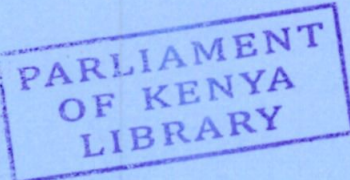
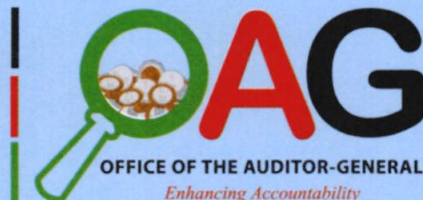


REPUBLIC OF KENYA



REPORT

OF

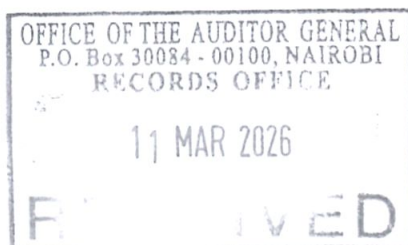
THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 29 JUL 2026	DAY: WEDNESDAY
TABLED BY:	HON. MARGARET KIRARI ON BEHALF OF LOM
CLERK-AT THE-TABLE:	ESTHER NGENDO

KAIRI SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2025**

KIAMBU COUNTY



KAIRI SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

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



(Leave this pageblank)

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

Table of Contents	Page
1. Acronyms and Definition of Key Terms.....	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School.....	viii
4. Statement of School Management Responsibility	xiii
5. Report Of The Independent Auditors (<i>To be attached</i>)	xiv
6. Statement Of Financial Performance 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	9
11. Notes To the Financial Statements	11
12. Annexes	18

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 **Kiambu County, Gatundu North Sub-County**.

The school was registered in **February 2020** under registration number **22S00300611** and is currently categorized as a **County** public school established, owned or operated by the Government.

The school is a boarding school and had **748** number of students as at **30th June 2025**. It has **4** streams form **3** and **4**, form **2** **5** streams and **33** teachers of which **02** teachers are employed by the School Board of Management and **31** TSC 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	Ignatius Waweru Gichia	Chairman	04/03/2022
2	Anthony Mwangi Mwaria	Secretary - Principal	04/03/2022
3	Abraham Gichanga	Member	04/03/2022
4	Caroline Wanjiru Mbackia	Member	04/03/2022
5	William Mugo Kagwaini	Member	04/03/2022
6	Margaret Muthoni Karanja	Member	04/03/2022
7	Joseph Kimaru Kariuki	Member	04/03/2022
8	Mary Wanjiku Maina	Member – Rep CEB	04/03/2022
9	Michael Ngare Gikunju	Member Rep Teachers	04/03/2022
10	1. Daniel Gachau 2. Joseph Kamau Maina 3. Racheal Watiri Gachanja	3 Members - Sponsor	04/03/2022
11	Irene Nyambura Mukuha	Member - Community	04/03/2022
12	Henry Njenga Mbote	Member Special Needs	04/03/2022
13	George Chege Njuguna	Rep Students	04/03/2022

New School Board Of Management Members

Ref:	Name of Board Member	Designation	Date of appointment
1	Joseph Kamau Maina	Chairman	20/03/2025
2	Anthony Mwangi Mwaria	Secretary - Principal	20/03/2025
3	Alice Mwihaki Njau	Member	20/03/2025
4	James Githaiga	Member	20/03/2025
5	Joseph Gichia Mwaura	Member	20/03/2025
6	Henry Njenga Mbote	Member	20/03/2025
7	Edinar Ogweso	Member	20/03/2025
8	Mary Wanjiku	Member – Rep CEB	20/03/2025
9	Michael Gikunju	Member Rep Teachers	20/03/2025
10	Racheal Watiri Gachanja	Members - Sponsor	20/03/2025
	Abram Mburu Kamau		
11	Mercy Violet Wanjira Wanduara	Member - Community	20/03/2025
12	Loise Waringa Kinyua	MemberSpecial Needs	20/03/2025
13	Joseph Mwangi Gitau	Rep Students	20/03/2025

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, 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	i. Ignatius Waweru Gichia ii. William Mugo Kagwaini iii. Anthony Mwangi Mwaria iv. Racheal Watiri Gachanja	Chairperson BOM PA Chairperson Secretary BOM Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1
2	Audit Committee	i. Josephe Kamau Maina ii. Abram Ng'ang'a iii. Joseph Kimau Kariuki iv. Mary Maina	Chairperson Member Member Member	1 out of 1 0 out of 1 1 out of 1 1 out of 1
3	Finance, procurement and general purposes Committee	i. Joseph Kamau Maina ii. Abram Ng'ang'a iii. Joseph Kimaru Kariuki iv. Mary Maina	Chairperson Member Member Member	2 out of 3 0 out of 3 1 out of 3 1 out of 3
4	Academic Committee	i. Alice Njau ii. Caroline Wanjiru Mbacia iii. Ignatius Waweru iv. Michael Gikunju	Chairperson Member Member Member	2 out of 2 0 out of 2 2 out of 2 2 out of 2
5	Development Committee	i. William Mugo Kagwaini ii. Joseph Kanyanja iii. Henry Mbote iv. Racheal Watiri Gachanja v. Joseph Kimaru Kariuki	Chairperson Member Member Member	4 out of 4 4 out of 4 3 out of 4 4 out of 4 2 out of 4
6	Discipline and welfare Committee	i. Margaret Muthoni ii. Irene Mukuha iii. Rev. John Ng'ang'a iv. Daniel Gachau	Chairperson Member Member Member	2 out of 2 1 out of 2 2 out of 2 0 out of 2

