in the year	-
No of teachers transferred outwards in the year	-
Net inflow of teachers	-

Teachers Employment	
No of teachers required by CBE	-
No of teachers employed by TSC	-
Shortage / Surplus No of teachers before BOM teachers	-
No of teachers employed by BOM	-
Net Shortage / Surplus No of teachers	-

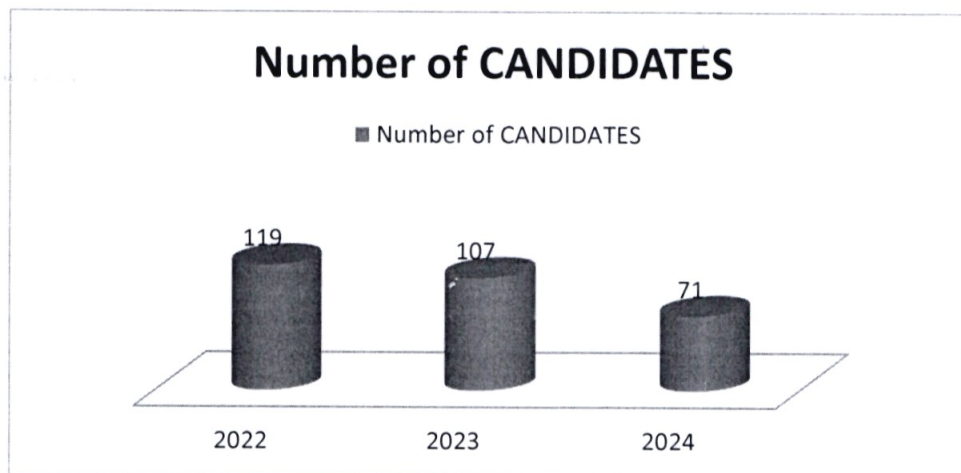
c) The mean score in the 2024KCSE:

Mean Scores -3 Yr Trend															
	Subject Means														
	MAT H	ENG	KIS W	BIO	Che m	Phy	GEO	HIS T	CRE	Agri c	Bstud	Co mp	H/S C	Aggregate	
YEA R															
2022	2.95	4.50	5.32	3.05	2.43	4.24	9.44	8.93	7.67	11.19	2.90	5.28	5.28	5.90	
2023	2.74	4.58	5.58	3.15	2.31	2.47	6.73	6.08	6.00	6.40	2.80	5.69	5.69	4.71	
2024	2.74	4.58	5.58	3.15	2.31	2.47	6.73	6.08	6.00	6.40	2.80	4.44	4.44	3.54	
Avera ge	2.81	4.55	5.49	3.15	2.35	3.06	7.63	7.03	6.56	8.00	2.83		5.14		



d) Number of Candidates in the 2024 KCSE:

		Number of CANDIDATES
Year		
	2021/2022	119
	2022/2023	107
	2023/2024	71



e) The capacity of the school:

	NO OF STREAMS per class	Teachers' CBE (No of teachers required as per curriculum offered by the school)	Required No of NTS given the NO OF STREAMS per class				
	2	14	11				
Capacity Analysis							
Infrastructure TYPE	Unit of infrastructure measurement	Quantity of infrastructure required	Quantity of infrastructure available today	Infrastructure gap	Comment-Indicate if gap is -Very critical, Critical or Not so critical (tick as appropriate)		
					Very Critical	Critical	Not Critical

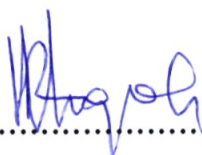
Classrooms	Number	8		Shortage of classrooms equivalent to:			
				8			
				classroom(s)			
Laboratories	Number	3	3	Shortage of laboratory facilities equivalent to:			
				-			
				Laboratories			
Toilet Doors	Number	20	20	Shortage of toilet facility equivalent to:			
				-			
				toilet doors			
Offices	Number	3	6	Shortage of office facilities equivalent to:			
				(3)			
				offices			
Dining Hall	Number of students well seated	-	160	Shortage of dining facilities equivalent to:			
				(160)			
				students not seated			
Library	Number of students well seated	40	160	Shortage of library facilities equivalent to:			
				(120)			
				students not seated			
Dormitories	Number of Decker Beds well-spaced	200		Shortage of dormitory facilities equivalent to:			
				200			
				decker beds			
Staffroom	Number of teachers well seated	14	1	Shortage of staffroom space equivalent to:			
				13			
				teachers not properly seated			

