

REPUBLIC OF KENYA

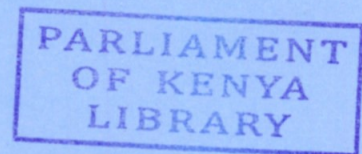


REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 JUN 2026	DAY: WED
TABLED BY: OF	HON. NAOMI WARD, MP DEPUTY MAJORITY PARTY WHIP
CLERK-AT THE-TABLE:	V. WAMBUI

THE AUDITOR-GENERAL

ON

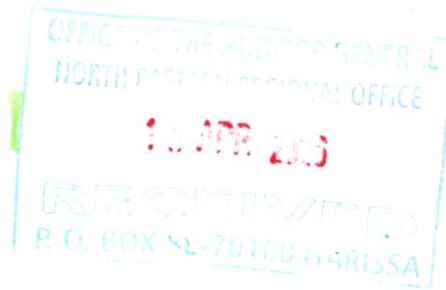


HON. D.M AMIN MIXED DAY
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

WAJIR COUNTY

Revised 30th June 2025.



HON DM AMIN MIXED DAY 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)

Hon DM Amin Mixed Day 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	vi
4. Statement of School Management Responsibility.....	viii
5. Report Of The Independent Auditors (<i>To be attached</i>).....	ix
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	4
10. Significant Accounting Policies.....	9
11. Notes To the Financial Statements	11
12. Annexes	21

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

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 Wajir County, Wajir east Sub-County.

The school was registered in 15/05/2020 under registration number 08/s/3000/26/018 and is currently categorized as a *Sub-County* public school established, owned by the Government.

The school is a mixed day secondary school and had 588 number of students as at 30th June 2025. It has 3 streams and 17 teachers of which 7 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	Habiba A. Kuresh	Chairperson	06/01/2025
2	Issack Ibrahim	V. Chairperson	06/01/2025
3	Ali M. Bash	Secretary – Principal	06/01/2025
4	Hussein Osman	Member	06/01/2025
5	Mohamed Jelle	Member	06/01/2025
6	Fatuma Dekow	Member	06/01/2025
7	Abdihakim Garad	Member	06/01/2025
8	Muhyudin Hassan	Member	06/01/2025
9	Issack Mohamed	Member	06/01/2025
10	Mwaniki Franklord	Member	06/01/2025
11	Abdullahi Mohamed	Member	06/01/2025
12	Habon Abdi	Member	06/01/2025
13	Kassim Musa	Member	06/01/2025
14	Ifrah Ibrahim	Member	06/01/2025

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

The functions of the School Board of Management are to:

- Promote the best interests of the school and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 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	1.Habiba Kuresh 2.Ali Bash 3.Issack Ibrahim 4.Hussein osman	Chairman secretary V.chairperson member	3 out of 9
2	Audit Committee	1.Issack Mohamed 2.Hussein Osman 3.Habon Abdi	Chairman secretary member	3 out of 4
3	Finance,procurement and general purposes Committee	1.Issack Mohamed 2.Hussein Osman 3.Habiba Kuresh	Chairman secretary member	2 out of 3
4	Academic Committee	1.Issack Ibrahim 2.Habon Abdi 3.Issack Mohamed	Chairman secretary member	3 out of 9
5	Development Committee	1.Hussein Osman 2.Habiba Kuresh 3.Muhyadin Hassan 4.Ifrah Ibrahim	Chairman secretary member	3 out of 3

(d) School operation Management

For the financial year ended 30th June, FY 2024-2025 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Ali M Bash	TSC No. 462962
2	Deputy Principal	Maryan Abdi	TSC No. 580582
3	School Bursar	Nuria Mohamed Hassan	

(c) Schools contacts

Post Office Box: 705-70200 Wajir
Telephone: 0722872873
E-mail: hondmaminsec@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

Name of Bank: KCB BANK
Branch: WAJIR
Postal Address. 705-70200 Wajir
1222777827 – Tuition A/c
1222777606 – Operation A/c
1224820436 – Infrastructure A/c
1224819993 – Boarding A/c

MPESA Playbill Not attached to any of our account

(g) Independent Auditors

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

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

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:

YEAR	2024-2025	2023-2024	2022-2023
SURPLUS/DEFICIT	(487,678)	(2,235,343)	3,890,250

b) Teacher Student ratio:

✓ Teacher to student ratio -1:6

SUBJECTS	NUMBER OF TEACHERS	
	TSC employed	BOM employed
MATHS	01	03
ENGLISH	02	02
KISWAHILI	03	03
CHEMISTRY	03	02
BIOLOGY	02	02
PHYSICS	01	02
B/STUDIES	01	01
IRE	04	01
HISTORY	05	01
GEOGRAPHY	00	01
ARABIC	00	02

