

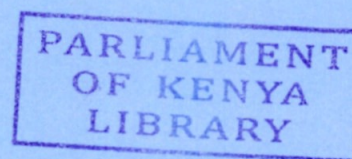
REPUBLIC OF KENYA



REPORT	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	01 JUN 2026
DAY	wed
BY:	Hon. Owen Banya Deputy majority leader
CLERK OF THE-TABLE:	Mado Atabo

THE AUDITOR-GENERAL

ON

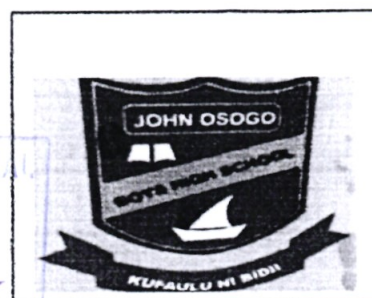


JOHN OSOGO SECONDARY SCHOOL

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

BUSIA COUNTY

Revised 30th June 2025.



JOHN OSOGO 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

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in BUSIA County, BUNYALA Sub-County.

The school was registered in JULY/2015 under registration number 40S30000099 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a day/boarding school and had 680 number of students as at 30th June 2025. It has 03 streams and 25 teachers of which 04 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	CHRISLUKOVIAN BWIRE	Chairman	15/3/22
2	PAUL OBUYA	Secretary - Principal	15/3/22
3	BENARD MANGO	Member	15/3/22
4	JONAH OKADO	Member	15/3/22
5	FLORENCE MBUNGE	Member	15/3/22
6	MARTIN NAMUYE	Member	15/3/22
7	JOHN EGESA	Member	15/3/22
8	HENRY TABU INDINDI	Member – Rep CEB	15/3/22
9	BARASA MWARO	Member Rep Teachers	15/3/22
10	FR.MARTIN ERAPU,FIDELIS MAMBO,CHRISLUKOVIAN BWIRE	3 Members - Sponsor	15/3/22
11	DORICE MAKHULO	Member - Community	15/3/22
12	JOHN EGESA MUDIERA	Member Special Needs	15/3/22
13	VICTOR OKUKU	Rep Students	15/3/25

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

(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	1. CHRISLUCOVIAN BWIRE 2. PAUL OBUYA 3. BENARD MANGO 4. LYDIA WANGOMA 5. YONAH OKADO 6. MAMBO FIDEL 7. FLORENCE MBUNGE 8. PHILIP ODUORI	CHAIRPERSON SECRETARY VICE CHAIR MEMBER MEMBER MEMBER MEMBER MEMBER	
2	Audit Committee	1. CHRISLUCOVIAN WASIKE 2. FLORENCE MBUNGE 3. BENARD MANGO	MEMBER CHAIR SECRETARY	

3	Finance, procurement and general purposes Committee	1.FLORENCE MBUNGE 2.PAUL OBUYA 3.BENARD MANGO 4.JONAH OKADO CHRISLUCOVIAN BWIRE	CHAIR SECRETARY MEMBER MEMBER MEMBER	1
4	Academic Committee	1.FIDELS MAMBO 2.PAUL OBUYA 3.LYDIA WANGOMA 4.DORICE MAKHULO 5.VINCENT MWARO 6.MARIUS OMODO	CHAIR MEMBER SECRETARY MEMBER MEMBER MEMBER	
5	Development Committee	1.PAUL OBUYA 2.MARIUS OMODO 3.GEORGE OWUOCHE 4.CHRISLUCOVIAN WASIKE 5.PHILIP ODUOR 6.FLORENCE MBUNGE 7.LYDIA WANGOMA	MEMBER SECRETARY MEMBER CHAIR MEMBER MEMBER MEMBER	
6	Discipline and welfare Committee	1.MAURICE OGOTI 2.MARTIN NAMUYE 3.PHILIP ODUOR 4.TEKLA APONDI 5.PAUL OBUYA 6.MARIUS OMODO	CHAIR MEMBER MEMBER MEMBER MEMBER SECRYTARY	1

