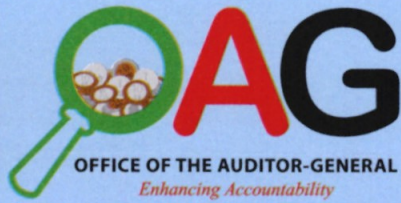


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 10 JUN 2025

DAY.

WED

OF

TABLED
BY:

HON. NADMI WARD, MP

DEPUTY MAJORITY PARTY WHIP

CLERK-AT
THE-TABLE:

V. WAMBUI

THE AUDITOR-GENERAL

ON

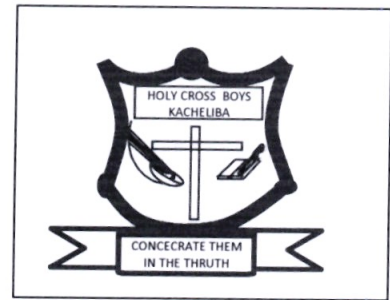
HOLY CROSS BOYS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

WEST POKOT COUNTY



Revised 30th June 2025.



HOLY CROSS BOYS 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)

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

2. Key School Information and Management

[Customise the details in this section to suit your School]

(a) Background information

(b) The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in WEST POKOT County, KACHELIBA Sub-County

(c)
(d) The school was registered in 27TH December 2018 under registration number **24S3000169** and is currently categorized as an Extra county public school established, owned or operated by the Government.

(e)

(f) The school is a boarding school and had 340 numbers of students as at 30th June 2025. It has 2 streams and 27 teachers of which 2 teachers are employed by the School Board of Management.

(g) 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	Linus Kasan	Chairman	2/7/2022
2	Stanley Pilakan	Secretary - Principal	2/7/2022
3	Fr. Charles Ndagijimana	Vice chair	“
4	Zablon Topote	Member	“
5	Catherine Orwata	Member	“
6	Dorcas Ikanya	Member	“
7	Jane Keino	PA Chair	“
8	ThomasL Lotelemoi	Member – Rep CEB	“
9	Christine Chemtai	member	“
10	Marcello Nyaoro	Member Rep Teachers	“
11	John Kenny	Member - Sponsor	“
12	Stephen Okula	Member	“
13	Catherine Malimbe	Member - Community	“
14	Ahmed Galgalo	MemberSpecial Needs	“
15	Thomas Toroitich	Rep. Students	“

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.

(h) Committees of the Board

(Provide the names of the various committees of the Board established by the Board and the names of the committee members):

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Linus kassan Mr Stanley Pilakan Fr.Charles Ndagijimana Ms Jane keino	Chairman Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
3	Finance,procurement and general purposes Committee	Ms Dorcas Ikanya Mr Stanley Pilakan Mr.John Kenny Ms Catherine Malimbe Ms Jane Keino	Chairperson Secretary Member Member member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
4	Academic Committee	Ms. Christine Chemtai Mr, Marcello Nyaoro	Chairperson	3 out of 3

		Fr. Charles Ndagijimana Ms. Jane Keino	member Member Member	3 out of 3 3 out of 3 3 out of 3
5	Development Committee	Mr, Stephen Okulla Mr. Thomas Lotelemoi Mr. Zablon Topote	Chairlady Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
6	Discipline Committee	Mr. Ahmed Galgalo Mr. Stanley Pi'akan Fr.charles Ndagijimana Mr. Nyaoro Marcello	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
7	SIC Committee	Mr, Stephen Okulla Mr. Thomas Lotelemoi Mr. Zablon Topote	Chairperson Secretary Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
8	Tendering Committee	Mr, Stephen Okulla Mr. Thomas Lotelemoi Mr. Zablon Topote	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
9	Insepection and evaluation Committee	Ms Dorcas Ikanya Mr Stanley Pilakan Mr.John Kenny Ms Catherine Malimbe Ms Jane Keino	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3

(i) 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	Mr Stanley Pilakan	TSC No. 450152
2	Deputy Principal	Mr Aguok Nyaoro	TSC No. 558905
3	School Bursar	Ms Nancy Plimo	ID No. 23813277
4	Other (specify)		

(j) Schools contacts

Post Office Box: 10-30601, KACHELIBA
Telephone: 0708285543
E-mail: holycrossboys2015@gmail.com

(k) School Bankers

Provide details of the school bankers.

1. Name of Bank: K.C.B
Branch: KAPENGURIA
Account Number: 1106165713 - SCHOOL FUND
2. Name of Bank: KCB
Branch: KAPENGURIA
Account Number: 1201718872 - OPERATION
3. Name of Bank: KCB
Branch: KAPENGURIA
Account Number: 1106201450 - TUITION
4. Name of Bank: KCB
Branch: KAPENGURIA
Account Number: 1270020315 - INFRASTRUCTURE
5. Name of Bank: EQUITY
Branch: KAPENGURIA
Account Number: 1070279649183 - SCHOOL FUND
6. Name of Bank: COOPERATIVE
KAPENGURIA
01139852448900 -SCHOOL FUND