✓ Number of teachers recruited and posted to the school within the year -00

✓ Number of teachers that were transferred/retired during the period -01

TSC - 10

BOM - 07

c) The mean score in the FY 2024-2025 KCSE:

Year	No. of students	Mean score	Remarks
2022	197	6	Improved
2023	197	7	Improvements
2024	133	7	Slight drop

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

d) Number of Candidates in the FY 2024-2025 KCSE:

<i>Year</i>	<i>No. of candidates sitting for KCSE</i>
2022	197
2023	197
2024	133

e) The capacity of the school:

<i>No. of Students</i>	<i>No. of Dorms</i>	<i>No. of DH</i>	<i>No. of Labs</i>	<i>No. of Toilets</i>
588	-		2	16
588	-		2	16
588	-		2	16
588	-		2	16

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of modern basketball field	MOE Infrastructure Grants	Completed	1,000,000	1,000,000	June 2025
Supply of lab apparatus, lockers, chairs and stools	MOE Infrastructure Grants	Completed	1,199,971	1,199,971	June 2025

PRINCIPAL
HON. D.M. AMIN
GIRLS DAY SEC. SCHOOL
P. O. BOX 705 - 70200, WAJIR
DATE:

School Principal

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

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 Hon Dm Amin Mixed Day Secondary School accepts responsibility for the school's financial statements, which have been prepared on the Accrual 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, FY 2024-2025, and of the school's financial position as at that date.

.....
Name: **Habiba A. Kuresh**

Designation: **Chairman, School Board of Management**

Date: **30th June 2025**

.....
Name: **Ali M. Bash Ahmed**

Designation: **School Principal**

Date: **30th June 2025**



.....
Name: **Nuria Mohamed Hassan**

Designation: **Bursar/ Finance Officer**

Date: **30th June 2025**

REPORT OF THE AUDITOR-GENERAL ON HON. D.M AMIN MIXED DAY SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – WAJIR 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 Hon. D.M. Amin Mixed Day Secondary School set out on pages 1 to 20, which comprise of the statement of assets and liabilities as at 30 June, 2025 and the statement of financial

REPUBLIC OF KENYA



HEADQUARTERS

Telephone: +254 20 2717000, statement of cash flows and statement of budgeted versus actual
Email: info@agkenya.or.ke for the year then ended, and a summary of significant accounting policies
Website: www.agkenya.or.ke 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 transitional IPSAS financial statements present fairly, in all material respects, the financial position of Hon. D.M. Amin Mixed Day 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. Non-Compliance with Transitional IPSAS Reporting Requirements

As disclosed in Note 1 to the financial statements on statement of compliance and basis of preparation, the School has taken advantage of the transitional provisions under IPSAS 33. However, Management has not indicated the elements of the financial statements that have not been fully recognized as per the respective IPSAS and the steps being taken towards full compliance with IPSAS Accrual.

In the circumstances, the financial statements as prepared and presented are not in full compliance with the IPSAS reporting framework.

2. Unsupported Accounts Receivables Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.5,981,720 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is Kshs.3,498,720, equivalent to 58% of the total receivables balance, which was outstanding for more than one (1) year. However, supporting schedules, a detailed ageing analysis by student and copies of fee notes sent to students were not provided for audit review. Management did not demonstrate any efforts put in place to recover the outstanding debt.

In addition, there was no policy on impairment of long-outstanding fees arrears, casting doubt on the full recoverability of the accounts receivable balance.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.5,981,720 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Hon. D.M. Amin Mixed Day 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 total actual receipts on comparable basis of Kshs.16,262,573 against a final approved receipts budget of Kshs.17,200,000, resulting in underfunding of Kshs.937,427 or 6% of the budget. However, the School spent an amount of Kshs.16,750,251 against actual receipts of Kshs.16,262,573 resulting in over-utilization of Kshs.487,678 or 3% of actual receipts.

The under-funding affected the planned activities and may have impacted negatively on the operations of 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, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Significant exemptions by Public Sector Accounting Standards Board in the Financial Statements Reporting Template

The financial statements have been prepared using the financial year 2024/2025 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by PSASB on 25 February 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

Other Information

The Management is responsible for the Other Information set out on pages iii to viii which comprise of Key School Information and Management, Summary Report of Performance of the School and 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 financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the financial year ended 30 June, 2025 were submitted to the Auditor-General on 19 January, 2026 instead of on or before the statutory deadline of 31 August, 2025. This was contrary to The National Treasury Circular No: AG.3/88 Vol. VII (41) of 4 December, 2024 in compliance which Section 81 of the Public Finance Management Act, 2012 which required all public entities to submit financial statements for the year ended 30 June, 2025 by 31 August, 2025.