7	Adhoc Committee (if any during the year)	1.MOSES WANYAMA	CHAIR	1
		2.LYDIA ATIENO		
		3.BARASA MWARO	SECRETARY	
		4.JOHN OKUMU		
		5.DOREEN KIBEREGE	MEMBER	
		6.PETER ODHIAMBO	MEMBER	
		7.AGGREY WESONGA	MEMBER	

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Paul Obuya	315644
2	Deputy Principal		
3	School Bursar	Lydia Atieno	27486480
4	Other (specify)		

(e) Schools contacts

Post Office Box: 12-50510
 Telephone: 0728614896
 E-mail: joosch@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: KCB
 Branch: PORT VICTORIA
 Account Number: 1136828044
 Account Name: SCHOOL FUND
2. Name of Bank: KCB
 Branch: PORT VICTORIA
 Account Number: 1212201612
 Account Name: INFRASTRUCTURE
3. Name of Bank: KCB
 Branch: PORT VICTORIA
 Account Number: 12122201876
 Account Name: TUITION
4. Name of Bank: KCB
 Branch: PORT VICTORIA
 Account Number: 12122022007
 Account Name: OPERATION

5. MPESA PAYBILL No.7824265 attached to 1136828044 bank accounts.

(g) Independent Auditors

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

3. Summary Report of Performance of The School

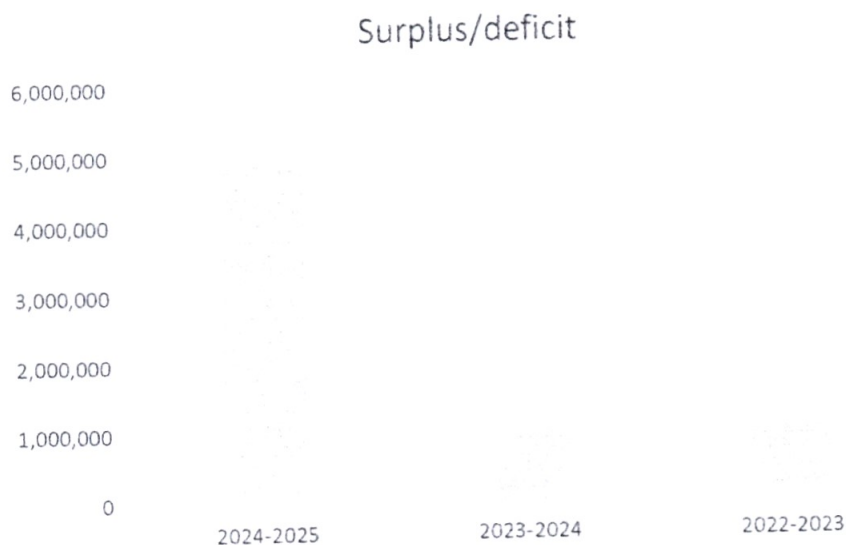
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

(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*

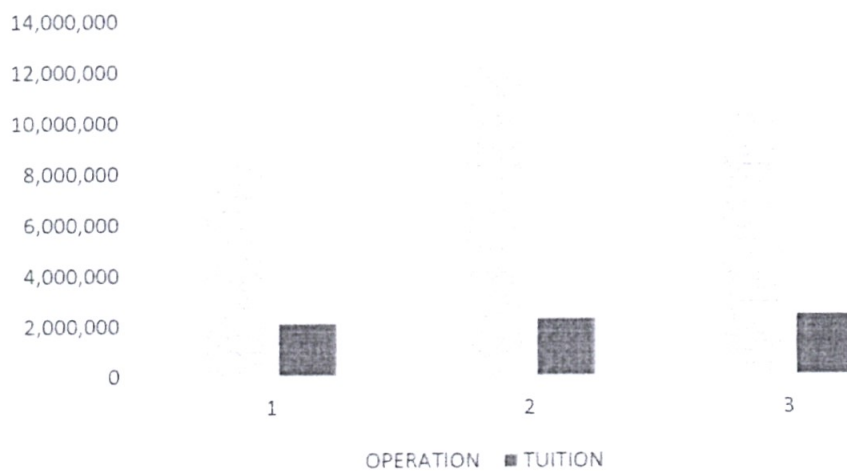
YEAR	2024-2025	2023-2024	2022-2023
Surplus/deficit	4,831,742	1,045,978	1,041,144