KAIRI SECONDARY SCHOOL

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

New board committee meetings

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	i. Joseph Maina Kamau ii. Grace Nungari iii. Anthony Mwangi Mwaria iv. Racheal Watiri Gachanja	Chairperson BOM PA Chairperson Secretary BOM	0/0
2	Audit Committee	(i) Mary Maina (ii) Anthony Mwaria (iii) James Kigocha Kamau (iv) Scola W.Miru (v) Sub County Director Rep	Chairperson Principal Member Member	0/0
3	Finance, procurement and general purposes Committee	(i) Mary Maina (ii) Anthony Mwaria (iii) Grace Muthui (iv) Racheal Gitahi (v) Joseph Gichia Mwaura	Chairperson Member Member Member	0/0
4	Academic Committee	i. Joseph Kamau Maina ii. Anthony M. Mwaria iii. Alice Njau iv. Grace Muthui v. Dr. Mercy Wanduara	Chairperson Principal Member Member	0/0
5	School Infrastructure Committee	i. Joseph Kamau ii. Anthony M. Mwaria iii. Grace Muthui iv. Sub County Director Rep v. Henry Mbote vi. Loise Waringa vii. Deputy Incharge of Administration	Chairperson Member Member Member Member Member Member	0/0
6	Discipline and welfare Committee	i. Madam Edna Ogwesio ii. Anthony Mwaria iii. James Kigocha Kamau iv. Scola W.Miru v. Sub County Director Rep	Chairperson Principal Member Member Member	0/0

(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	Anthony Mwangi Mwaria	TSC No. 305378
2	Deputy Principal	Anthony Ndungu Mburu Daniel Muriuki Gitari	TSC No. 324066 TSC No. 406090
3	School Bursar	Julia Wambui Irungu	ICPAK No. Pending

(e) Schools contacts

Post Office Box: 83-01000 Thika
Telephone: +254111897629
E-mail: kairihighschool@gmail.com
Website: kairiboys.ac.ke
Facebook: -
Twitter: -

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: Kenya Commercial Bank
Branch: Thika
Account Number: 1102161209
Operation Account
Postal Address: 271-01000 Thika
2. Name of Bank: Kenya Commercial Bank
Branch: Thika
Account Number: 1102154431
Tuition Account
Postal Address: 271-01000 Thika
3. Name of Bank: Kenya Commercial Bank
Branch: Thika
Account Number: 1102129488
School Fund Account
Postal Address: 271-01000 Thika
4. Name of Bank: Kenya Commercial Bank
Branch: Thika
Account Number: 1257800019
Infrastructure Account
5. MPESA Pay Bill No. 522123, Account number 40109K linked to KCB bank account

(g) Independent Auditors

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

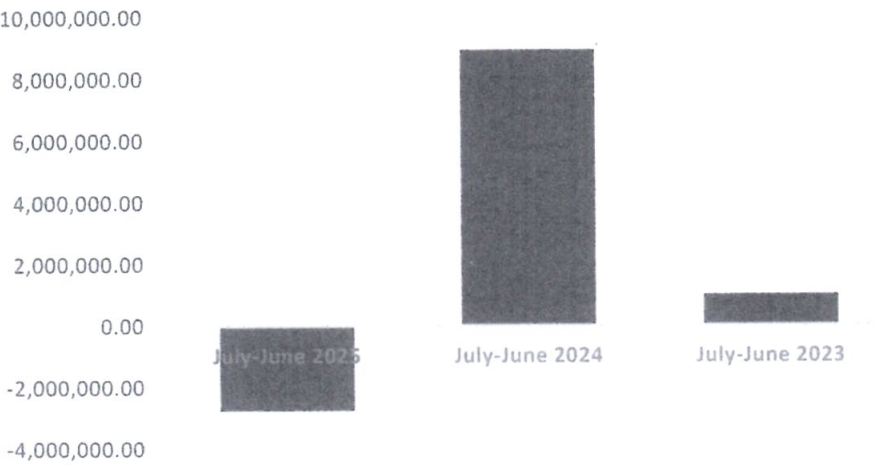
3. Summary Report of Performance of The School

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

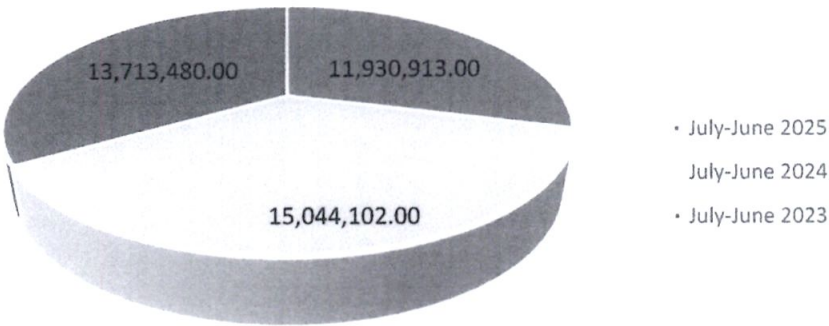
a) Financial performance:

Item No.	Description	July- June 2025	July- June 2024	July -June 2023
1	Surplus/Deficit	(2,754,477.50)	+8,911,593.00	+995,503.00
2	Capitation grant	11,930,913.00	15,044,102.00	13,713,480.00
3	Student population	748	1015	965
4	Ration of capitation grant per student	1 student Kshs. 15,950.00	1 student Kshs. 14,822.00	1 student: Kshs.14,211.00
5	Other income	-	-	-
6	Expenditure	68,975,310.00	70,582,613.00	74,863,078.00
7	Debtors	9,008,571.00	7,717,000.00	7,376,909.00
8	Trade creditors	199,915.00	441,045.00	1,776,387.00
9	Cash and bank balances	11,686,161.00	19,109,310.00	14,552,624.00

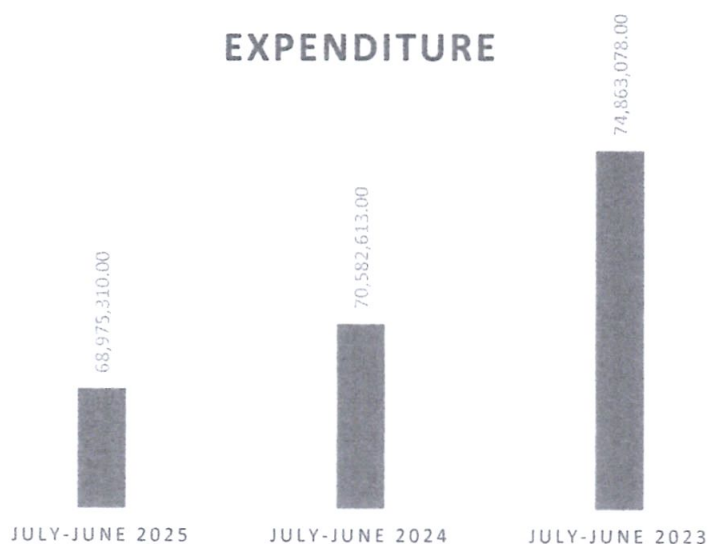
Surplus/Deficit



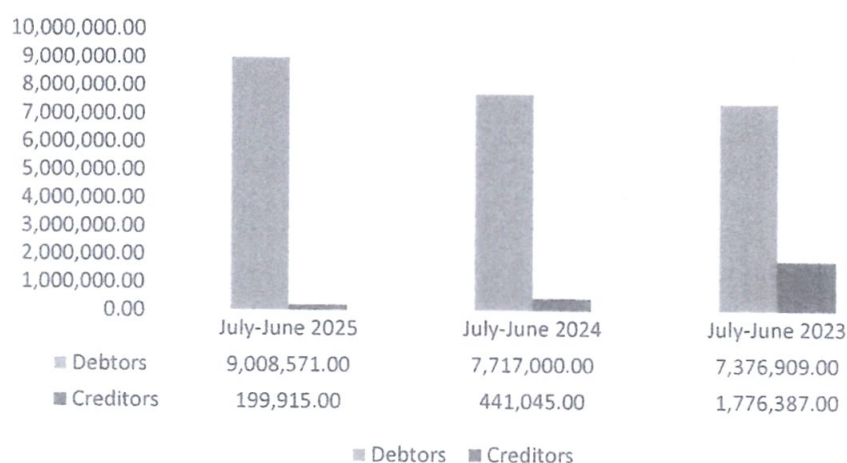
Capitation grant



EXPENDITURE



Debtors versus Creditors

**(b) Teacher Student ratio: 1 teacher:21 students**

- (i) Number of teachers recruited and posted to the school within the year - 2
- (ii) Number of teachers transferred out of school – 0
- (iii) Number of teachers that retired during the year - 0
- (iv) Number of teachers employed by the TSC – 31
- (v) Number of teachers employed by the BOM – 02
- (vi) Number of teachers the school has for each subject

KAIRI SECONDARY SCHOOL

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

Subject Combination	Number of teachers	Shortage
English/Literature	04	1
Kiswahili	06	0
Mathematics	08	0
Chemistry	06	0
Physics	05	0
Biology	06	0
History & Government	06	0
Geography	03	0
C.R.E	03	0
Agriculture	04	0
Computer Studies	02	0
Business Studies	02	1

(c) The mean score in the 2024 KCSE: D+

Year	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	No. of Students	M.S.S	Grade	Comment	Transition to higher learning institutions
2024	0	1	1	5	9	8	19	39	52	58	21	1	214	4.3364	D+	Dropped	24
2023	0	0	1	3	10	8	28	45	65	42	9	0	211	4.5972	C-	Dropped	22
2022	0	0	0	3	2	10	23	49	45	39	7	0	178	4.5337	C-	Dropped	15

(d) Number of Candidates in the 2024 KCSE:

Year	Total number of students
2024	214
2023	211
2022	178

(e) The capacity of the school

Facility Name	Total Number	Number of students	Remarks
Dormitories	06	748	
Dining Hall	01	748	Multipurpose hall in progress
Laboratory	02	748	
Toilets	51	748	
Bathrooms	50	748	
Library	01	748	

KAIRI SECONDARY SCHOOL

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

(f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Multipurpose Hall	Government and parents' contribution	On going	9,882,640.00	4,078,049.50	2026
Renovation of the destroyed dormitory		On going	3,776,295.00	1,196,658.00	1 st September 2025

.....
School Principal

Am. Mwarua
THE SECRETARY
BOARD OF MANAGEMENT
KAIRI SECONDARY SCHOOL
P.O. Box 83-01000 THIKA
DATE: 11/3/26 SIGN:

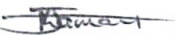
4. Statement of School Management Responsibility

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 Kairi 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).

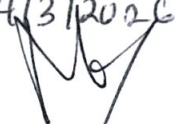
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2025, and of the school's financial position as at that date.

.....