Boardroom	Number of BOM members well seated	25	-	Shortage of boardroom space equivalent to:			
				25			
				BOM members not properly seated			
Textbooks	Average Students -to- Course books ratio	1	2	Shortage of textbooks equivalent to:			
				50			
				% of text books required			
Electricity	Adequacy	ADEQUATE		Occassional / frequent shortage of power attributed to?			
Water	Adequacy	ADEQUATE		Occassional / frequent shortage of water attributed to?			
Staff housing	No of staff properly housed	25	2	Shortage of staff housing facilities equivalent to:			
				23			
				staff not housed			

f) Development projects carried out by the school:

Projects Analysis					
	Name of project				
	E.G DORMITORY	(ii).....	(iii).....	(iv).....	(v).....
Estimated BQ Cost	5,000,000				
Source(s) of Funding					
Type of contract- (Labour	LABOUR				

only/Full Contract)					
Contract Cost	1,330,000				
Start Date of project	2022 JAN				
Expected Completion date	2022 DEC				
Status of project (Stalled, WIP, Complete, Un-started)					
Amount due on project - value of work invoiced	800,000				
Amount paid so far	500,000				
Amount pending at this year end	300,000	-	-	-	-
Comment on project success/challenges					



.....

School Principal



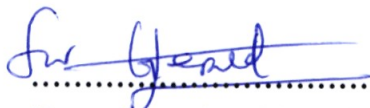
4. Statement of School Management Responsibility

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 *Gangara 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).

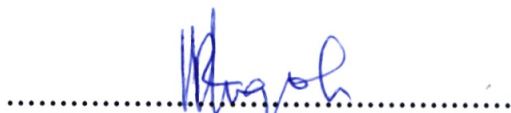
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2025, and of the school's financial position as at that date.



Name: Francisco Munyi

Designation: Chairman, School Board of Management

Date: 30/6/2025



Name: Richard Mugo

Designation: School Principal & Secretary to Board of Management

Date: 30/3/2025

PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P. O. Box 1663 - 60100, EMBU
SIGN:..... DATE:.....



Name: Margatet Ngugi

Designation: Account Clerk

Date: 30/6/2025

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 GANGARA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – EMBU 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 Gangara Secondary School set out on pages 17 to 34, which comprise of the statement of assets and liabilities as at 30 June, 2025, and the statement of financial performance, statement

of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Gangara Secondary School as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) including the transitional provisions permitted under IPSAS 33 and comply with the Basic Education Act, 2013, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Variances in the Financial Statements

During the audit, variances were noted between figures in the financial statements and supporting ledgers as detailed below;

S/No.	Description	Amount in the Financial Statements (Kshs.)	Amount in the Ledger (Kshs.)	Variance (Kshs.)
1	Accounts Payables	22,777,859	16,531,957	(6,245,902)
2	Accounts Receivables	33,832,512	35,346,865	(1,514,353)
3	Payments for Boarding and School Fund	8,164,951	9,289,002	1,124,051
4	Payments for Tuition	446,700	666,570	219,870
5	Payments for Operations	2,752,379	1,963,228	(789,151)
6	Capitation Grants for Operations	2,617,547	1,797,347	(820,200)
7	Parents Contribution - School Fund	5,874,849	9,087,910	3,213,061

In the circumstances, the accuracy and completeness of the above balances included in these financial statements could not be confirmed.

2. Unsupported Short-Term Investments

The statement of assets and liabilities reflects short-term investments balance of Kshs.64,228 which was not supported by a ledger, investment certificates, statements, or any other relevant documentation. Further, Management did not disclose any interest accrued or earned from the investments during the year under review.

In the circumstances, the existence, accuracy, completeness and valuation of the short-term investments balance of Kshs.64,228 could not be confirmed.