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

YEAR	2024-2025	2023-2024	2022-2023
OPERATION	8,807,692	12,587,242	10,285,783
TUITION	2,079,676	2,269,625	2,381,468

CAPITATION GRANTS



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

YEAR	2024-2025	2023-2024	2022-2023
PARENTS CONTRIBUTION	22,244,692	16,884,466	11,549,456

PARENTS CONTRIBUTION



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

YEAR	2024-2025	2023-2024	2022-2023
EXPENDITURE	28,300,318	29,151,461	23,175,563

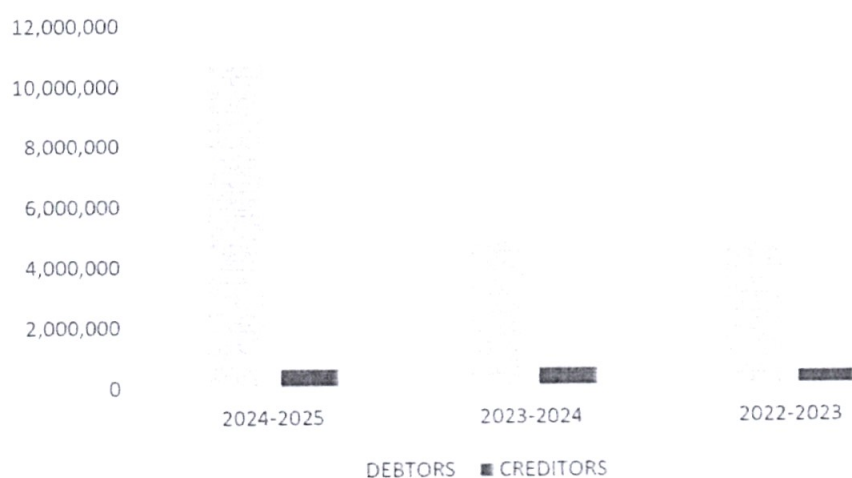
EXPENDITURE



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

YEAR	2024-2025	2023-2024	2022-2023
DEBTORS	10,722,696	4,931,472	4,722,952
CREDITORS	601,066	599,422	468,168

Creditors/Debtors



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

b) Teacher Student ratio:

<i>Teachers employed by TSC</i>	<i>21</i>
<i>Teachers employed by BOM</i>	<i>04</i>
<i>Teachers retired</i>	<i>00</i>
<i>Teachers posted</i>	<i>03</i>
<i>Teachers Transferred</i>	<i>01</i>
<i>Teacher to student ratio</i>	<i>1:20 Students</i>

c) The mean score in the 2024 KCSE:

YEAR	ENTRY	MEAN SCORE	UNIVERSITY ENTRY
<i>2024</i>	<i>256</i>	<i>4.133</i>	<i>71</i>
<i>2023</i>	<i>141</i>	<i>3.21</i>	<i>7</i>
<i>2022</i>	<i>113</i>	<i>5.99</i>	<i>33</i>
<i>2021</i>	<i>100</i>	<i>4.19</i>	<i>28</i>
<i>2020</i>	<i>96</i>	<i>6.135</i>	<i>50</i>
<i>2019</i>	<i>73</i>	<i>5.00</i>	<i>20</i>

d) Number of Candidates in the 2024KCSE:

YEAR	2024-2025	2023-2024	2022-2023
CANDIDATES	<i>256</i>	<i>141</i>	<i>113</i>

(Tabulate the number of candidates sitting for KCSE over the last three years).

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).