(I) 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

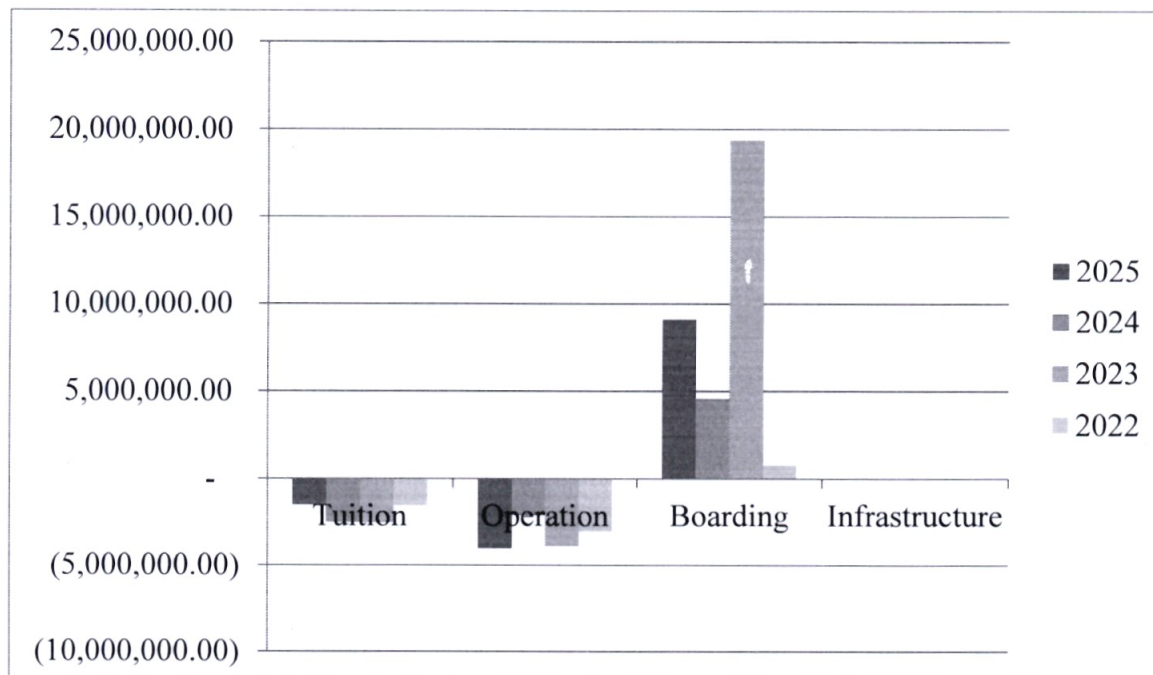
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

(Under this section, the following information should be given:

- *Surplus/ deficit for the year and a comparison of the same for the last three years*

- Year	2025	2024	2023	2022
Tuition Account	(1,511,498)	(2,512,096)	(2,534,065)	(1,547,723)
Operation Account	(4,017,697)	(2,131,640)	(3,866,573)	(3,045,638)
Boarding Account	9,090,928	4,584,726	19,361,829.00	797,007.00
Infrastructure Acct	-	-	-	-

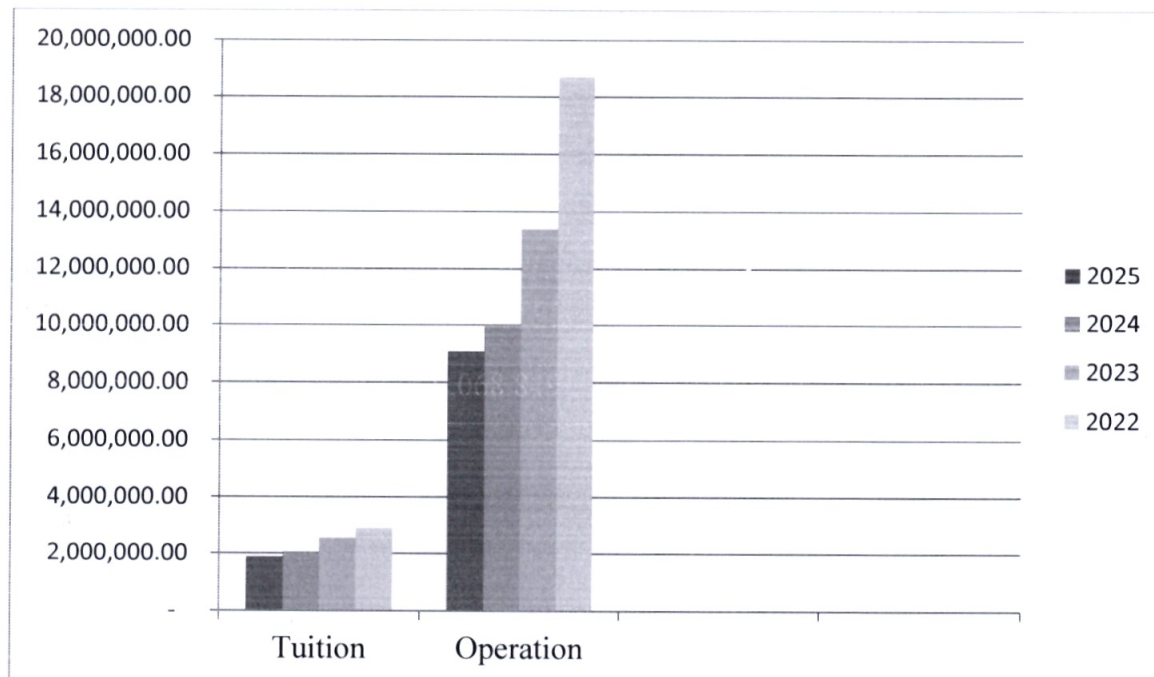


Comments: The boarding account had the highest surpluses during the year of audit as compared to the other accounts which had deficits.