3. Unsupported and Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.33,832,512 as disclosed in Note 13 to the financial statements. However, supporting schedules and detailed ageing analysis were not provided for audit review. Further, included in the balance, are accounts receivables balance of Kshs.32,517,464 which had been outstanding for more than two (2) years and for which detailed ageing analysis had not been done. Further, Management did not provide recovery strategies for the long outstanding debts resulting in doubting Management's commitments in recovery efforts.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.33,832,512 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Gangara 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. Nil and Kshs.10,567,495 respectively, resulting in an over-funding of Kshs.10,567,495 or 100% of the budget. Similarly, the School spent an amount of Kshs.11,136,879 against actual receipts of Kshs.10,567,495 resulting in an over-utilization of Kshs.569,384 or 5% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the FY 2024/25 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by

PSASB on 25 February, 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

Other Information

The Management is responsible for the Other Information set out on page 3 to 15 which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's 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, 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 Transfer of Infrastructure Funds from Operations Account

The statement of financial performance reflects operations grant amount of Kshs.2,617,547 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.520,720 in respect of infrastructure grants which was to be transferred to infrastructure account for maintenance and improvement of the school's facilities and activities. However, the school transferred the funds to the infrastructure account late by between 1 to 47 days. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June,2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

The statement of financial performance reflects payments for operations and school fund amounts of Kshs.2,752,379 and Kshs.8,164,951 respectively. Included in the amounts is Kshs.257,500 transferred to Kenya Secondary School Heads Association (KSSHA). KSSHA is not defined in Government Funding system and there is no assurance that it has spent public funds effectively, efficiently and in a transparent manner.

In the circumstances, value for money of the amount transferred to KESSHA of Kshs.257,500 could not be confirmed

3. Irregular Transfer of Funds to Association of Principals of ACK Sponsored Schools

The statement of financial performance reflects payments for school fund amounts of Kshs.8,164,951. Included in the amounts is Kshs.118,00 transferred to Association of Principals of Anglican Church of Kenya (ACK) Sponsored Schools (APACKSS). APACKSS is not defined in Government Funding system and there is no assurance that it has spent public funds effectively, efficiently and in a transparent manner.

In the circumstances, value for money for the amounts transferred to APACKSS of Kshs.118,000 could not be confirmed

4. Non-Deduction and No-Remittance of Capacity Building Levy

The statement of financial performance reflects total expenditure payments of Kshs.11,991,193 as disclosed in Note 5 to 8 to the financial statements which includes an amount of Kshs.923,081 in respect of procurement contracts signed with the school's suppliers. Review of payments for goods and services revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, contrary to the Levy Order 2023 issued by the Public Procurement Regulatory Authority.

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

5. Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals who do not possess the requisite qualifications.

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

6. Failure to Sign Professional Opinion

Review of the procurement process for good, services, works and consultancies revealed that professional opinion was not issued for all the procurements carried during the financial year. This contravened the provision of Regulation 79 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that, upon receipt of the

evaluation report and professional opinion, the accounting officer shall take into account the contents of the professional opinion and shall within a day, in writing approve award to the successful tenderer.

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

7. Presentation and Disclosure in the Financial Statements

Review of the financial statements revealed the following anomalies;

- i) The financial statements were wrongly paginated
- ii) The financial years under part 6-8 should be 2023/2024 and 2024/2025.
- iii) The names of the school management was not included in the financial statements
- iv) The ratio of teacher students should be corrected to read 1:9.
- v) In the summary report of performance of the school, the financial year should be 2022/2023, 2023/2024 and 2024/2025.

In the circumstances, the financial statements did not comply with the reporting template issued by the Public Sector Accounting Standards Board.

8. Underfunding of Capitation Grants and Unconfirmed Students Enrolment Data

The statement of financial performance reflects capitation grants for tuition and operations all totalling to Kshs.3,042,249. Comparison of data from National Education Management and information System (NEMIS) with records from the school revealed that during the year, NEMIS and enrollment in the school had a variance of one hundred and fifty-one (151) students, resulting in an underfunding of the school by an amount of Kshs.690,473. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

9. Late Transfer of Infrastructure Funds from Operations Account

The statement of financial performance reflects operations grant amount of Kshs.2,617,547 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.520,720 in respect of infrastructure grants which were to be transferred to infrastructure account for maintenance and improvement of the school's facilities and activities. However, the School transferred the funds to the infrastructure account late by between 1 to 47 days. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June,2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

10. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.22,777,859 as disclosed in Note 14 to the financial statements. Included in the balance are trade payables balance of Kshs.21,136,164 which have been outstanding for more than two (2) years. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

11. Failure to Prepare School Improvement Plan (SIP)

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

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

12. Irregular Spending of Revenue at Source

Note 3 to the financial statements reflects parents' contribution income amount of Kshs.5,874,849. However, review of the general ledgers and issued receipts revealed that cash collections for Kshs.2,085,515 were utilized directly at source prior to banking. This practice indicates that a significant portion of revenue collected was not subjected to the established banking and expenditure control processes.