Name: Joseph Kamau Maina

Designation: Chairman, School Board of Management

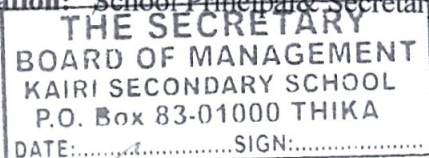
Date: 4/3/2026

.....


Name: Anthony Mwangi Mwaria

Designation: School Principal & Secretary to Board of Management

Date:



.....


Name: Julia Wambui Irungu

Designation: Bursar/ Finance Officer

Date: 4/3/2026

KAIRI SECONDARY SCHOOL

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

5. Report Of The Independent Auditors *(To be attached)*

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 KAIRI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – KIAMBU 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 Kairi Secondary School set out on pages 1 to 17, which comprise of the statement of assets

Report of the Auditor-General on Kairi Secondary School for the year ended 30 June, 2025 – Kiambu County

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Kairi 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 Public Finance Management Act, 2012, Basic Education Act, 2013 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.32,199,663 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivables balance of Kshs.20,140,169 or 63% which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the recoverability of the accounts receivables balance of Kshs.20,140,169 in could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kairi 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.63,329,101 and Kshs.56,119,736 respectively, resulting in an underfunding of Kshs.7,209,365 or 11% of the budget. However, the School spent an amount of Kshs.68,685,385 against actual receipts amounting to Kshs.56,119,736 resulting in an overutilization of Kshs.12,565,649 or 22% of actual receipts.

The underfunding affected the planned activities and may have impacted negatively on delivery of services 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 effects of the matter 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

Management is responsible for the Other Information set out on page iii to xiii which comprise of Key School Information and Management, the 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 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 and I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of financial performance reflects boarding and school fund payments of Kshs.53,848,537 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.582,400 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools

In the circumstances, value for money transferred to KESSHA amounting to Kshs.582,400 could not be confirmed.

2. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects government operations grants amount of Kshs. 6,848,536 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount ,is an amount of Kshs.745,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. The funds received on 30 January, 2025 was transferred on 24 February, 2025 or twenty-five (25) days after receipt . This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 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.

3. Under Funding of Capitation Grants

The statement of financial performance reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,282,877 and Kshs.6,848,536, respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, National Education Management Information System (NEMIS) reported an average total number of eight hundred and nine (809) students while the enrolment records provided

by the school indicated an average total number of eight hundred and eighteen (818) resulting in an unexplained variance of nine (9) students. As a result of the variances, the School was under funded by an amount of Kshs.148,111.

In the circumstances, the underfunding of the School may have affected service delivery to the public.

4. Non-Deduction of Capacity Building Levy

A review of payments for goods and services revealed that the Public Procurement Capacity Building Levy of 0.03% was not deducted from applicable contracts, as required. This is contrary to the Public Procurement Capacity Building Levy Order, 2023 issued by the Public Procurement Regulatory Authority, which requires procuring entities to deduct the levy from the value of contracts awarded.

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

5. Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of the records revealed that the Institute distributed fourteen thousand and eighty-nine (14,089) textbooks to the school, while only ten thousand and eighty-six (10,086) books were issued to students, resulting in an unexplained excess text books of four thousand and three (4,003) textbooks. Further, sixteen thousand, seven hundred and ninety-nine (16,799) books issued in the prior years remain unused due to curriculum transitions, rendering them obsolete.

In the circumstances, value for money on the excess twenty thousand, eight hundred and two (20,802) text books 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 Internal Audit Review

During the year under review, there was no evidence that the School conducted the internal audit review of the School's operations. This was contrary to Section 73(1)(a) of the Public Finance Management Act, 2012 which requires every national government entity to ensure it has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

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

2. Reliance on Manual Accounting System

Review of the accounting system revealed that other than the receipting of school fund income, all other key financial and accounting processes including invoicing, posting of incomes and expenses, preparation of ledgers, bank reconciliations, and financial reporting were carried out manually.

In the circumstances, efficiency and integrity of the financial records could not be confirmed.

3. Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed asset register balance of Kshs.198,308,522 which includes land with a balance of Kshs.36,700,000. The School occupies approximately 10.5 acres of land registered under the proprietorship of the Native Land Trust Board (Thika County Council), as confirmed by an official land search conducted on 28 June, 2006. Although the tenure is recorded as absolute and the school is the current occupier and user of the property, no formal vesting order or transfer of ownership has been effected in favour of the School and the School does not have a title deed.

In the circumstances, the effectiveness of internal controls surrounding management of the School's assets could not be confirmed.

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

Responsibilities of 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

15 May, 2026

KAIRI SECONDARY SCHOOL

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

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

Description Of Vote Head	Note	30/6/2025	30/6/2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	2,282,877.00	2,426,535.00
Government grants for operations	2	6,848,536.00	7,988,227.00
Governments grants for infrastructure	3	2,799,500.00	4,629,340.00
School fund income- parents' contributions	4	54,289,919.00	64,450,103.00
Miscellaneous Incomes	5	0.00	0.00
Total Revenue		66,220,832.00	79,494,205.00
Expenditure			
Tuition	6	2,402,978.00	2,311,948.00
Operations	7	7,447,907.00	6,985,140.00
Infrastructure	8	5,275,888.00	4,089,283.00
Boarding and school fund	9	53,848,537.00	57,196,242.00
Total Expenditure		68,975,310.00	70,582,613.00
Surplus/Deficit		(2,754,477.50)	8,911,592.00

The school financial statements were approved on 4/03/2026 and signed by:

Name: Joseph Kamau Maina

Chair BOM

Date: 4/03/2026

Name: Anthony Mwangi Mwaria
School Principal/ Secretary to
BOM

Date: 4/03/2026

Name: Julia Wambui Irungu

Bursar/ Finance Officer

Date: 4/03/2026

THE SECRETARY
BOARD OF MANAGEMENT
KAIRI SECONDARY SCHOOL
P.O. Box 83-01000 THIKA
DATE: 4/3/26 SIGN:

KAIRI SECONDARY SCHOOL

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

7. Statement of Assets and Liabilities as at 30th June 2025

Description	Note	30/6/2025	30/6/2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	11,685,375.00	19,108,417.00
Cash balances	11	786.00	893.00
Short term investments	12	0.00	0.00
Total cash and cash equivalent		11,686,161.00	19,109,310.00
Account's receivables	13	32,199,663.00	27,857,169.00
Total financial assets(a)		43,885,824.00	46,966,479.00
Financial liabilities			
Accounts payables	14	1,207,392.00	1,533,570.00
Total financial Liabilities (b)		1,207,392.00	1,533,570.00
Net Financial Assets (a-b)		42,678,432.00	45,432,909.00
Represented by			
Accumulated fund b/fwd	15	45,432,909.00	36,521,317.00
Surplus/deficit for the year		(2,754,477.50)	8,911,592.00
Net Assets		42,678,432.00	45,432,909.00

The school's financial statements were approved on 4/03/2026 and signed by:

.....
Name: Joseph Kamau
Maina

Chair BOM

Date: 4/3/2026

.....
Name: Anthony Mwangi
Mwaria
School Principal/ Secretary to
BOM

Date: 4/3/2026

.....
Name: Julia Wambui Irungu

Bursar/ Finance Officer

Date: 4/3/2026

2
THE SECRETARY
BOARD OF MANAGEMENT
KAIRI SECONDARY SCHOOL
P.O. Box 83-01000 THIKA
DATE: 4/3/2026 SIGN:

KAIRI SECONDARY SCHOOL

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

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

Description	Note	30/6/2025	30/6/2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,282,877.00	2,426,535.00
Government grants for operations		6,848,536.00	12,617,567.00
Government grants for infrastructure		2,799,500.00	0.00
School fund income- parents contributions/ fees		49,868,777.00	61,442,593.00
Other Income		0.00	0.00
Total receipts		61,799,690.00	76,486,695.00
Payments			
Cash outflows for tuition		2,402,978.00	2,311,948.00
Cash outflows for operations		7,449,087.00	6,986,205.00
Cash outflows Boarding/lunch and school fund payments		54,096,067.00	58,543,638.00
Total payments		63,948,132.000	67,841,791.00
Net cash inflow/outflow from operating activities		(2,148,442.00)	8,644,904.00
Cash flow from investing activities			
Acquisition of assets – Dining hall/Multipurpose hall construction		(4,078,049.50)	(3,300,178.00)
Acquisition of assets – Renovation of a dormitory		(1,196,658.00)	(788,040.00)
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		(5,274,707.50)	(4,088,218.00)
Cashflow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(7,423,149.50)	4,556,686.00
Cash and cash equivalent at beginning of the FY		19,109,310.00	14,552,624.00
Cash and cash equivalent at end of the FY		11,686,161.00	19,109,310.00

KAIRI SECONDARY SCHOOL

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

The school's financial statements were approved on 4/03/2026 and signed by:

.....
Name: Joseph Kamau
Maina

Chair BOM

Date: 4/3/2026

.....
Name: Anthony Mwangi
Mwawngi
School Principal/ Secretary to
BOM

Date: 4/3/2026

.....
Name: Julia Wambui Irungu

Bursar/ Finance Officer

Date: 4/3/2026

THE SECRETARY
BOARD OF MANAGEMENT
KAIRI SECONDARY SCHOOL
P.O. Box 83-01000 THIKA
DATE: 4/3/2026 SIGN:

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

Receipt/Expenses Item	Original Budget	Adjustments		Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs		Kshs	Kshs		Kshs
Receipts		Opening balance (C/Bk) and AIA	Previous years outstanding disbursements				
<i>(1) Capitation Grant on Tuition</i>							
Teaching / Learning Materials	1,793,006.00	0.00	0.00	1,793,006.00	2,282,877.00	(489,871.00)	127.3212136
	1,793,006.00	0.00	0.00	1,793,006.00	2,282,877.00	(489,871.00)	
<i>(2) Capitation Grant on Operations</i>							
Other Voteheads (Adm. Cost, EWC.P.E)	4,689,419.00	0.00	0.00	4,689,419.00	5,455,546.00	(766,127.00)	116.3373565
Co-curricular Activities	581,667.00	0.00	0.00	581,667.00	554,240.00	27,427.00	95.28475915
Medical & Insurance	593,812.00	0.00	0.00	593,812.00	838,750.00	(244,938.00)	141.2484086
	5,864,898.00	0.00	0.00	5,864,898.00	6,848,536.00	(983,638.00)	
<i>(3) FDSE for Infrastructure</i>							
Maintenance& Improvement	2,838,399.00	0.00	0.00	2,838,399.00	2,799,500.00	38,899.00	98.62954433
	2,838,399.00	0.00	0.00	2,838,399.00	2,799,500.00	38,899.00	
<i>(4) Fees Charged on Parents</i>							
Boarding Equipment and Stores	25,050,005.00	0.00	0.00	25,050,005.00	21,603,293.00	3,446,712.00	86.24067341
Repairs, Maintenance& Improvement	2,177,500.00	0.00	0.00	2,177,500.00	1,758,859.00	418,641.00	80.77423651
Local Transport & Travelling	4,542,250.00	0.00	0.00	4,542,250.00	3,519,995.00	1,022,255.00	77.49452364

