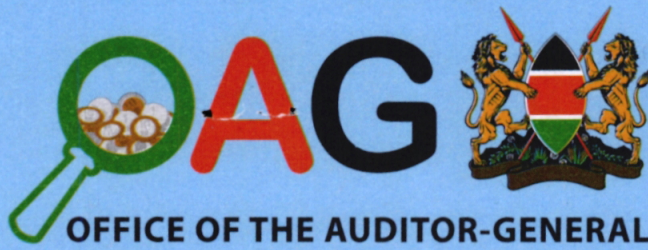


REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

NATIONAL ASSEMBLY
REPORT
DATE: 01 JUL 2025 Tuesday
Hon. Kimani Ichungwa, MP
Leader of Majority
Ann Shibako

THE AUDITOR-GENERAL

ON

GOSETA BOYS HIGH SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2024

TRANS NZOIA COUNTY

1000





GOSETA BOYS HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

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Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

1. Acronyms and Glossary of Terms

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

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

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 Trans-Nzoia County, Kwanza Sub-County.

The school was registered in 08/2009 under registration number GP/A/7387/09 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a /boarding school and had 1200 number of students as at 30th June 2024. It has 6 streams and 48 teachers of which 15 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	Dr. Khaoya Edward	Chairman – Special interest	01/09/2022
2	Geoffrey murunga	Secretary - Principal	01/09/2022
3	Magret Wanyonyi	Member	01/09/2022
4	Lucy Chepkurui	Member	01/09/2022
5	Rebeccah Chebukati	Member	01/09/2022
6	Fr. Joseph Odongo	Member	01/09/2022
7	Leo Wanyama	Member	01/09/2022
8	Moses wafula	Member	01/09/2022
9	Hellen Kerubo	Member	01/09/2022
10	Bonface Saekwa	Member	01/09/2022
11	Benard Masioge	Member	01/09/2022
12	Nyakabi Christine	Member	01/09/2022
13	Matolea Sally	Member	01/09/2022
14	Samuel Cheboi	Member	01/09/2022
15	Jabez Wafula	Students council	01/09/2022
16	John Sifuna	PA Chairperson	01/09/2022

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

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, 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School’s affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils’ discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive	1. Edward Khaoya	BOM chair	4 out of 4
		2. Principal	Secretary	4 out of 4
		3. John Sifuna	Member	4 out of 4
		4. Lucy Chepkurui	Member	4 out of 4
		5. Deputy principal	Member	4 out of 4
2	Audit Committee	1. Hellen Kerubo	Chair	1 out of 1
		2. John Sifuna	Member	1 out of 1
		3. Fr. Joseph Odongo	Member	1 out of 1
3	Finance, Procurement	1. Edward Khaoya	Chair	1 out of 1
		2. John Sifuna	Member	1 out of 1
		3. Principal	Secretary	1 out of 1
		4. Lucy Chepkurui	Member	1 out of 1
		5. Bursar	Member	1 out of 1
4	Academic Standard Quality And Environment	1. Margret Wanyonyi	Chair	2 out of 2
		2. Leo Wanyama	Member	
		3. Fr. Joseph Odongo	Member	
		4. Principal	Secretary	
			Member	
		1. Lucy Chepkurui	Member	2 out of 2
		2. Bernard Masioge	Member	1 out of 2
3. Principal	Secretary	2 out of 2		

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
5	Sic Committee	1. John Sifuna	Chair	11 out of 13
		2. Edward Khaoya	Member	13 out of 13
		3. Principal	Member	13 out of 13
		4. S.C.D.C	Member	12 out of 13
		5. Bernard Masioge	Member	13 out of 13
		6. Christine Jirongo	Member	13 out of 13
		7. Deputy	Secretary	13 out of 13
6	Discipline Ethics and Interatrial	1. John Sifuna	Chair	1 out of 2
		2. Samuel Cheboi	Member	2 out of 2
		3. Hellen Kerubo	Member	2 out of 2
		4. Christine Jirongo	Member	2 out of 2
		5. Principal	Secretary	2 out of 2
7	Bank Signatories	1. Edward Khaoya	Chair	3 out of 3
		2. John Sifuna	PA	2 out of 3
		3. Principal	Secretary	3 out of 3
		4. Cheboi Samuel		3 out of 3
8	Human Rights and Students	4. Fr. Joseph Odongo	Chair	2 out of 2
		5. Lucy Chepkurui	Member	2 out of 2
		6. Bernard Masioge	Member	2 out of 2
		7. Principal	Secretary	2 out of 2