- *Capitation grants from the Ministry of Education for the last three years*

- Years	2025	2024	2023	2022
Tuition Acc.	1,865,889	2,051,541	2,554,948	2,900,498

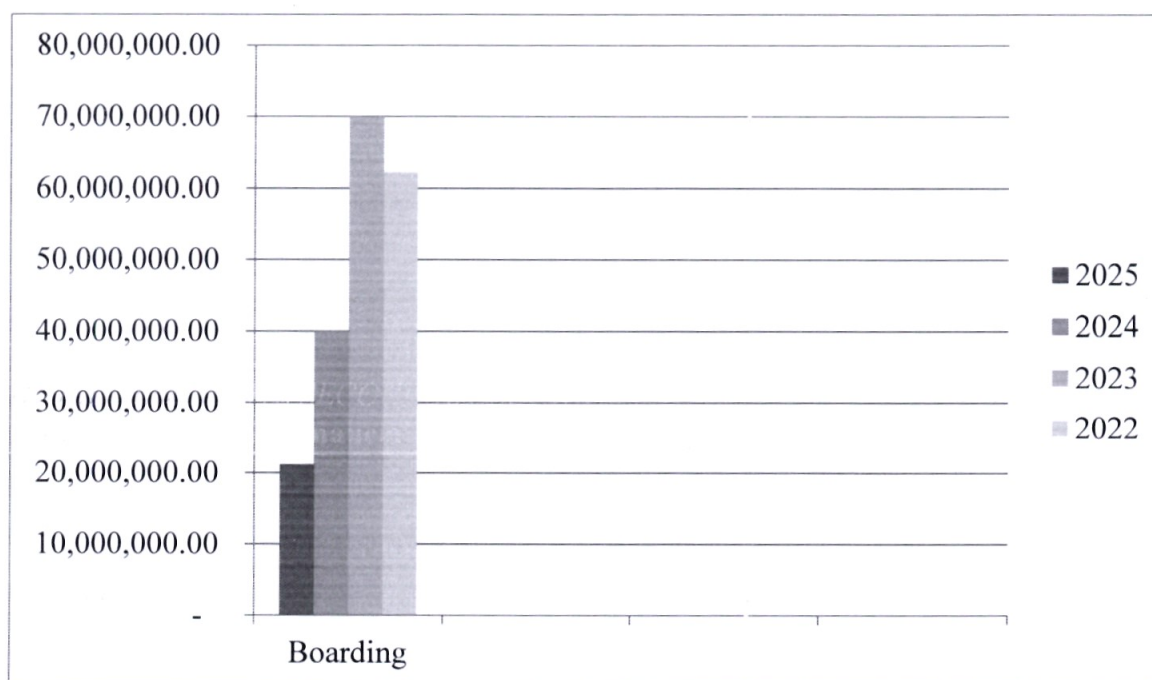
Operation Acc.	9,068,849	9,979,328	13,378,978	18,703,334
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Comments: The capitation from the MOE decreased from the previous year for all the accounts due to decrease in school enrolment

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

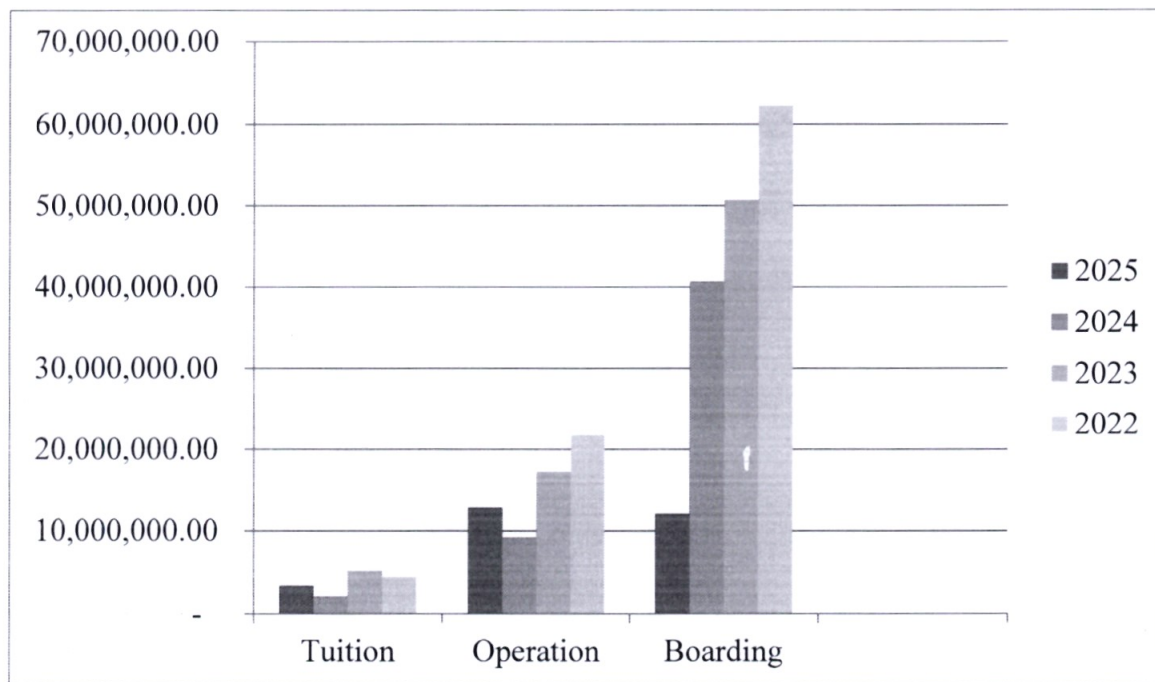
- Year	2025	2024	2023	2022
Boarding Account	21,170,774	40,054,499	70,035,882	62,273,285



Comments: During the year under review; the growth of other income decreased by Kshs 18,883,725.00. This was due to the fact that fees was fairly paid by the parents.

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

- Year	2025	2024	2023	2022
Tuition	3,377,397	2,056,965	5,089,013	4,448,221
Operation	12,850,430	9,176,613	17,245,551	21,748,972
Boarding	12,079,846	40,675,698	50,674,053	62,273,285



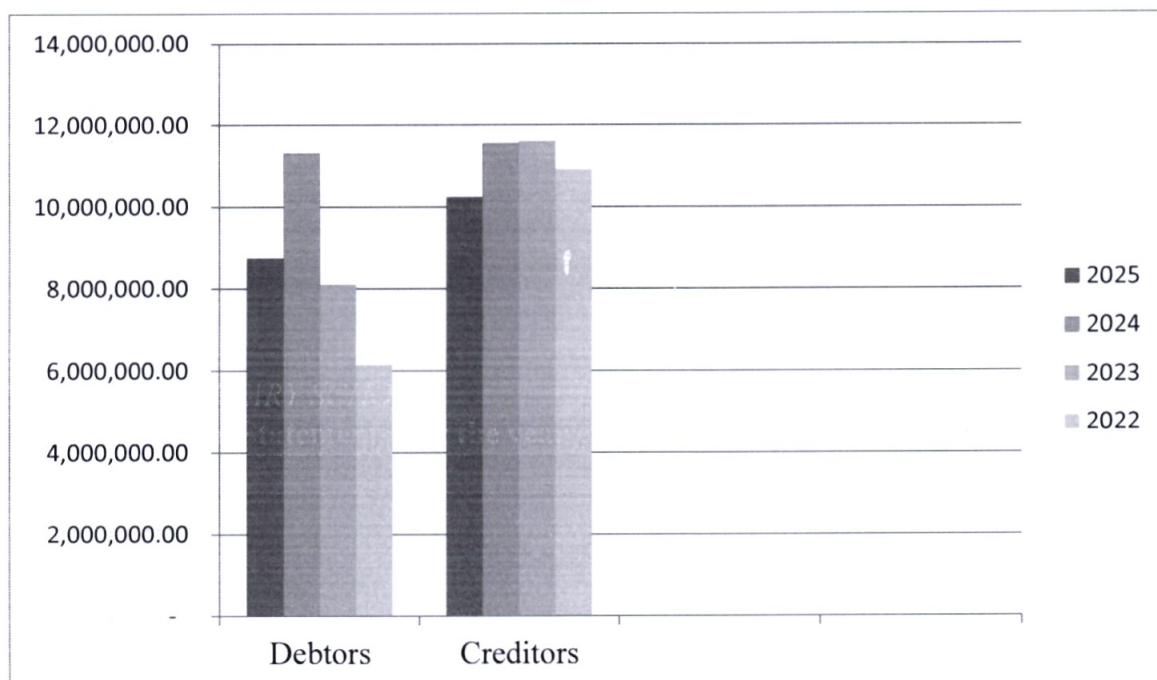
Comments: The expenditure in the boarding account decreased from the previous year by Kshs 28,595,852.00 while that of tuition and operation account increased from the previous year by Kshs 1,320,432.00 and Kshsh 3,673,817.00 respectively.