This was contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015 which requires all collected shall be paid into the designated account of the national government and shall not be used by any public officer in any manner between the time of receipts and payments into the bank except as provided by law.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of internal Audit Function

During the year under review the School did not have internal audit function. As a result, no audits were carried out in any of the School's activities and departments resulting to lack of independent oversight and potential exposure to financial, operational and compliance risks.

In the circumstances, errors and omissions leading to inaccuracies and exposure to other risks may not be well detected without an internal audit function.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.39,820,000 which includes land with a value of Kshs.5,500,000 and motor vehicles valued at Kshs.6,500,000. However, ownership documents for both assets were not provided for audit review.

In the circumstances, the existence and safe custody of the assets could not be confirmed.

3. Weakness in the Operation of Board of Management

Review of cash book and minutes of the board revealed that the board of management met twice during the year under review while the established committees of audit, finance, procurement and general purposes, academic, development and discipline and welfare did not prepare minutes of meeting as well as signing attendance register for meetings held.

In the circumstances, the effectiveness of internal controls, effective governance and systems of risk management could not be confirmed.

4. Lack of an Approved ICT Policy and Risk Management Policy

Review of the School's information system revealed that the School does not have an approved ICT policy and procedures in place to guide ICT operations, data management, system access, security controls, and disaster recovery. In addition, the School lacks a formal risk management policy to identify, assess, mitigate, and monitor organizational risks. The absence of these policies and manuals presented weak controls over ICT and risk management activities.

In the circumstances, effectiveness of controls over ICT and risk management activities and related mitigations could not be confirmed.

5. Weak Controls Over Student Fees Management

The statement of financial performance reflects parents' contribution income amount of Kshs.5,874,849. However, review of the revenue management process revealed lack of standardized procedures for recognition and valuation of fees paid in kind and lack of segregation of duties in fees collection, recording, banking and reconciliation. Further, there was lack of clear procedures for voiding transactions, increasing the risk of manipulation as well as lack of data backup mechanisms for student data and financial records.

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

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

Responsibilities of 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

22 May, 2026

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

Description Of Vote Head	Note	2025	2024
		Kshs	Kshs
Receipts			
Government grants for tuition	1	424,702	623,091
Government grants for operations	2	2,617,547	3,042,749
School fund income- parents' contributions	3	5,874,849	12,585,674
Miscellaneous incomes	4	469,626	1,280
Government grants for Infrastructure		660,825	
Total Receipts		10,047,548	16,252,794
Payments			
Tuition	5	446,700	527,373
Operations	6	2,752,379	4,185,445
Boarding and school fund	7	8,164,951	10,339,849
Infrastructure	8	627,163	
Total Payments		11,991,193	15,052,667
Surplus/Deficit		(1,943,645)	1,200,127

The school financial statements were approved on _____ 2026 and signed by:

[Signature]

Name: *GEORGE NWAJIA JOSEPH*
Chair BOM

Date: *20/04/26*

[Signature]

Name: *RICHARD MUKHO*
School Principal/ Secretary to BOM

Date: *20/4/2026*



[Signature]

Name: *MARGARET NGUGI*
Account Clerk

Date: *20/4/2026*

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

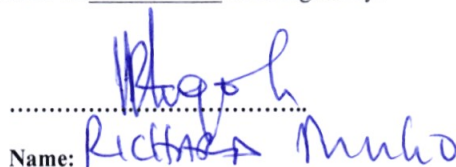
Description	Note	2025 Kshs	2024 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	79,044	445,804
Cash balances	11	346	60,235
Short term investments	12	64,228	64,228
Total cash and cash equivalent		143,619	570,267
Accounts receivables	13	33,832,512	36,417,042
Total financial assets (a)		33,976,130	36,987,309
Financial liabilities			
Accounts payables	14	22,777,859	23,845,392
Total Financial Liabilities (b)			
Net financial assets (a-b)		11,198,271	13,141,917
Represented by			
Accumulated fund b/fwd	15	13,141,913	11,941,786
Surplus/deficit for the year		(1,943,645)	1,200,131
Net Assets		11,198,269	13,141,917