KAIRI SECONDARY SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments		Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs		Kshs	Kshs		Kshs
Administration Cost	4,643,428.00	0.00	0.00	4,643,428.00	3,829,515.00	813,913.00	82.47172132
Electricity Water and Conservancy	1,769,000.00	0.00	0.00	1,769,000.00	1,498,991.00	270,009.00	84.73663086
Personnel Emoluments	7,172,974.00	0.00	0.00	7,172,974.00	5,928,690.00	1,244,284.00	82.6531645
Co-curricular Activities	1,162,303.00	0.00	0.00	1,162,303.00	967,726.00	194,577.00	83.25935664
Insurance (Medical &Property)	246,584.00	0.00	0.00	246,584.00	266,853.00	(20,269.00)	108.2199169
Medical	92,153.00	0.00	0.00	92,153.00	88,768.00	3,385.00	96.32676093
Development	2,161,601.00	0.00	0.00	2,161,601.00	1,699,346.00	462,255.00	78.61515608
P.T.A Fund	3,815,000.00	0.00	0.00	3,815,000.00	3,026,787.00	788,213.00	79.33910878
	52,832,798.00	0.00	0.00	52,832,798.00	44,188,823.00	8,643,975.00	
5) Miscellaneous Income							
Income From Any Other Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	63,329,101.00	0.00	0.00	63,329,101.00	56,119,736.00	7,209,365.00	88.61603151
(6)Expenditure for Tuition							
Teaching/Learning materials	1,793,006.00	0.00	0.00	1,793,006.00	2,401,448.00	(608,442.00)	133.9341865
	1,793,006.00	0.00	0.00	1,793,006.00	2,401,448.00	(608,442.00)	
(7)Expenditure for Operations							
Other Voteheads(Adm.Cost, EWC,P.E)	4,689,419.00	0.00	0.00	4,689,419.00	6,690,212.00	(2,000,793.00)	142.6661171
Co-Curricular Activities	581,667.00	0.00	0.00	581,667.00	349,770.00	231,897.00	60.13234376
Medical & Insurance	593,812.00	0.00	0.00	593,812.00	407,925.00	185,887.00	68.69598459
	5,864,898.00	0.00	0.00	5,864,898.00	7,447,907.00	(1,583,009.00)	

KAIRI SECONDARY SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments		Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs		Kshs	Kshs		Kshs
(8)Expenditure For infrastructure							
Maintenance & Improvement	2,838,399.00	0.00	0.00	2,838,399.00	5,274,708.00	(2,436,309.00)	185.8338979
	2,838,399.00	0.00	0.00	2,838,399.00	5,274,708.00	(2,436,309.00)	
(9)Expenditure for School Fund/boardng							
Boarding Equipment & Stores	25,050,005.00	0.00	0.00	25,050,005.00	27,800,836.00	(2,750,831.00)	110.9813591
Repairs Maintenance & Improvement	2,177,500.00	0.00	0.00	2,177,500.00	3,309,418.00	(1,131,918.00)	151.9824569
Local Transport & Travelling	4,542,250.00	0.00	0.00	4,542,250.00	3,693,003.00	849,247.00	81.30338489
Administration Costs	4,643,428.00	0.00	0.00	4,643,428.00	4,390,647.00	252,781.00	94.55615227
Electricity, Water & Conservancy	1,769,000.00	0.00	0.00	1,769,000.00	2,574,598.00	(805,598.00)	145.53974
Personal Emoluments	7,172,974.00	0.00	0.00	7,172,974.00	4,947,891.00	2,225,083.00	68.97963104
Co-curricular Activities	1,162,303.00	0.00	0.00	1,162,303.00	941,262.00	221,041.00	80.98249768
Insurance (Medical & Property)	246,584.00	0.00	0.00	246,584.00	379,786.00	(133,202.00)	154.0189144
Medical	92,153.00	0.00	0.00	92,153.00	73,023.00	19,130.00	79.24104478
Development	2,161,601.00	0.00	0.00	2,161,601.00	2,001,197.00	160,404.00	92.57940064
PTA Fund	3,815,000.00	0.00	0.00	3,815,000.00	3,449,661.00	365,339.00	90.4236173
	52,832,798.00	0.00	0.00	52,832,798.00	53,561,322.00	(728,524.00)	
Totals	63,329,101.00	0.00	0.00	63,329,101.00	68,685,385.00	(5,356,284.00)	108.4578551

Important Disclosure

Budget utilisation difference for total actual income compared to final budget is 88.616%, a percentage below 90% because of: -

(i) *Uncollected fees*

Budget utilization difference for total actual expenditure versus final budget is 108.46%, a percentage above 100% because of: -

(ii) *Renovation of the destroyed dormitory and replacement of students' personal effects.*

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

Statement of Compliance

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

Basis of Preparation

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

2. Recognition of revenue and expenditure

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

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

KAIRI SECONDARY SCHOOL

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Teaching / Learning Materials	2,282,877.00	2,426,535.00
Total	2,282,877.00	2,426,535.00

2 Government Grants for Operations

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Other voteheads (Adm.C,E.W.C,P.E)	5,455,546.00	6,347,413.00
Medical & Insurance	838,750.00	803,625.00
Co-Curricular Activities	554,240.00	837,190.00
Total	6,848,536.00	7,988,228.00