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

-

	2025	2024	2023	2022
Debtors	8,753,902	11,316,267	8,098,355	6,154,335
Creditors	10,246,497	11,551,477	11,598,046	10,922,224

-



- **Comments:** The sundry debtors and sundry creditors decreased from the previous year by Kshs 2,562,365.00 and Kshs 1,304,980.00 respectively.

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

b) Teacher Student ratio:

(Include the teacher-to-student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject to indicate shortage/ allocation of resources).

Number of teachers employed by TSC	25
Number of TSC teachers who transferred into the school during the year	0
Number of TSC teachers who were recruited during the year	0
Number of TSC teachers who retired during the year	0
Total number of students during the year	340
Teacher : students ratio	1:14
Number of streams	4
Total subjects taught at school	12
Teacher shortage subject combination	Number of teachers

	required
ENGLISH / LITERATURE	2
BIOLOGY / AGRICULTURE	0
MATHEMATICS/ BUSINESS STUDIES	0
KISWAHILI/ HISTORY	0
GEOGRAPHY/ CRE	0
MATHEMATICS/ CHEMISTRY	0
MATHS /BIO	0
COMPUTER/MATHS	0
CRE/HISTO	0
MATHS/PHISICS	0
KISW/CRE	0

Comments:

We have a shortage of **2** teachers as a challenge. This is as a result of less English literature teachers. The school has hired **2** additional teachers on BOM terms to ensure effective teaching and learning at school.

c) The mean score in the 202,2023, 2024 KCSE:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

K.C.S.E year	Enrolment of K.C.S.E candidates	Students transition to higher learning institutions after K.C.S.E	K.C.S.E mean score	Deviation from previous mean	Deviation (%)	K.C.S.E school target	Comments
2024	126	12	4.9	+0.9	1.8%	6.0	There was an improvemen
2023	185	10	4.0	+0.417	1.32%	5.50	There was an improvement
2022	218	8	3.583	-2.5259		5.00	There was a drop

Comments: The school K.C.S.E mean score in 2023 was 4.0 while the KCSE mean score in 2024 was **4.9**. This represents a positive deviation of +0.9.

The school is determined to improve and attain its set target.

d) Number of Candidates in the 2025 KCSE:*(Tabulate the number of candidates sitting for KCSE over the last three years).*

KCSE No of candidates	126	185	218
Total	126	185	218
<i>Increase/decrease</i>	59	35	15

Number of candidates that transitioned to higher learning institutions
(Those having C+ and above) for the last three years.

YEAR	2024	2023	2022
<i>Number of students that transitioned to university</i>	12	10	8
Total	12	10	8
Increase/decrease	2	2	25

e) The capacity of the school:

(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education)

Financial year		From 1 st July 2024 - 30 th June 2025			
Total Number of students		340			
Total teaching staff		27			
Total support staff		22			
Total Population		389			
School facilities	no. of facilities		Ratio students to population	Condition of the available facility	Comments
	Status				
Classrooms	Permanent	16	1:57	Good	Adequate
Dormitory – boys	Permanent	9	1: 102	Good	Adequate
Laboratory	Permanent	1	1:920	Good	Inadequate
Power house	Permanent	1	1:1	Good	Adequate
Dining hall	Permanent	1	1:920	Good	adequate
Consumables Store	Permanent	2	2:1	Good	Adequate
construction equipment store	Semi-Permanent	1	1:1		Adequate
Staff quarters- Teachers	Permanent	7	1:1	Good	More required to meet increased staff population
Administration block	Permanent	10 offices	1:4	Good	adequate

Kitchen	Permanent	1	1:920	Good	Adequate
Students toilets	Permanent	49	1:18	Good	Adequate
Staff toilets					

Comments:

The school is required to construct additional staff houses to meet the increased staff population.

f) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time

Comments: There were no development projects undertaken by the school during the current financial year.

- The School has developed an Improvement Plan that provides a road map for improvement that the school needs to improve the school environment and learning outcomes which outlines the need, the way of developing , implementing, monitoring and evaluation of school Programmes.

.....
School Principal



4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of *Holy Cross Boys 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).

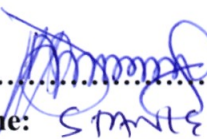
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2025, and of the school's financial position as at that date.

.....


Name: LINUS KASAN

Designation: Chairman, School Board of Management

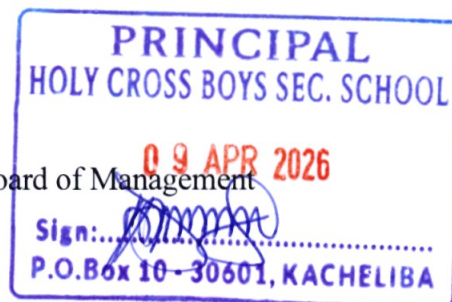
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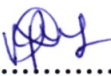
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Name: STANLEY DILAN

Designation: School Principal & Secretary to Board of Management

Date: 9-4-26



.....