DINNING HALL	01	Enough
LAB	02	Not enough
CLASSROOM	15	Enough
DORMITORY	02	Not enough
TOILETS	19 DOORS	Enough
KITCHEN	01	Enough
LIBRARY	01	Not enough

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
Modern Science Laboratory	MOE	On going	4,825,150	3,547,636	2025/2026

N/B: Expenditure 3,547,636(note 8)


 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 *JOHN OSOGO 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: *ABDULRAHMAN M. AROU*
Designation: Chairman, School Board of Management
Date: 21/4/2026


.....
Name: *PAUL OBWIA*
Designation: School Principal & Secretary to Board of Management
Date: 21/4/2026


.....
Name: *WIDIA ATIENO*
Designation: Bursar/ Finance Officer
Date: 21/4/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON JOHN OSOGO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – BUSIA 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 John Osogo Secondary School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at 30 June 2025, and the statement of financial performance, statement of cashflows, statement of budgeted versus actual amounts 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 John Osogo Secondary School 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 and Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No. 3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies of the Financial Statements

The statement of assets and liabilities reflects accounts receivables balance of Kshs.21,585,939 as disclosed in Note 13 to the financial statements. However, the corresponding Note 13 to the financial statements reflects a balance of Kshs.20,342,532 resulting in unexplained variance of Kshs.1,243,407.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Inaccurate Opening Balance

Note 17 to the financial statements reflects biological assets opening balance of Kshs.45,000. However, the prior year financial statements reflects comparative balance of Kshs.123,500 resulting in unexplained variance of Kshs.78,500.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

3. Unsupported School Fund Income-Parents Contribution

The statement of financial performance reflects school fund income of Kshs.22,244,692. However, the income was not supported with detailed schedule indicating student information and amounts invoiced during the year under review.

In the circumstances, the accuracy and completeness of the school fund income of Kshs.22,244,692 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the John Osogo 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 comparison of budget and actual amounts reflects final receipts budget and actual amounts on a comparable basis of Kshs. 51,070,498 and Kshs.25,202,227 respectively resulting to under-collection of Kshs. 25,868,020 or 49% of the budget. However, the school spent Kshs.28,298,674 against actual receipts of Kshs.25,202,227 resulting to an over-utilization of Kshs.3,096,447

The under-collection affected implementation of the planned project activities and may impact negatively on delivery of services to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Significant Exceptions PSASB in the Financial Reporting Templates

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

Other Information

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

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 Statement for Audit

During the year under review, the management of John Osogo Secondary School submitted the financial statements to the Office of Auditor General on 21 November, 2025 instead of the statutory deadline of 31 August, 2025. This is contrary to the National Treasury circular dated 4 December, 2024 reference number:AG.3/88 Vol.VII (41) directing all public sector entities, for both national and county governments, to prepare and submit annual financial statements by 31 August, 2025.

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

2. Unapproved Fees on Parents Association Support Programme

The statement of financial performance reflects school fund income - parents' contributions amount of Kshs.22,244,692 as disclosed in Note 4 to the financial statements. Review of the records revealed that the School charged an amount Kshs.15,000 per student for day scholars to support the programme. However, the fee charged had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that a parent will only pay for school uniforms, boarding related costs as reflected in the boarding fee structure and lunch for the day scholars.

In the circumstances, Management was in breach of the Government Guidelines.

3. Unconfirmed Students Enrolment Data

The statement of financial performance reflects capitation grants for tuition, capitation grants for operations and infrastructure grants amounting to Kshs.10,887,367. Review of the class registers provided indicated that the school had a total of six hundred and eighty students (680). However, the school did not provide the NEMIS enrolment data for verification. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, Management was in breach of the Government Guidelines.

4. Procurement Irregularities

4.1 Irregular Use of Direct Procurement

The statement of financial performance reflects total payments of Kshs.28,300,318. Review of the payment records revealed that the school single sourced goods and services amounting to Kshs. 3,236,810 without proper justification. This is contrary to the provisions of Section 103 of the Public Procurement and Asset Disposal Act, 2015 which states that states that a procuring entity may use direct procurement if any of the following are satisfied; the goods, works or services are available only from a particular supplier/contractor, or a particular supplier or contractor has exclusive rights in respect of the goods, works or services and no reasonable alternative exists.

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

4.2 Irregular Low Value Procurements

The statement of financial performance reflects boarding and school fund payment of Kshs.14,038,940. Review of the payment records revealed that expenditures of Kshs.1,753,960 were made through cash which exceeded limit for low value procurements. This was contrary to Regulation 27 of the Public Procurement and Asset Disposal Regulations, 2020 which states that for purposes of Section 46(8) of the Act, low value procurements as per the threshold matrix under the Second Schedule shall not require an evaluation committee.