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

2. Unconfirmed Student Enrolment Data

The statement of receipts and payments reflects government grants for tuition, operations and infrastructure totalling to Kshs.8,972,100. Review of documents provided for audit revealed discrepancies between enrolment data captured in National Education Management and information System (NEMIS) and the School's official admission and attendance registers across several disbursements during the year, resulting in an underfunding of Kshs. 709,232. This was contrary to Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on the implementation of Free Day Secondary Education (FDSE) which requires that all learners be registered in NEMIS and principals ensure that their records are accurate.

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

3. Failure to Transfer Infrastructure Funds from the Operations Bank Account

During the year under review, the School received operations and infrastructure grants of Kshs.7,252,796 as disclosed in notes 2 and 3 to the financial statements.. Included in the amount is Kshs.2,142,000 which credited into the operations bank account and was to be transferred to the infrastructure account. Review of disbursement records revealed inconsistencies in the timing and amounts of transfers made to the infrastructure account during the year, contrary to the guidelines governing the management of capitation funds.

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

4. Lack of Approved School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan. This was 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 Ministry of Education guideline.

5. Non-Deduction of Capacity Building Levy

The statement of financial performance reflects total payments of Kshs.16,750,251 as disclosed in Notes 6, 7, 8 and 9 to the financial statements. Review of payments for goods and services revealed that there was no deduction of the 0.03% levy on procurement contracts 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 law.

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

The statement of financial performance reflects operations expenditure of Kshs. 6,927,248 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.185,694 transferred to the Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in the Government Funding System. 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.185,694 could not be confirmed.

7. Unapproved School Fees on Parents Association Support Programme

The statement of financial performance reflects School fund income – parents' contributions of Kshs.7,290,473 as disclosed in Note 4 to the financial statements. Examination of the records revealed that the School charged Kshs.15,000 per student per year without approval from the Ministry of Education. This was contrary to Regulation 45 of the Basic Education Regulations, 2015 which provides that no person or board of management in a public institution of basic education and training shall alter or increase fees without written authority from the Cabinet Secretary.

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

8. 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 lacking the requisite qualifications.

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. Weaknesses in Board of Management

Review of the minutes of the Board of Management and its Committees for the period under audit revealed that the Board held only two (2) meetings during the financial year under review, which is below the statutory minimum. Furthermore, the Board Committees did not hold any meetings during the year. This was contrary to Section 6(1) of the Fourth Schedule of the Basic Education Act, 2013 requires a Board of Management to meet at least once every four (4) months.

In the circumstances, the effectiveness of the governance mechanism at the School could not be confirmed.

2. Lack of Internal Audit and Audit Committee

During the year under review, the School did not have an Audit Committee and an Internal Audit Unit. This was contrary to Section 73(1)(a) of the Public Finance Management Act, 2012, which provides that every National Government entity shall ensure that has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. Further, Regulation 174(1) of the Public Finance Management (National Government) Regulations, 2015, requires each National Government entity to establish an audit committee.

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

3. Weaknesses in Management of Assets

Annex 2 of the financial statements reflects summary of fixed assets register detailing various classes of assets of undisclosed values. Included in the list is land whose ownership documents were not provided for audit.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

4. Weaknesses in Management of Text Books

During the year under review, the School did not maintain proper textbook records showing receipts, issuances, returns, and losses. In addition, supporting documentation and a complete inventory of textbooks in the School's custody were not provided for audit review.

In the circumstances, the completeness and accountability of the School's textbook inventory could not be confirmed.

5. Lack of Adequate Facilities in the School

Physical inspection carried out on month of Mach, 2026 on the School's physical infrastructure established that it did not have adequate sanitation facilities for girls and space in staffroom for all teachers. In addition, the School did not have a library and a designated fire assembly point. Further, food handlers were not medically certified as required.