Name: NANCY PLINO

Designation: Bursar/ Finance Officer

Date: 9-4-26

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON HOLY CROSS BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – WEST POKOT COUNTY

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the 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 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 the 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 Holy Cross Boys Secondary School set out on pages 1 to 22, which comprise of the statement of

Report of the Auditor-General on Holy Cross Boys Secondary School for the year ended 30 June, 2025 – West Pokot County

assets and liabilities as at 30 June, 2025, the statement of financial performance, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other 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 Holy Cross Boys 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. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.37,595,945 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, the supporting schedules and issued invoices were not provided for audit review. Further, the students' debts balance of Kshs.26,560,702 had been outstanding for more than one (1) year.

In the circumstances, the accuracy, completeness and full recoverability of the outstanding receivables balance of Kshs.37,595,945 could not be confirmed.

2. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.33,396,020 as disclosed in Note 12 to the financial statements. However, the supporting schedules and issued invoices were not provided for audit review.

In the circumstances, the accuracy, existence and completeness of accounts payables balance of Kshs.33,396,020 could not be confirmed.

3. Unsupported Payments

The statement of financial performance reflects total expenditure amounting to Kshs.23,136,060. Included in the amount is expenditure on tuition, operations and boarding school funds amounting to Kshs.1,865,705, Kshs.9,048,204, and Kshs.12,222,151 respectively as disclosed in Notes 6, 7, and 9, to the financial statements. However, payment vouchers were not adequately supported by

documentation such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments

In the circumstances, the accuracy and completeness of the tuition, operations, infrastructure and School fund-parents' contribution expenses of Kshs.23,136,060 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Holy Cross Boys 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 actuals on comparable basis of Kshs.35,478,081 and Kshs.23,136,120 respectively, resulting in an under-funding of Kshs.12,341,961 or 35% of the budget. Further, the School spent an amount of Kshs.24,061,176 against the actual receipts of Kshs.23,136,120 resulting in an over-utilization of Kshs.925,056 or 4% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the 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 PSASB in the Financial Reporting Template

The financial statements have been prepared using the FY 2024/25 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by PSASB on 25 February 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These

omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

Other Information

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

In connection with my audit on the School's 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 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. Excess Supply of Textbooks

During the year under review, the Ministry of Education distributed textbooks to Public Secondary Schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand eight hundred and sixty-six (1,866) books to the School while only seven hundred and nine (709) books were issued to the students, resulting to an unexplained excess text books of one thousand one hundred forty-five (1,145) books in the School store.

In the circumstances, the value for money on the expenditure incurred in procurement of the excess text books could not be confirmed.

2. Irregularities in Procurement Processes

Review of the procurement records revealed that the School Management did not have an established procurement function managed by qualified procurement professionals and the activities were undertaken by individuals lacking the requisite qualifications. Further, all the six (6) committee members involved in the tender evaluation did not sign the final evaluation report.

In addition, the School Management failed to maintain complete procurement records, including tender documents, tender advertisements, bid evaluation reports, correspondences with supplier, contract documents, payment certificates and contract performance monitoring reports. This was contrary to Section 68(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an accounting officer of a procuring entity to keep records for each procurement for at least six years after the resulting contract has been completed.

In the circumstances, Management was in breach of the law

3. Failure to Prepare an Annual Procurement Plan

Review of documents revealed that during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process. Further, the School Management did not maintain an approved list of registered suppliers contrary to Section 57(1) of the Public Procurement and Asset Disposal Act, 2015 which requires a head of the procurement function of a procuring entity to maintain and update lists of registered suppliers, contractors and consultants

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

4. Failure to Prepare School Improvement Plan

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

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

5. Non-Compliance with the Law on Ethnic Composition

Review of staff biodata revealed that the School had twenty-two (22) Board of Management (BoM) staff, all from the dominant community. Further, none of the staff members were persons living with disabilities. This was contrary to Sections 7(1) and (2) of the National Cohesion and Integration Act, 2008 which requires all public establishments to seek to represent the diversity of the people of Kenya in employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community.

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

6. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.33,396,020 as disclosed in Note 14 to the financial statements. However, included in the balance is trade payables balance of Kshs.23,149,523 which has been outstanding for a period of more than one (1) year. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which requires that an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates.

In the circumstances, Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

7. Inadequate School Facilities and Infrastructure

A general assessment of the School's readiness and capacity to effectively deliver services revealed several facility-related shortcomings. The review noted that key infrastructure such as the kitchen, classrooms, staffroom, sanitation facilities and student bathing areas were inadequate, outdated and in poor conditions. These deficiencies compromise the overall learning environment, staff productivity, student comfort and safety standards expected in an educational institution.

In the circumstances, the ability of the School to provide conducive learning environment 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 THE 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 Risk Management Policy and Disaster Recovery Plan

Review of the internal controls of the entity revealed that the School had not developed a risk management policy. In addition, the School did not have a disaster recovery plan or business continuity plan to ensure that the entity recovers its functionality in case of an unplanned incident or disaster.

In the circumstances, the School lacked adequate safeguards thereby exposing operations to significant risk in the event of disruptions.

2. Weaknesses in ICT Controls

Review of the Information Technology Internal Controls revealed that the School did not have an ICT Policy, had not developed an IT continuity and disaster recovery plan which is important in ensuring that the School recovers its functionality in case of an unplanned incident or disaster. Further, the School did not have an approved IT strategic committee and strategic plan which is important in performing the oversight function and formulation of policies to ensure that the IT department functions properly to assist in achievement of School's objectives in an economic, efficient and effective way.

In the circumstances, the School lacked robust IT controls and safeguards thereby exposing operations to significant risk in the event of disruptions.

3. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an Audit Committee and an Internal Audit Unit as required by Regulations 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires the internal audit unit of a National Government entity to assess its effectiveness through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

The audit was conducted in accordance with ISSAIs 2315 and 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 Schools 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 ISSAIs requires 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 April, 2026

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

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	1,865,889	2,051,541
Government grants for operations	2	8,832,733	9,979,328
Government Grants for infrastructure	3	-	-
School fund income- parents' contributions	4	12,436,872	31,424,499
Miscellaneous incomes	5	-	-
Total Revenue		23,135,494	43,455,368
Expenditure			
Tuition	6	1,865,705	2,056,965
Operations	7	9,048,204	7,669,249
Infrastructure	8	-	-
Boarding and school fund	9	12,222,151	32,037,353
Total Expenditure		23,136,060	43,270,931
Surplus/Deficit		(566)	184,437

The school financial statements were approved on 9-4-26 2026 and signed by:

.....

Name: LENIUS KASSAN

Chair BOM

Date: 9-4-26

.....

Name: STANLEY PILAKAN
School Principal/ Secretary to
BOM

Date: 9-4-26

.....

Name: DARY DUNIS

Bursar/ Finance Officer

Date: 9-4-26



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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	433,366	1,379,083
Cash balances	11	1682	3,647
Short term investments	12	-	
Total cash and cash equivalent		<u>435,038</u>	<u>1,382,730</u>
Account's receivables	13	37,595,945	33,827,825
Total financial assets (a)		38,030,983	33,869,712
Financial liabilities			
Accounts payables	14	33,396,020	30,575,026
Total Financial Liabilities (b)		33,396,020	30,575,026
Net financial assets (a-b)		4,634,963	4,635,529
Represented by			
Accumulated fund b/fwd	15	4,635,529	4,449,092
Surplus/deficit for the year		(566)	184,437
Net Assets		4,634,963	4,635,529

The school's financial statements were approved on 9-4-26 2026 and signed by:

.....

Name: LINUS KASSAN

Chair BOM

Date: 9-4-26

.....

Name: STANLEY DILAKAN

School Principal/ Secretary to
BOM

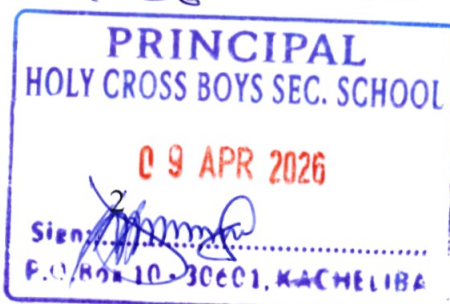
Date: 9-4-26

.....

Name: NANCY PLIMO

Bursar/ Finance Officer

Date: 9-4-26



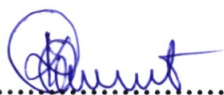
8. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,865,889	2,051,541
Government grants for operations		8,832,733	9,979,328
Government grants for infrastructure		-	-
School fund income- parents contributions/ fees		12,436,872	31,424,499
Other income		-	-
Total receipts		23,135,494	43,455,368
Payments			
Cash outflows for tuition		1,865,705	2,056,965
Cash outflows for operations		9,048,204	7,669,249
Cash outflows Boarding/lunch and school fund payments		12,222,151	33,544,717
Total payments		23,136,060	(43,270,931)
Net cash inflow/outflow from operating activities		(566)	184,437
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(947,692)	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(947,692)	184,437
Cash and cash equivalent at beginning of the FY		1,382,730	1,206,638
Cash and cash equivalent at end of the FY		435,038	1,382,730

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(The above presentation of the cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).

The school's financial statements were approved on 9-4-26 2026 and signed by:


.....

Name: LINUS KASSAN

Chair BOM

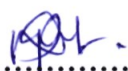
Date: 9-4-26


.....

Name: STANLEY PILAIAN

School Principal/ Secretary to
BOM

Date: 9-4-26


.....

Name: NANCY PLIMO

Bursar/ Finance Officer

Date: 9-4-26



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
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	2,275,056	-	2,275,056	1,865,889	409,167	82%
TOTAL INCOME					-	0%
(2) CAPITATION GRANT ON OPERATIONS					-	0%
Personnel emoluments	2,064,240	-	2,064,240	2,229,661	(165,421)	108%
Repairs and maintenance	2,745,000	-	2,745,000	2,289,000	456,000	83%
Local transport / travelling	1,290,150	-	1,290,150	668,897	621,253	52%
Electricity and water	1,032,120		1,032,120	445,932	586,188	43%
Medical	1,098,000	-	1,098,000	688,010	409,990	63%

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
Administration costs	774,090	-	774,090	1,114,833	(340,743)	144%
Infrastructure Account	-	-	-	940,600	(940,600)	0%
Activity	823,500	-	823,500	455,800	367,700	55%
SMASSE	109,800	-	109,800	0	109,800	0%
(3) FEES CHARGED ON PARENTS					-	0%
Personnel emoluments	3,229,740	-	3,229,740	719,724	2,510,016	22%
Repairs and maintenance	1,148,400	-	1,148,400	303,943	844,457	26%
Local transport / travelling	1,674,891	-	1,674,891	412,028	1,262,863	25%
Electricity and water	1,339,533	-	1,339,533	356,576	982,957	27%
Administration costs	1,004,850	-	1,004,850	382,490	622,360	38%
Activity	287,100	-	287,100	73,637	213,463	26%
Fees on BES	14,581,611	-	14,581,611	5,229,384	9,352,227	36%
OTHER INCOME					-	0%
Arrears	-	-	-	3,878,741	-	0%
Un deposited funds				84,071	(84,071)	0%

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
Prepaid fees	-	-		996,278	(996,278)	0%
TOTAL INCOME	35,478,081	-	35,478,081	12,436,872	23,041,209	35%
(1) EXPENDITURE FOR TUITION					-	0%
Teaching / learning materials	2,275,056	-	2,275,056	497,000	1,778,056	22%
Sundry Creditors	-	-		1,368,240	(1,368,240)	0%
Bank Charges	-	-		465	(465)	0%
		-		1,865,705	(1,865,705)	0%
(2) EXPENDITURE FOR OPERATIONS					-	0%
Personnel emoluments	2,064,240	-	2,064,240	2,349,683	(285,443)	114%
Repairs, maintenance & improvements	2,745,000	-	2,745,000	1,848,520	896,480	67%
Local transport / travelling	1,290,150	-	1,290,150	523,311	766,839	41%
Electricity, water and conservancy	1,032,120	-	1,032,120	1,069,825	(37,705)	104%
Medical	1,098,000	-	1,098,000	85,000	1,013,000	8%
Administration costs	774,090	-	774,090	1,678,999	(904,909)	217%
Activity Expenses	823,500	-	823,500	552,200	271,300	67%