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

4.3 Un supported Labour-Based Procurement

The statement of receipts and payments reflects payments in relation to Infrastructure amount of Kshs.3,547,636, as disclosed in Note 8 to the financial statements. Review of procurement records revealed that Management awarded a company a contract amounting to Kshs.4,825,150 for construction of a laboratory. Further, Management used the labour-based procurement method in the implementation of the project. However, there was no prior approval by the accounting officer on the use labour contracting contrary to Section 109 of the Public Procurement and Disposals Act, 2015. In addition, construction materials were directly sourced contrary to Regulation 95 (d) of Public Procurement and Asset Disposal Regulations, 2020 which states that the procurement of the materials or services to be used as inputs under force account method shall be in accordance with the provisions of the Act and these Regulations.

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

5. Non-Deduction of Capacity Building Levy

The statement of financial performance reflects total expenditure amount of Kshs.28,300,318 as disclosed in Note 6,7,8 and 9 to the financial statements which includes an amount of Kshs.3,108,950 in respect of procurement contracts signed with the school's suppliers. Review of payments for goods and services revealed that management failed to make deductions in respect to capacity building levy as per the Public Procurement Capacity Building Levy Order, 2023 .

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

6. Lack of an Approved Procurement Plan

The statement of financial performance reflects amounts of Kshs.33,063,858 and Kshs.28,300,318 in respect of total receipts and payments respectively. The management provided the annual procurement plan for the financial year 2024/2025. However, the procurement plan provided was not approved. Further there was no evidence that the plan was submitted to the National Treasury as required by Section 44(2c) of the Public Procurement and Asset Disposal Act, 2015. In addition, management did not reserve procurements for Youth, Women, PWDs and other disadvantaged groups contrary to Regulation 149 of the Public Procurement and Asset Disposal Regulations, 2020.

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

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

The statement of financial performance reflects boarding and school fund payments amounts of Kshs. 14,038,940 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs. 775,535 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only the organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for the money transferred to KESSHA amounting to Kshs.775,535 could not be confirmed.

8. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects operations grants amount of Kshs.8,807,692 as disclosed in Note 2 and 3 to the financial statements. Included in this amount is Kshs.2,755,522 in respect of infrastructure grants which was to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, management transferred Kshs.2,150,000 to infrastructure account, leaving a balance of Kshs.605,522 as at 30 June, 2025. This

was contrary to The Ministry of Education Circular Ref. Circulars Ref Number MOE.HQS/3/13/6 dated 28 May, 2025 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Audit Committee and Internal Audit Function

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the school 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.

2. Weak Internal Controls in Management of Textbooks

Audit review of the schools' library and records revealed the that the school maintained manual registers which were not adequately updated as they lacked information on quantities of books received, issued, returned or damaged. Further there was no evidence that periodic stock counts were conducted to verify the physical existence of textbooks. In addition, the school used a store as a library which lacked furniture and adequate shelves and space to accommodate books and

learners. The store did not have controls such as a register, fire extinguishers, ventilation and CCTV cameras that are core in maintenance of the library and the school did not have a librarian to help in the management of the textbooks.

3. Weaknesses in Imprest Management

The statement of financial performance reflects total payments of Kshs.28,300,318 which included a balance of Kshs.14,038,940 in respect to boarding and school fund. Review of payment records revealed that management incurred expenditures on subsistence allowances amounting to Kshs.510,850. However, management did not maintain an imprest register to record and account for imprests issued, surrendered and outstanding during the financial year under review.

In the circumstances, the effectiveness of internal controls in management and safeguarding of textbooks could not be confirmed.

4. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.20,342,532 in respect of fees arrears as disclosed in note 13 to the financial statements. Included in the amount, is accounts receivable balance of Kshs.9,640,473 which had been outstanding for more than one year. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

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

5. Compliance with Prescription on Board and Chief Executive Officers' Terms Service and Entitlements

5.1 Failure to Comply with Board's Terms of Service

Review of the Board of Management records for the year under review revealed that the school board had thirteen (13) board members. However, Management did not provide evidence of the required education qualification for the board members. This was contrary to Section 8 (1) (2) of the Basic Education Act, 2013 which provides for the requirements to be met by the chairman and members of the Board.