In the circumstances, lack of adequate facilities may compromise the quality of learning in the School.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall

governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis including transitional provisions under IPSAS 33) 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

Hon. D.M. Amin Mixed Day 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	2024-2025 Kshs	2023-2024 Kshs
Revenue			
Government grants for tuition	1	1,719,304	1,651,193
Government grants for operations	2	5,052,796	6,231,610
Government Grants for infrastructure	3	2,200,000	5,546,241
School fund income- parents' contributions	4	7,290,473	3,958,750
Miscellaneous incomes	5	-	-
TOTAL REVENUE		16,262,573	17,387,794
EXPENSES			
Tuition	6	1,872,426	1,237,933
Operations	7	6,927,248	5,107,051
Infrastructure	8	2,199,971	6,067,002
Boarding and school fund	9	5,750,606	7,211,153
TOTAL EXPENDITURE		16,750,251	19,623,138
Surplus/Deficit		(487,678)	(2,235,343)

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

Name: Habiba A. Kuresh

Chair BOM

Date: 30th June 2025

Name: Ali M. Bash Ahmed
School Principal/ Secretary to BOM

Date: 30th June 2025

Name: Nuria Mohamed Hassan

Bursar/ Finance Officer

Date: 30th June 2025

Hon'DM Amin Mixed Day 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**

[illegible]

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

Name: Habiba A. Kuresh

Chair BOM

Date: 30th June 2025

Name: Ali M. Bash Ahmed
School Principal/ Secretary to
BOM

Date: 30th June 2025

Name: Nuria Mohamed Hassan

Bursar/ Finance Officer

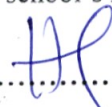
Date: 30th June 2025

Hon DM Amin Mixed Day 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	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts:			
Government grants – tuition		1,719,304	1,651,193
Government grants – operations		5,052,796	6,231,610
Government grants – infrastructure		2,200,000	5,546,241
School fund income – parents		5,242,950	3,958,750
Other income		-	-
Total receipts		14,215,050	17,387,794
Payments:			
Tuition payments		1,872,426	1,237,933
Operations payments		6,927,248	5,107,051
Infrastructure payments		2,199,971	6,067,002
Boarding & school fund payments		5,750,606	7,211,153
Total payments		16,750,251	19,623,138
Net cash from operating activities		(2,535,201)	(2,235,343)
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Net increase/(decrease) in cash		(2,535,201)	(2,235,343)
Cash and cash equivalents at start		4,628,850	6,864,193
Cash and cash equivalents at end		2,093,649	4,628,850

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


 Name: Habiba A. Kuresh

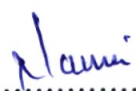
Chair BOM

Date: 30th June 2025


 Name: Ali M. Bash Ahmed
School Principal/ Secretary to BOM

Date: 30th June 2025




 Name: Nuria Mohamed Hassan

Bursar/ Finance Officer

Date: 30th June 2025

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

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	1,810,000	-	1,810,000	1,719,304	95%
Exams And Assessment			-		
(2) Capitation Grant on Operations					
Personnel Emoluments	2,771,000	-	2,771,000	2,632,523	95%
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	923,500	-	923,500	877,508	95%
Electricity And Water	923,500	-	923,500	877,508	95%
Medical	-	-	-	-	-
Administration Costs	923,500	-	923,500	877,508	95%
Activity	-	-	-	-	-
Gratuity				-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	2,092,500	-	2,092,500	2,200,000	105%
M&I parents' contribution					
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	-	-	-	680,780	-
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Medical					
Administration Costs					
Activity					
SMASSE					
Fee On Boarding Equipment and Stores	7,929,500	-	7,929,500	7,290,473	92%
5) Miscellaneous Income					
Loans / Borrowing					
Rent income					
Income From Farming Activities					
Insurance Compensation					
Income From Peshe Mill					

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	17,200,000	-	17,200,000	16,262,573	95%
(6) Expenditure For Tuition					
Textbooks				-	-
Reference Materials				-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	1,969,500	-	1,969,500	1,872,426	95%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs				-	
Bank Charges	1,400	-	1,400	1,336	95%
	1,872,426	-	1,872,426	1,872,426	100%
(7) Expenditure For Operations					
Personnel Emoluments	1,979,000	-	1,979,000	1,880,080	95%
Repairs, Maintenance & Improvements		-	-	-	-
Local Transport / Travelling	1,501,500	-	1,501,500	1,426,481	95%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs				177,506	
Activity				91,500	
Gratuity				-	
Lunch Programme	6,053,500	-	6,053,500	5,750,606	95%
Boarding Equipment and Stores	7,929,500	-	7,929,500	7,290,473	92%
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Rent Expenses					
Bank Charges	-	-	-	-	-
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	17,500,000	-	17,500,000	16,750,251	96%

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

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-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

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024/2025	2023/2024
	Kshs	Kshs
Reference Materials	-	
Exercise Books		
Laboratory Equipment		
Internal Exams	-	-
Teaching / Learning Materials	1,719,304	1,651,194
Others	-	-
Total	1,719,304	1,651,193