(HOLY CROSS BOYS 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
Bank Charges	-	-	-	126	(126)	0%
SMASSE	109,800	-	109,800	-	109,800	0%
Infrastructure	-	-	-	940,600	(940,600)	0%
Total Expenses				9,048,264	(9,048,264)	0%
(3) EXPENDITURE FOR SCHOOL FUND					-	0%
Personnel emoluments	3,229,740	-	3,229,740	1,642,826	1,586,914	51%
Repairs, maintenance and improvements	1,148,400	-	1,148,400	287,300	861,100	25%
Local transport / travelling	1,674,891	-	1,674,891	266,400	1,408,491	16%
Electricity, water and conservancy	1,339,533	-	1,339,533	261,493	1,078,040	20%
Administration costs	1,004,850	-	1,004,850	1,505,018	(500,168)	150%
Activity	287,100	-	287,100	-	287,100	0%
Prepaid fees	-	-		1,753,868	(1,753,868)	0%
Sundry Creditors	-	-		1,013,330	(1,013,330)	0%
Fee on Boarding Equipment and Stores	14,581,611	-	14,581,611	5,491,916	9,089,695	38%

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
Total Expenses				12,222,151	(12,222,151)	0%
TOTALS	35,478,081		35,478,081	23,136,120		65%
Electricity, water and conservancy	1,032,120	-	1,032,120	1,069,825	(37,705)	104%
Medical	1,098,000	-	1,098,000	85,000	1,013,000	8%
Administration costs	774,090	-	774,090	1,679,710	(905,620)	217%
Activity Expenses	823,500	-	823,500	552,200	271,300	67%
Gratuities	-	-	-	-	-	-
Bank Charges	-	-	-	126	(126)	0%
Acquisition of Assets	-	-	-	947,000	(947,000)	0%
SMASSE	109,800	-	109,800	-	-	0%
Infrastructure	-	-	-	940,600	(940,600)	0%
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	3,229,740	-	3,229,740	1,642,826	1,586,914	51%
Repairs, maintenance and improvements	1,148,400	-	1,148,400	287,300	861,100	25%
Local transport / travelling	1,674,891	-	1,674,891	266,400	1,48,491	16%
Electricity, water and conservancy	1,339,533	-	1,339,533	261,493	1,078,040	20%
Medical Expenses	-	-	-	-	-	-
Administration costs	1,004,850	-	1,004,850	1,503,981	(499,131)	150%
Activity	287,100	-	287,100	-	278,950.00	0%
Prepaid fees	-	-	-	1,753,868	(1,753,868)	0%

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
Gratuity	-	-	-		-	-
Bursary	-	-	-	-	-	-
Sundry Creditors	-	-	-	1,013,330	(1,013,330)	0%
Fee on Boarding Equipment and Stores	14,581,611	-	14,581,611	5,452,298	9,129,313	37%
Lunch programme	-	-	-	-	-	-
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	35,478,081		35,478,081	24,061,176	11,416,905	-

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- It was noted that most of the vote heads had been over utilized by over 100% especially operation and boarding accounts. The over utilization was due to unrealistic budget and frequent change of school enrolment and also inflation rate.

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.

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	1,865,889	2,051,541
Others (<i>specify</i>) *	-	-
Total	1,865,889	2,051,541

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	2,229,661	3,950,585
Repairs And Maintenance	2,289,000	1,775,523
Local Transport / Travelling	668,897	596,104
Electricity And Water	445,932	696,938
Medical	688,010	-
Administration Costs	1,114,833	2,836,576
Activity	455,800	109,600
School Fund	-	14,000
Infrastructure account	940,600	-
Total	8,822,733	9,979,328

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	-	-
Total	-	-

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
--------------------	------------------	------------------

	Kshs	Kshs
Personnel emoluments	719,724	2,247,467
Repairs and maintenance	303,943	2,708,017
Local transport / travelling	412,028	1,355,784
Electricity and water	356,576	1,037,955
Medical	-	-
Administration costs	382,490	750,135
Activity	73,637	236,521
Arrears	3,878,741	6,246,063
Prepaid Fees	996,278	2,770,573
Fee on Boarding Equipment and stores	5,229,384	14,071,984
Unideposited funds	84,071	-
Total	12,436,872	31,424,499

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

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	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify) *	-	-
Total	-	-

(Include an explanation on the kind and source of grants/ donations received by the school.)

**Ensure proper authorization from MOE before obtaining loans/borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Teaching / Learning Materials	497,000	2,056,500
Sundry Creditors	1,368,240	-
Bank Charges	465	465
Total	1,865,705	2,056,945

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	2,349,683	2,738,281
Service Gratuity	-	-
Administration Cost	1,678,999	2,224,071
Repairs And Maintenance & Improvements	1,848,520	1,463,220
Local Transport / Travelling	523,311	383,801
Electricity And Water	1,069,825	747,271
Medical	85,000	-
Activity Expenses	552,200	109,600
Infrastructure Account	940,600	-
Bank Charges	126	3,005
Total	9,048,204	7,669,249

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory		-
Construction of dormitory		-
Total		-

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	1,642,826	3,128,457
Service Gratuity	-	-
Repairs And Maintenance & Improvements	287,300	1,002,930
Local Transport / Travelling	266,400	598,550
Electricity And Water	261,493	1,244,490
Medical Expenses		-
Administration Costs	1,505,018	3,169,637
Prepaid Fees	1,753,868	1,596,705
Activity	-	499,000
Unidentified Deposits		-
Bank Charges		741,210
Expenses On Income Generating Activities**		-
Fee On Boarding Equipment and Stores	5,452,298	-
Sundry Creditors	1,013,330	21,563,738
Total	12,222,151	32,037,353