3. Government Grants for Infrastructure

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Maintenance & Improvement	2,799,500.00	4,629,340.00
Total	2,799,500.00	4,629,340.00

4. School Fund Income- Parents contributions/Fees

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Personnel emoluments	7,340,495.00	8,260,251.00
Boarding Equipment and Stores	25,979,128.00	31,830,028.00
Repairs, Maintenance & Improvement	2,255,751.00	3,143,115.00
Local Transport & Travelling	4,575,443.00	3,424,177.00
Electricity, Water & Conservancy	1,824,104.00	2,541,557.00
Administration Costs	4,716,035.00	4,277,017.00
Insurance (Medical & Property)	288,038.00	866,907.00
Co-Curricular Activities	1,153,302.00	1,491,124.00
Medical	100,087.00	250,738.00
Development	2,316,946.00	3,709,830.00
P.T.A Fund	3,740,590.00	4,655,359.00
Total	54,289,919.00	64,450,103.00

KAIRI SECONDARY SCHOOL

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

5. Miscellaneous Incomes

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Rent Income	0.00	0.00
Income From Farming Activities	0.00	0.00
Sales of borehole water	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus and ground Hire	0.00	0.00
Interest Income	0.00	0.00
Donations	0.00	0.00
Total	0.00	0.00

6. Tuition

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Tuition (Teaching & Learning Materials)	2,401,448.00	2,310,418.00
Bank Charges	1,530.00	1,530.00
Total	2,402,978.00	2,311,948.00

7. Operations

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Other Voteheads(Adm.C,E.W.C, P.E)	6,690,212.00	6,671,430.00
Activity/Co-Curricular Activities	349,770.00	236,410.00
Medical & Insurance	407,925.00	77,300.00
Total	7,447,907.00	6,985,140.00

8. Infrastructure

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Maintenance & Improvement	5,274,708.00	4,088,218.00
Bank Charges	1,180.00	1,065.00
Total	5,275,888.00	4,089,283.00

KAIRI SECONDARY SCHOOL

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

9. Boarding And School Fund

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Personnel Emoluments	4,947,891.00	3,607,338.00
Boarding, Equipment and Stores	27,905,651.00	33,300,736.00
Repairs And Maintenance & Improvements	3,367,718.00	2,216,162.00
Local Transport / Travelling	3,693,003.00	3,255,070.00
Electricity, Water& Conservancy	2,611,398.00	2,191,363.00
Administration Costs	4,390,647.00	3,827,947.00
Co-Curricular Activities	941,262.00	1,371,750.00
Insurance (Medical & Property)	379,786.00	985,304.00
Medical	73,023.00	151,700.00
Farm Account	87,300.00	50,400.00
Development	2,001,197.00	2,187,747.00
P.T.A Fund	3,449,661.00	4,050,725.00
Total	53,848,537.00	57,196,242.00

10. Bank Accounts

Description	Status		30/6/2025	30/6/2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1102154431	28,869.00	148,970.00
Operations Account	Active	1102161209	1,567,107.00	2,166,328.00
School Fund Account/Boarding	Active	1102129488	9,436,540.00	13,663,873.00
Savings Account		-	-	-
Infrastructural Account	Active	1257800019	652,859.00	3,129,246.00
Total			11,685,375.00	19,108,417.00

11. Cash in Hand

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Notes and Coins	786.00	893.00
Total	786.00	893.00

KAIRI SECONDARY SCHOOL

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

12. Short Term Investments

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
Total	-	-

13. Accounts Receivable

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Fees Arrears	32,199,663.00	27,857,169.00
Other Non-Fees Receivables	-	-
Imprest	-	-
Salary Advances	-	-
Total	32,199,663.00	27,857,169.00

13 b) Ageing Analysis of Accounts Receivable

Description	30/6/2025		30/6/2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Fees arrears for current year	9,008,571.00	27.98%	7,717,000.00	27.7%
Fees arrears for the previous year	3,050,923.00	9.5%	2,628,040.00	9.4%
Fees arrears for prior periods (over two years)	20,140,169.00	62.55%	17,512,129.00	62.86%
Total	32,199,663.00	100.03%	27,857,169.00	99.96%

14. Accounts Payable

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	199,915.00	441,045.00
Prepaid Fees	1,007,477.00	1,092,525.00
Total	1,207,392.00	1,533,570.00

KAIRI SECONDARY SCHOOL

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

14a. Ageing Analysis of Accounts Payable

Description	30/6/2025		30/6/2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Trade creditors for current year	199,915.00	100%	441,045.00	100%
Trade creditors for the previous year	-	%	-	%
Trade creditors for prior periods(Over two years)	-	%	-	%
Total	199,915.00	100%	441,045.00	100%

15. Fund Balance Brought Forward

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Bank Balances	11,685,375.00	19,108,417.00
Cash Balances	786.00	893.00
Short Term Investments	-	-
Receivables	32,199,663.00	27,857,169.00
Payables	(1,207,392.00)	(1,533,570.00)
Total	42,678,432.00	45,432,909.00

Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual-related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

16. Non-current Liabilities Summary

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

KAIRI SECONDARY SCHOOL

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

17. Biological assets

Description	Numbers	30/6/2025	Numbers	30/6/2024
		Kshs		Kshs
Trees	3108	1,380,000.00	3110	1,300,000.00
Pigs	09	75,000.00	02	40,000.00
Total		1,455,000.00		1,340,000.00

18. Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes

19. Stock/ Inventory

Description	30/6/2025	30/6/2024
	Kshs	Kshs
Food stuffs	893,400.00	1,101,500.00
Lab consumables	662,807.00	664,852.00
Teaching and Learning Materials	383,903.000	426,125.00
	1,940,110.00	2,192,477.00

KAIRI SECONDARY SCHOOL

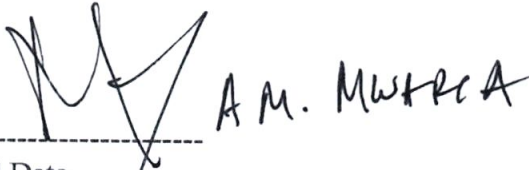
Annual Report and Financial Statements For the year ended 30th June 2025

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)

Sign and Date
Principal


A.M. Mwirira
THE SECRETARY
BOARD OF MANAGEMENT
KAIRI SECONDARY SCHOOL
P.O. Box 83-01000 THIKA
DATE: 4/3/26 SIGN:

KAIRI SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

12. Annexes**Annex 1- Analysis of Pending Accounts Payable****List of unpaid creditors as at 30/06/2025**

Name	Cell-Phone	Details	Votehead	Kshs.
Jakidec Electricals	0722 460 235	Electrical items and repair	EWC	36,800.00
Diana International Limited	0725 441 758	Supply of milk	BES	9,520.00
Fraimo Enterprise	0705 446 859	Supply of bread	BES	37,245.00
Jamsco Investment Limited	0727 948 553	Supply of paint, cement, sand, stones, turpentine and woodscrews	RMI	58,300.00
Waichari poultry farm	0729 735 518	Supply of eggs to school	BES	12,400.00
Topjoy Butcheries	0713 386 745	Supply of meat to school	BES	45,650.00
Total				199,915.00

KAIRI SECONDARY SCHOOL

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

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	36,700,000.00			36,700,000.00
Buildings And Structures	153,565,000.00			153,565,000.00
Motor Vehicles	2,000,000.00			2,000,000.00
Office Equipment, Furniture and Fittings	657,000.00			657,000.00
Textbooks	2,720,000.00			2,720,000.00
ICT Equipment	1,113,000.00			1,113,000.00
Tools And Apparatus	707,622.00			707,622.00
Other Machinery and Equipment	525,900.00			525,900.00
Heritage And Cultural Assets	20,000.00			20,000.00
Intangible Assets- Soft Ware	300,000.00			300,000.00
Total	198,308,522.00			198,308,522.00

Annex 3-Fees Debtors As At 30th June 2025

Class	Kshs
2Blue	966,351.00
2Green	498,259.00
2Purple	502,674.00
2Red	518,085.00
2Yellow	471,760.00
3Blue	695,965.00
3Green	678,719.00
3Red	685,241.00
3Yellow	883,632.00
4Blue	779,359.00
4Green	785,812.00
4Red	771,305.00
4Yellow	771,409.00
TOTAL	9,008,571.00

KAIRI SECONDARY SCHOOL

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

Annex 4- Prepaid fees as at 30th June 2025

Class	Kshs
2Blue	72,153.00
2Green	227,711.00
2Purple	74,608.00
2Red	66,613.00
2Yellow	65,415.00
3Blue	95,383.00
3Green	52,628.00
3Red	37,533.00
3Yellow	87,600.00
4Blue	85,025.00
4Green	51,913.00
4Red	46,197.00
4Yellow	44,698.00
Total	1,007,477.00



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

OAG/NRB/AUD/17/28/2023/2025(21)

19 June, 2026

Mr. Samuel J. Njoroge, CBS
Clerk of the National Assembly
Parliament Buildings
P. O. Box 41842-00100
NAIROBI

Dear Mr. Njoroge

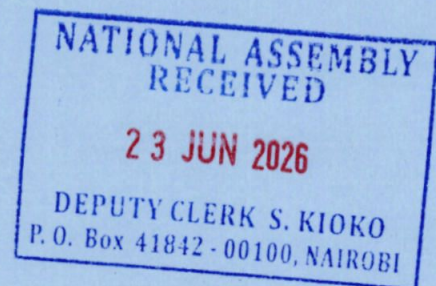
**REPORT OF THE AUDITOR-GENERAL ON KAIRI SECONDARY SCHOOL FOR
THE YEAR ENDED 30 JUNE, 2023, 2024 AND 2025 – KIAMBU COUNTY**

I transmit the report of the Auditor-General on the examination and audit of Kairi Secondary School for the year ended 30 June, 2023, 2024 and 2025 in accordance with the provisions of Article 229(7) of the Constitution of Kenya for the necessary action as required by Article 229(8) of the Constitution.

Yours sincerely,

CPA. Wilson Maiyo
For: AUDITOR-GENERAL

Copy to: **Dr. Chris Kiptoo, PhD., CBS**
Principal Secretary
The National Treasury
P.O. Box 30007-00100
NAIROBI



Mr. John Lekakeny Ololtuaa, CBS
Principal Secretary
Ministry of Education
State Department for Basic Education
P.O. Box 30040-00100
NAIROBI

Antony Mwangi Mwaria
Principal
Kairi Secondary School
P. O. Box 83 – 01000
THIKA

RECEIVED



RECEIVED
JAN 10 1964
LIBRARY
OF THE
UNITED STATES
DEPARTMENT OF
COMMERCE

RECEIVED
JAN 10 1964
LIBRARY
OF THE
UNITED STATES
DEPARTMENT OF
COMMERCE