ABORIGINAL leader Noel Pearson will confirm today his takeover of the troubled indigenous school Djarragun College from the Anglican Church.

With the lengthy due-diligence process almost complete, Mr Pearson and Anglican Bishop Bill Ray plan to tell staff and students at the school, at Gordonvale, south of Cairns, that it will not collapse under mounting debts and will thrive under indigenous leadership.

However, Djarragun is still being investigated by the Queensland Police Service's Fraud and Corporate Crimes Squad after an independent audit revealed it had wrongly claimed millions of dollars in government funding for 250 phantom students.

The Australian understands Mr Pearson and his supporters have established a body called the Cape York Education Foundation that will acquire the school, with the intention of trading it out of debt.

In a statement, Mr Pearson said he would brief the school community this afternoon on recent developments before they broke for the holidays. "The college, its students and staff have been living with uncertainty and need this protracted process to be fast-tracked," Mr Pearson said.

He said that in the past six weeks he and the Cape York Partnerships development organisation had increased enrolments, identified extra funding streams and implemented reliable enrolment and attendance procedures.

As well, Mr Pearson said he had been "heartened" by the due-diligence findings and hoped to present new evidence about enrolment as a "robust basis" for reviewing recent audit findings.

The Australian understands Mr Pearson, the director of the Cape York Institute for Policy and Leadership, has raised more than $500,000 to keep the school operating in the short term.

Bishop Ray said he was certain Mr Pearson and his Cape York organisations were the right people to lead the school. "There's been great education happening at Djarragun and I'm confident that it will continue to happen," he said.

"A school exists for the children. I hope and pray it'll go from strength to strength."