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel emoluments	2,420,273	2,838,527
Repairs and maintenance	-	
Local transport / travelling	877,508	1,026,975
Electricity and water	877,508	1,026,975
Medical		
Administration costs	877,508	1,026,975
T.I.G Grant		
Activity		312,159
Total	5,052,796	6,231,610

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2024/2025	2023/2024
	Kshs	Kshs
Maintenance & Improvement	2,200,000	5,546,241

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

Description	2024/2025	2023/2024
	Kshs	Kshs
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		-
Other CBC class	-	0
Total	2,200,000	5,546,241

4 School Fund Income - Parents Contribution/Fees

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Lunch Programme	7,290,473	3,958,750
PA Levies*		
Others (specify)		
Total	7,290,473	3,958,750

5 Miscellaneous Incomes

Description	2024/2025	2023/2024
	Kshs	Kshs
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
2 Classrooms		

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

Prepaid fees		
NG-CDF		
Total		

6 Tuition

Description	2024/2025	2023/2024
	Kshs	Kshs
Exercise Books		
Textbooks		
Reference materials		
Laboratory Equipment		
Teaching / Learning Materials	1,871,090	1,237,100
Exams And Assessment		
Teachers Guides		
Bank Charges	1,336	833
Others (specify)		
Total	1,872,426	1,237,933

7 Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel Emoluments	1,880,080	1,686,600
Service Gratuity		
Administration Cost	3,429,839	2,009,376
Repairs And Maintenance & Improvements		
Local Transport / Travelling	1,426,481	733,500
Electricity And Water	187,200	398,500
Medical		59,500
Activity Expenses		219,575
Bank charges	3,648	
Others (specify)		
Total	6,927,248	5,107,051

Ihon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

8 Infrastructure

Description	2024/2025	2023/2024
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Laboratory apparatus ,stools modern basketball field, lockers and chairs,	2,199,971	6,067,002
Bank charges		-
Total	2,199,971	6,067,002

9 Boarding And School Fund

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel Emoluments	-	-
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Administration Costs	-	-
Lunch Programme	5,750,606	7,211,153
Bank Charges		-
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
Activity	-	-
CDF		
Total	5,750,606	7,211,153

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1222777827	762,814	915,936
Operations Account	Active	1222777606	651,349	2,525,801
School Fund Account	Active	1224819993	662,469	1,170,125
Infrastructure Account	Active	1224820436	17,017	16,988
Total			2,093,649	4,628,850

11 Cash In Hand

Description	2024/2025	2023/2024
	Kshs	Kshs
Notes and Coins		
Total		

12 Short Term Investments

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

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

13 Accounts Receivable

Description	2024/2025	2023/2024
	Kshs	Kshs
Fees Arrears	5,981,720	3,934,197
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	5,981,720	3,934,197

13 b) Ageing Analysis of Accounts Receivable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,483,000	42%	2,803,000	71%
Between 1- 2 years	3,498,720	58%	1,131,197	29%
Between 2-3 years				
Over 3 years				
Total (should tie to note 13 a)	5,981,720	100%	3,934,197	100%

14 Accounts Payable

Description	2024/2025	2023/2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	—	—
Prepaid Fees		
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	—	—

Ilon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

14a. Ageing Analysis of Accounts Payable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year				
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)				

15 Fund Balance Brought Forward

Description	2024/2025	2023/2024
	Kshs	Kshs
Bank Balances	2,093,649	4,628,850
Cash Balances	-	-
Short Term Investments	-	-
Receivables	5,981,720	3,934,197
Payables	-	-
Total	8,075,369	8,563,046

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total		

17 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total			

18 Borrowings

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

Hon DM Amin Mixed Day Secondary School
Annual Report and Financial Statements For the year ended 30th June 2025

Other important disclosure notes

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

Hon DM Amin Mixed Day 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)
1.	No outstanding audit observations or recommendations were raised by the Office of the Auditor General in respect of the preceding financial year 2023/2024.	Accepted. The Board of Management and School Administration remain fully committed to maintaining sound financial management practices.	No Prior Audit Observations	N/A

PRINCIPAL
HON. D.M. AMIN
GIRLS DAY SEC. SCHOOL
P. O. BOX 703 - 70200, WAJIR
 DATE: _____
 Sign and Date
 Principal

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
	A	b	C	d-a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. <i>No outstanding payables for construction of building as at 30th June 2025.</i>						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
Sub-Total						
Supply Of Services						
<i>No outstanding payables for supply of services as at 30th June 2025.</i>						
Sub-Total				-	-	
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2024 (Kshs) 1 st July FY 2024-2025	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				