The school's financial statements were approved on _____ 2026 signed by:



Name: **GERALD NJERU**
Chair BOM

Date: **20/04/26**



Name: **RICHARD MULI**
School Principal/ Secretary to BOM

Date: **20/04/2026**





Name: **MARGARET NIGUGI**
Account Clerk

Date: **20/4/2026**

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

Description	Note	2025	2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		424,702	623,091
Government grants for operations		2,617,547	3,042,749
School fund income- parents contributions/ fees		8,759,379	10,730,606
Other income		469,626	1,280
School fund income- Infrastructure		660,825	
Total receipts		12,932,078	14,397,726
Payments			
Cash outflows for tuition		601,700	509,073
Cash outflows for operations		2,772,396	3,141,567
Cash outflows Boarding/lunch and school fund payments		9,357,467	10,596,447
Total payments		12,731,563	14,247,087
		200,516	150,639
Net cash inflow/outflow from operating activities			
Acquisition of Assets		(627,163)	
Cash flow from investing activities		(627,163)	
Net cash inflow/outflows from investing activities			17
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			

			17
Net cash inflow/outflow from financing activities			17
		(426,648)	150,656
Net increase/decrease in cash and cash equivalents		570,267	419,611
Cash and cash equivalent at beginning of the 2025		143,619	570,267
Cash and cash equivalent at end of the 2025		570,267	570,267

The school's financial statements were approved on _____ 2026 signed by:

.....
Name: *Gerard Njiru Joseph*
 Chair BOM

Date: *20/04/26*

.....
Name: *Richard Mulo*
 School Principal/ Secretary to
 BOM

Date: *20/04/26*



.....
Name: *MARGARET NGUGI*
 Account Clerk

Date: *20/04/2026*

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

				Actual on Comparable Basis		
			Final		Budget Utilization	
Receipt/expenses Item	Original Budget	Adjustments	Budget		Difference	% of Utilization
	a	b	c=a+b		e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION INCOME						
<i>Teachig and learning materials</i>				424,702	(424,702)	
(2) CAPITATION GRANT ON OPERATIONS INCOME						
Devt -RMI	-	-	-	520,750	(520,750)	
OTHE RVOTEHEAD	-	-	-	1,014,386	(1,014,386)	
Activity	-	-	-	105,110	(105,110)	
MEDICAL	-	-	-	157,900	(157,900)	
INFRASTRUCTURE INCOME	-	-	-	475,000	(475,000)	
School Fund -OTHER INCOME	-	-	-	344,400	(344,400)	
(3) FEES CHARGED ON PARENTS INCOME						
PE non teachingstaff	-	-	-	519,947	(519,947)	
Development -MI	-	-	-	289,154	(289,154)	

Activity	-	-	-	103,696	(103,696)	
B.E and Stores	-	-	-	3,620,356	(3,620,356)	
Pta fund	-	-	-	16,000	(16,000)	
LTT	-	-	-	433,986	(433,986)	
EWC	-	-	-	573,973	(573,973)	
ADM	-	-	-	317,737	(317,737)	
P E teaching staff	-	-	-	519,947	(519,947)	
School Fund -OTHER INCOME						
BURSARY	-	-	-	409,500	(409,500)	
NSSF	-	-	-	48,912	(48,912)	
SHA	-	-	-	11,214	(11,214)	
MIF-Vote 1	-	-	-	660,151	(660,151)	
Opening Infrastructure Fund	-	-	-	674	(674)	
TOTAL INCOME	-	-	-	10,567,495	(10,567,495)	
(1) EXPENDITURE FOR TUITION						
Teaching & L. mat.	-	-	-	443,770	(443,770)	
BANK CHARGES	-	-	-	2,930	(2,930)	
(2) EXPENDITURE FOR OPERATIONS						
Devt -RMI	-	-	-	2,950	(2,950)	