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous revenue as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant			
Tuition Account		1106201450	1,570	1,386
Operations Account	Active	1201718872	99,438	1,276,938
School Fund Account/Boarding-KCB	Active	1106165713	183,006	76,941
School Fund Account/Boarding-EQUITY	Active	1070279649183	147,300	13,290
School Fund Account/Boarding-COOP	Active	01139852448900	233	2,183
Infrastructural Account	Active	1270020315	1,819	8,345
Total			433,366	1,379,083

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	1,682	3,647
Total	1,682	3,647

12 Short Term Investments

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

13 Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	37,595,945	33,827,825
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		-
Imprest (list/schedule attached)		-
Rent arrears (list/schedule attached)		-
Total	37,595,945	33,827,825

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative 2023-2024	% of the total
Less than 1 year	11,035,243	30%	9,865,459	29%
Between 1- 2 years	8,596,616	23%	8,098,355	25%
Between 2-3 years	17,964,086	47%	15,864,011	46%
Over 3 years	-	%	-	-
Total (should tie to note 13 a)	37,595,945	%	33,827,825	100%

14 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	33,396,020	30,575,026
Prepaid Fees		
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	33,396,020	30,575,026

14a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	10,246,497	%	11,551,477	37%
Between 1- 2 years	11,551,477	%	11,598,046	38%
Between 2-3 years	11,598,046	%	7,660,713	25%
Over 3 years	-	%	-	%
Total (should tie to note 14)	33,396,020	%	30,575,026	100%

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	1,379,083	1,140,381
Cash Balances	3,647	66,257
Receivables	33,827,825	33,423,437
Payables	(30,575,026)	(30,180,983)
Total	4,635,529	4,449,092

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 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle	3		
Goats	0		
Trees	92		
Coffee Or Tea Plantation	0		
Poultry	0		
Others (specify)	0		
Total	95		

Other important disclosure notes

17 Stock/ Inventory

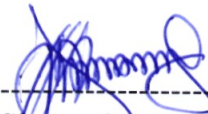
Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	465,000	325,625
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		
TOTAL	465,000	325,625

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

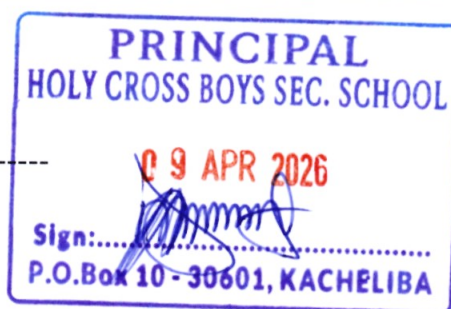
18 Progress On Follow Up of Auditor Recommendations

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

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



Sign and Date
Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Items supplied	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2025	Outstanding Balance 2025	Comments
		a	b	c	d=a-c		
		Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings							
Sub-Total							
Supply of goods							
1. MTELO HARDWARE	Building materials	1,707,415	b/f 1/7/2024	0		1707,415	To be paid when funds are available
2. BAVIEZ ENTERPRISES	Electric materials	408,450	b/f 1/7/2024	193,863		211,587	To be paid when funds are available
3. KASHAKAT CONTRACTORS LIMITED	foodstuff	814,000	b/f 1/7/2024			814,000	To be paid when funds are available
4. JEP ENTERPRISES	Kitchen equipment	1,183,000	b/f 1/7/2024	200,000		983,000	To be paid when funds are available
5. ASULAB ENTERPRISES	Lab equipment	493,380	b/f 1/7/2024	493,380		0	To be paid when funds are available
6. TEIGUT ENTERPRISES	Games equipment	101,260	b/f 1/7/2024	101,260		0	To be paid when funds are available
7. ZABURI CENTRE STORES	Foodstuff	343,385	b/f 1/7/2024			343,385	To be paid when funds are available
8. KOGLAN ENTERPRISES		1,227,040	b/f 1/7/2024	200,000		1,027,040	To be paid when funds are available
9. AIC BOOKSHOP	Stationery	0	b/f 1/7/2024	0		0	To be paid when funds are available
10. ACHMIL ENTERPRISES	lab equip	1,041,020	b/f 1/7/2024	0		1,041,020	To be paid when funds are available
11. IPEET FREIGHT LIMITED	Foodstuff	3,370,300	b/f 1/7/2024	0		3,370,300	To be paid when funds are available
12. MITREX ENTERPRISES	Stationery	528,000	b/f 1/7/2024	188,000		340,000	To be paid when funds are available
13. SINENDET SPORTS HOUSE	Games	408,750		0		408,750	To be paid when funds are available

(HOLY CROSS BOYS SECONDARY SCHOOL)

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

Supplier of Goods or Services	Items supplied	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2025	Outstanding Balance 2025	Comments
	equipment						
Sub-Total		11,551,477		1,376,503		10,246,497	
Supply of services							
Sub-Total							

Annex 2 – Summary of Fixed Assets Register

Asset Class	Date purchased	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land (11 acres)	Balance b/f 1/7/2024	11,000,000	0	0	11,000,000
Buildings And Structures	Balance b/f 1/7/2024	110,200,015	0	0	110,200,015
Motor Vehicle	Balance b/f 1/7/2024	6,000,000	0	0	6,000,000
Furniture and Fittings	Balance b/f 1/7/2024	7,505,000	0	0	7,505,000
Office Equipment	Balance b/f 1/7/2024	2,500,650	0	0	2,500,650
Science Laboratory tools and equipment	Balance b/f 1/7/2024	5,125,400	0	0	5,125,400
Farm tools and equipment	Balance b/f 1/7/2024	51,800	0	0	51,800

(HOLY CROSS BOYS SECONDARY SCHOOL)

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

Asset Class	Date purchased	Historical Cost b/f (Kshs) 1st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
Kitchen tools and equipment	Balance b/f 1/7/2024	5,350,000	0	0	5,350,000
Sports equipment	Balance b/f 1/7/2024	801,600	0	0	801,600
First aid tools and equipment	Balance b/f 1/7/2024	300,000	0	0	300,000
Electricity tools and equipment	Balance b/f 1/7/2024	1,500,000	0	0	1,500,000
Water tanks	Balance b/f 1/7/2024	2,600,000	0	0	2,600,000

(The school should ensure that a detailed fixed assets register is maintained).