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

5.2 Unsupported Board Expenditure

Review of the Board of Management's records and expenditures revealed that the Board and its committees held various sittings during the year under review. However, Management did not provide the work plans for the financial year 2024/2025 contrary to Governance guidelines issued by the ministry of education, which require preparation of an annual board meetings plan, signing of minutes by the chairperson and secretary to confirm validity.

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

6. Weaknesses in Management of Assets

Notes 19 to the financial statements reflects Kshs.487,000 in respect of stock/inventory balance. However, Management did not prepare and maintain inventory schedule indicating the movement of store items. Further management failed to conduct periodic stock count to confirm physical existence of the inventory items.

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

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

Responsibilities of 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 Cash Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the school's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities

in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

28 May, 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	2,079,676	2,269,625
Government grants for operations	2	6,054,942	8,226,228
Government Grants for infrastructure	3	2,752,750	4,361,014
School fund income- parents' contributions	4	22,244,692	15,344,456
Miscellaneous incomes	5	-	-
Total Revenue		33,132,060	30,201,323
Expenditure			
Tuition	6	2,158,843	2,141,026
Operations	7	8,554,899	8,376,950
Infrastructure	8	3,547,636	2,038,935
Boarding and school fund	9	14,038,940	16,594,550
Total Expenditure		28,300,318	29,151,461
Surplus/Deficit		4,831,742	1,045,978

The school financial statements were approved on _____ 2025 and signed by:



Name: **BERNARD M. AGOYA**
Chair BOM

Date: 21/4/2026



Name: **PAUL ODUYA**
School Principal/ Secretary to BOM

Date: 21/4/2026



Name: **WIDO ALIENO**
Bursar/ Finance Officer

Date: 21/4/2026

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	1,899,988	4,985,985
Cash balances	11	43,153	53,603
Short term investments	12	-	
Total cash and cash equivalent		1,943,141	-
			5,039,588
Account's receivables	13	21,585,939	13,720,306
Total financial assets (a)		23,529,080	18,759,894
Financial liabilities			
Accounts payables	14	601,066	663,622
Total Financial Liabilities (b)			
Net financial assets (a-b)		22,928,014	18,096,272
Represented by			
Accumulated fund b/fwd	15	18,096,272	17,050,294
Surplus/deficit for the year		4,831,742	1,045,978
Net Assets		22,928,014	18,096,272

The school's financial statements were approved on _____ 2025 and signed by:

.....
 Name: BERNARD M. ACHONYI
 Chair BOM
 Date: 21/4/26

.....
 Name: PAUL OBNYA
 School Principal/ Secretary to BOM
 Date: 21/4/2026

.....
 Name: WIDIA ATENO
 Bursar/ Finance Officer
 Date: 21/4/2026

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	2,079,676	2,269,625
Government grants for operations	2	6,054,942	8,226,228
Government grants for infrastructure	3	2,752,750	4,361,014
School fund income- parents contributions/ fees	4	14,314,859	16,884,466
Other income	5	-	-
Total receipts		25,202,227	31,741,333
Payments			
Cash outflows for tuition	6	2,158,843	2,141,026
Cash outflows for operations	7	8,419,368	8,444,648
Cash outflows Boarding/lunch and school fund payments	9	14,172,827	16,826,686
Total payments		24,751,038	27,412,360
Net cash inflow/outflow from operating activities		451,189	4,328,973
Cash flow from investing activities			
Acquisition of assets	8	3,547,636	2,038,935
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		(3,096,447)	2,292,003
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		(3,096,447)	2,292,003
Net increase/decrease in cash and cash equivalents			
Cash and cash equivalent at beginning of the YEAR		5,039,588	2,747,585
Cash and cash equivalent at end of the YEAR		1,943,141	5,039,588

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 21/4/26 2025 and signed by:


Name: **Bernard M. Aloya**
Chair BOM
Date: 21/4/2026


Name: **PAUL OBUYA**
School Principal/ Secretary to
BOM
Date: 21/4/2026


Name: **LYDIA AKEM**
Bursar/ Finance Officer
Date: 21/4/2026

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	% Of Utilization
	A	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	4,073,552		4,073,552	2,079,676	51%
Exams And Assessment					
Sub total	4,073,552		4,073,552	2,079,676	51%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments					
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Medical insurance	1,032,150		1,032,150	770,710	75%
Administration Costs					
Activity	1,234,648		1,234,648	513,065	42%
Others	9,240,200		9,240,200	4,771,167	52%
Sub total	11,506,998		11,506,998	6,054,942	53%

JOHN OSOGO 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	% Of Utilization
	A	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	4,915,000		4,915,000	2,752,750	56%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
Sub total	4,915,000		4,915,000	2,752,750	56%
(4) Fees Charged on Parents					
Personnel Emoluments					
Repairs And Maintenance	400,000	269,960	669,960	176,897	26%
Local Transport / Travelling					
Electricity And Water					
Medical					
Arrears recovered				2,792,863	
Activity	50,000	32,600	82,600	43,451	53%
Others/(tr/Adm/pe/Ewc)	2,580,000	1,800,900	4,380,900	1,388,538	32%
Fee On Boarding Equipment and Stores/Lunch	16,822,000	8,619,236	25,441,236	9,844,819	39%
Recoveries				68,201	
Sub total	19,852,000	10,722,696	30,574,696	14,314,859	47%
5) Miscellaneous Income					
Loans / Borrowing					

JOHN OSOGO 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	% Of Utilization
	A	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	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					
Interest Income					
Income From Any Other Investment					
Total Income	40,347,550	10,722,696	51,070,498	25,202,227	49%
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	4,073,552		4,073,552	2,158,843	53%
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					
Sub total	4,073,552		4,073,552	2,158,843	53%

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
(7) Expenditure For Operations					
Personnel Emoluments					
Repairs, Maintenance & Improvements					
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical insurance	1,032,150		1,032,150	151,906	15%
Administration Costs					
Activity Expenses	1,234,648		1,234,648	282,030	23%
Payables				140,448	
Recoveries				155,885	
Others(Itt/ewc/pe/Adm)	9,240,200	275,979	9,516,179	7,689,099	81%
Sub total	11,506,998	275,979	11,782,977	8,419,368	71%
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB	4,915,000		4,915,000	3,547,636	72%
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
Sub total	4,915,000		4,915,000	3,547,636	72%

JOHN OSOGO 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	% Of Utilization
	A	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(9) Expenditure For school fund/lunch/boardng</i>					
Personnel Emoluments					
Repairs, Maintenance and Improvements	400,000		400,000	441,980	110%
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical Expenses					
Administration Costs					
Activity	50,000		50,000		
Others(I/t/Adm/ewc/pe)	2,580,000		2,580,000	1,685,511	65%
Lunch Programme/Bes	16,822,000	325,087	17,147,087	11,586,362	68%
Expenditure For Income Generating Activity					
Insurance Costs					
Payables				458,974	
Rent Expenses					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Sub total	19,852,000	325,087	20,177,087	14,172,827	70%
Total expenditure	40,347,550	601,066	40,948,616	28,298,674	69%

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

- i. Under capitation grants from MOE most vote heads were below 90% due to under funding from the ministry.

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	2,079,676	2,269,625
Others (specify)*		
Total	2,079,676	2,269,625

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments		
Repairs And Maintenance		
Local Transport / Travelling		
Electricity And Water		
Medical insurance	770,710	64,650
Administration Costs		
Activity	513,065	976,790
Other Vote Heads (ltt/ewc/pe/Adm)	4,771,167	7,184,788
Total	6,054,942	8,226,228

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	2,752,750	4,361,014
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NGCDF and County govt.		
Total	2,752,750	4,361,014

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance	446,857	254,553
Local transport / travelling		
Electricity and water		
Medical		
Recoveries	68,201	47,564
Administration costs		
Activity	76,141	6,350
Fee on Boarding Equipment and stores/Lunch	18,464,055	12,556,157
PA Levies*		
Others (Itt/ewc/pe/Adm)	3,189,438	2,479,832
Total	22,244,692	15,344,456