OTHERVOTEHEAD	-	-	-	1,720,380	(1,720,380)	
Activity	-	-	-	169,220	(169,220)	
BANK CHARGES	-	-	-	3,315	(3,315)	
MEDICAL	-	-	-	2,200	(2,200)	
(3) EXPENDITURE FOR						
SCHOOL FUND						
Development -MI	-	-	-	205,378	(205,378)	
Activity	-	-	-	253,345	(253,345)	
B.E and Stores	-	-	-	4,669,215	(4,669,215)	
LTT	-	-	-	457,463	(457,463)	
EWC	-	-	-	430,760	(430,760)	
ADM	-	-	-	310,708	(310,708)	
P E teaching staff	-	-	-	1,268,326	(1,268,326)	
BURSARY	-	-	-	409,500	(409,500)	
NSSF	-	-	-	97,824	(97,824)	
SHA	-	-	-	62,432	(62,432)	
INFRASTRUCTURE PAYMENTS						
MIF-Vote 1	-	-	-	625,000	(625,000)	
bank charges	-	-	-	2,163	(2,163)	
GRAND TOTAL PAYMENTS	-	-	-	11,136,879	(11,136,879)	

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 2026.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2025	2024	
		Kshs	
Teaching / Learning Materials	424,702	623,091	
Total	424,702	623,091	

2 Government Grants for Operations

Description	2025	2024	
	Kshs	Kshs	
Repairs And Maintenance	520,750	993,600	
Other Vote Heads(nssf)			
Other Vote Heads(welfare)			
Medical	157,900	220,050	
Activity	105,110	205,798	
Other Vote Heads (ltt,ewc, pe, admin)	1,014,386	1,623,302	
Total	1,798,146	3,042,749	

3 Government Grants for infrastructure

Description	2025	2024	
	Kshs	Kshs	
Maintenance &Improvement			
Transition infrastructure grants	660,151	0	
Administration Block			
Economic stimulus grants			
Other NGCDF and County govt.			
Total	660,151	0	

4 School Fund Income -Parents Contribution/Fees

Description	2025	2024
	Kshs	Kshs
Personnel emoluments	519,947	1,402,601
Repairs and maintenance	289,154	733,417
Local transport / travelling	433,986	979,349
Electricity and water	573,973	1,843,374
Medical		
Administration costs	317,737	527,484
Activity	103,696	175,223
Fee on Boarding Equipment and stores	3,620,356	6,829,726
PA Levies*	16,000	94,500
Others (specify)		
Total	5,874,849	12,585,674

. Miscellaneous Incomes

Description	2025	2024
	Kshs	Kshs
Bursary	409,500	
sha	11,214	
Nssf	48,912	
Other (Income savings)	0	1280
Total	469,526	1280

5 Tuition

Description	2025	2024	
	Kshs	Kshs	
Teaching / Learning Materials	44,3770	524,620	
Bank Charges	2,930	2,753	
Others (main account)		-	
Total	446,700	527,373	

6 Operations

Description	2025	2024	
	Kshs	Kshs	
Bank charges	3,315	-	
medical	2,200	-	
Administration Cost			
Repairs And Maintenance & Improvements	2,950	400	
nssf	24,456	49,600	
Local Transport / Travelling	20,707	-	
infrastructure	659,151	-	
paye		11,055	
Activity Expenses	169,220	40,000	
Insurance Cost	150,000		
Other voteheads	1,720,380	4,076,706	
Total	2,752,379	4,185,445	

7 Infrastructure

Description	2025	2024	
	Kshs	Kshs	
Bank charges	2,163		
Others (specify)	625,000		
Total	627,163	0	

8 Boarding And School Fund

Description	2025	2024
	Kshs	Kshs
Personnel Emoluments	1,268,326	719,972
Repairs And Maintenance & Improvements	205,378	272,636
Local Transport / Travelling	457,463	696,036
Electricity And Water	430,760	380,765
Nssf	97,824	
Administration Costs	310,708	1,011,021
Bank Charges		19,466
Fee On Boarding Equipment and Stores		6,803,071
activity		355,970
nhif		63,650
paye		17,262
bursary	409,500	
sha	62,432	
Total	8,164,951	10,339,849

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2025	2024
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1102840165	8,710	185,708
Operations Account	active	1102844012	2,141	157,240
School Fund Account/Boarding	active	1102844276	34,532	102,856
Infrastructural Account	dormant	1257378082	33,662	
Total			79,044	445,804

11 Cash In Hand

Description	2025	2024
	Kshs	Kshs
Notes and Coins	346	60,235
Total	346	60,235

12 .Short Term Investments

Description	2025	2024
	Kshs	Kshs
Other Investments	64,228	64,228
Total	64,228	64,228