*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	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Exercise Books		
Textbooks		
Reference materials		
Laboratory Equipment		
Teaching / Learning Materials	2,158,843	2,141,026
Exams And Assessment		
Teachers Guides		
Bank Charges		
Others (specify)		
Total	2,158,843	2,141,026

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity		
Administration Cost		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Payables		
Recoveries	155,885	45,622
Activity Expenses	282,030	486,035
Medical/Insurance Cost	151,906	
Others (ltt/ewc/Adm/pe)	7,965,078	7,845,293
Total	8,399,014	8,376,950

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory	3,547,636	
Construction of dormitory		
Purchase of furniture		
Purchase of apparatus		
Renovation of ablution block		1,318,687
Repairs		720,248
Others (specify)		
Total	3,547,636	2,038,935

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments		
Repairs And Maintenance & Improvements	441,980	735,500
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Administration Costs		
Payables		
Activity expenses		17,090
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores/lunch	11,911,449	12,783,524
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
PA expenses		
Others (ltt/pe/ewc/Adm)	1,685,511	3,058,436
Total	14,038,940	16,594,550

(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		Kshs	Kshs
Tuition Account	active	1212201876	127,162	205,444
Operations Account	active	1212202007	287,344	2,918,468
School Fund Account/Boarding	active	1136828044	1,248,298	1,172,253
Savings Account				
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account	active	1212201612	237,184	689,820
Total			1,899,988	4,985,985

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	43,153	53,603
Total	43,153	53,603

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	20,342,532	13,720,306
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	20,342,532	13,720,306

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	10,722,696	53%	4,931,472	36%
Between 1- 2 years	2,172,178	11%	2,267,287	16%
Between 2-3 years				
Over 3 years	8,691,065	37%	6,521,547	48%
Total (should tie to note 13 a)	21,585,939	100%	13,720,306	100%

14 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	422,685	599,422
Prepaid Fees		64,200
Retention Monies		
Unpaid salaries and statutory deductions	178,381	
Caution money		
Other payables (specify)		
Total	601,066	663,622

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	601,066	100%	599,422	100%
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)	601,066	100%	599,422	100%

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	4,985,985	2,680,198
Cash Balances	53,603	68,272
Short Term Investments	-	-
Receivables	13,720,306	14,844,909
Payables	(663,622)	(542,200)
Total	18,096,272	17,050,294

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	3	85,000	
Goats			
Trees	55	38,500	45,000
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total	58	123,500	45,000

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		

Other important disclosure notes

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	327,000	672,455
Lab consumables	160,000	321,000
Farm produce		
Medication		
Construction Materials		
Others (specify)		
Total	487,000	993,455

(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)

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20 Progress On Follow Up of Auditor Recommendations

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

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



Sign and Date
Principal

21/4/2026

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. KATOM TRADERS	30,000	2024-2025				
5. CHARLES LEBO	56,750	2024-2025				
6. KEENEDY OKELLO	3,300	2024-2025				
XAVIOUR MALIGA	5,940	2024-2025				
VINCENT MAPALE	7,440	2024-2025				
CHARLES EGONDI	11,040	2024-2025				
KENNEDY OKUMU	17,500	2024-2025				
ODEKA BUTCHERY	80,300	2024-2025				
SAMIS SYSTEM	50,000	2024-2025				

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
NOURMAN PETROLEUM LTD	112,817	2024-2025		112,817		
BOM EMPLOYEES	178,598	2024-2025		178,598		
ELECTRICITY	17,598	2024-2025		17,598		
COMPLEX MATRIX LTD	30000	2024-2025		30000		
Sub-Total	601,066	2024-2025		601,066		
Supply Of Services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2025	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land	DONATION			
Buildings And Structures	30,000,0000			30,000,0000
Motor Vehicles(HONO 500)	3,000,000			3,000,000
Office Equipment, Furniture and Fittings	50,000			50,000
Textbooks	400,000			400,000

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Asset Class	Historical Cost b/f (Kshs) 1st July 2025	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
ICT Equipment	170,000			170,000
Tools And Apparatus	250,000			250,000
Other Machinery and Equipment				
Grinding mill	50,000			50,000
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total	34,370,000			34,370,000

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