13 a) Ageing Analysis of Accounts Receivable

Description	2025		2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Less than 1 year	1,475,553	4.17%	3,938,378	10.77%
Between 1- 2 years	1,353,848	3.83%	1,493,929	4.08%
Between 2-3 years	32,517,464	91.99%	31,223,535	85.18%
Over 3 years				
Total	35,346,865	100%	36,655,842	100%

13 b) Accounts Receivable

Description	2025	2024
	Kshs	Kshs
Fees Arrears	35,346,865	36,655,842
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	(38,8000	(38,800)
Total	35,346,865	36,617,042

13 Accounts Payable

Description	2025	2024
	Kshs	Kshs
Trade Creditors	10,252,083	10,865,854
Prepaid Fees	1,583,705	1,239,714
Trade Creditors -Operation	8,016,915	7,095,363
Trade Creditors - Tuition	4,639,315	4,729,445
School Fund -Student Deposits	(129,400)	(85,000)

Cash Overdrawings:	(11,935)	17
Total	24,350,662	23,845,392

Description	2025		2024	
	Kshs		Kshs	
	Current 2025	% of the total	Comparative 2024	% of the total
Less than 1 year	1,228,812	5.364%	1,554,498	6.85%
Between 1- 2 years	543,337	2.37%	3075678	13.55%
Between 2-3 years	21,136,164	92.26%	18060486	79.59%
Over 3 years		%		%
Total (should tie to note 14)	22,908,313	100 %	22,690,662	100 %

15. Fund Balance Brought Forward

Description	2025	2024
	Kshs	Kshs
Bank Balances	445,804	354,782
Cash Balances	60,234	601
Short Term Investments	64,228	64,228
Receivables	36,417,042	34,561,974
Payables	(23,845,392)	(23,039,795)
Total	13,141,916	11,941,789

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.

14 Non-current Liabilities Summary

Description	2025	2024
	Kshs	Kshs
Bank Loans	(11,995)	0
Total	(11,955)	0

15 Biological assets

Description	Numbers	2025	2024
		Kshs	Kshs
Trees		1,368,000	1,356,000
Total		1,368,000	1,356,000

16 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	11955	0
Balance at the end of the year	(11955)	0

Other important disclosure notes

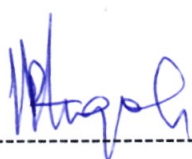
17 Stock/ Inventory

Description	2025	2024
	Kshs	Kshs
Food stuffs	648,526	762,929

18 Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)



Sign and Date
Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

				Outstanding Balance 2025	Outstanding Balance 2024
	Original Amount	Date Contracted	Amount paid To-Date	-	-
	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of buildings					
Sub-Total					
Supply of goods					
1.wagon investment					18,300.00
2. Anthony Murithi				38,600.00	15,200.00
3.challa ventures					217,470.00
4. Wacamu enterprises				16,570	49,905
5. David njiru					8,340
6. kenafriick bakery				0	89,905
7.vinnon enterprises				7,000	
8.wamunyu g. suppliers				71,420	
9.famy tech				64,870	
10.Annaticia njiru				88,800	
11.Ewasco					27,746
Sub-Total				287,260.00	426,866.00

Supply of services					
12.Globally power				45,000.00	
13. P.E(NON TEACHING STAFF)				826,952.00	1,127,632.00
14.cobra security				69,600.00	
Sub-Total				941,552	1,127,632
Grand Total				1,228,812.00	1,554,498.00

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f	Additions during the year to June	Disposals during the year to June	Historical Cost c/f
	(Kshs)	2025	2025	(Kshs)
	1st July	(Kshs)	(Kshs)	30th June
	2025			2026
Land 1	clan land			5,500,000
Buildings and structures	20,400,000.00			20,400,000
Motor vehicles	6,500,000			6,500,000
Office equipment, furniture and fittings	1,000,000			1,200,000
ICT Equipment, and Other ICT Assets	500,000			500,000
Tools and apparatus	100,000			100,000
Textbooks	3,500,000			3,500,000
Other Machinery and Equipment	1,200,000			1,400,000
Heritage and cultural assets	60,000			60,000
Intangible assets- soft ware	260,000			660,000
Total	33,520,000			39,820,000