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

(d) School operation Management

For the financial year ended 30th June 2024 the school day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number	ID Number
1	Principal	Geoffrey murunga	460262	11785128
2	Deputy Principal/Admin	Patterson kuhugwa	388237	11848274
3	Deputy Principal/Academics	James matseshe	474533	20324331
4	School Bursar/accounts clerk	Dennis kitiyo	22929891	22929891

(e) Schools contacts

Post Office Box: 2654-30200 KITALE
 Telephone: 0724726855
 E-mail: gosetasecondaryschool@yahoo.com
 Website: gosetaboys.sc.ke

(f) School Bankers

No.	Bank	Branch	Account Number	Purpose of Account
1	Kenya Commercial Bank	Kitale	1105103838	Tuition
2	National Bank of Kenya	Kitale	01021049207900	Operations
3	National Bank of Kenya	Kitale	01025049207900	Infrastructure
4	Equity Bank	Kitale	0330265693275	School Fund
5	Absa	Kitale	0038470388	School Fund/savings
6	Cooperative bank	Kitale	01139841153200	NG-CDF
7.	M-PESA PAYBILL		247247/159256	Attached to equity;0330265693275

NOTE: NG-CDF account is dormant

(g) Independent Auditors

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

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

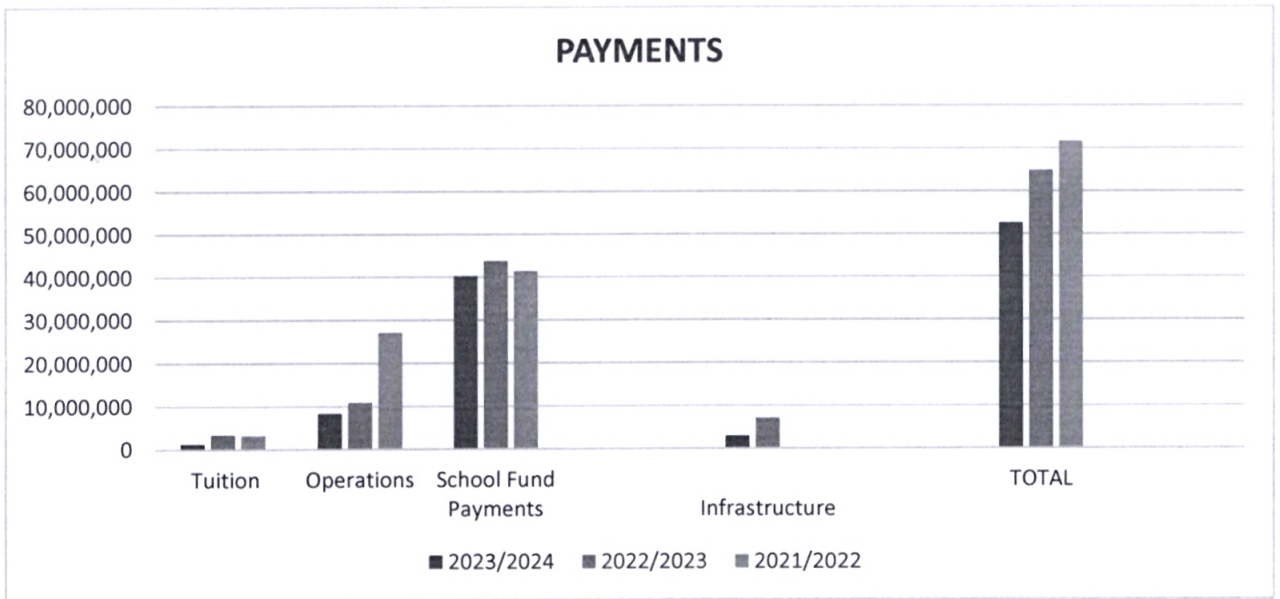
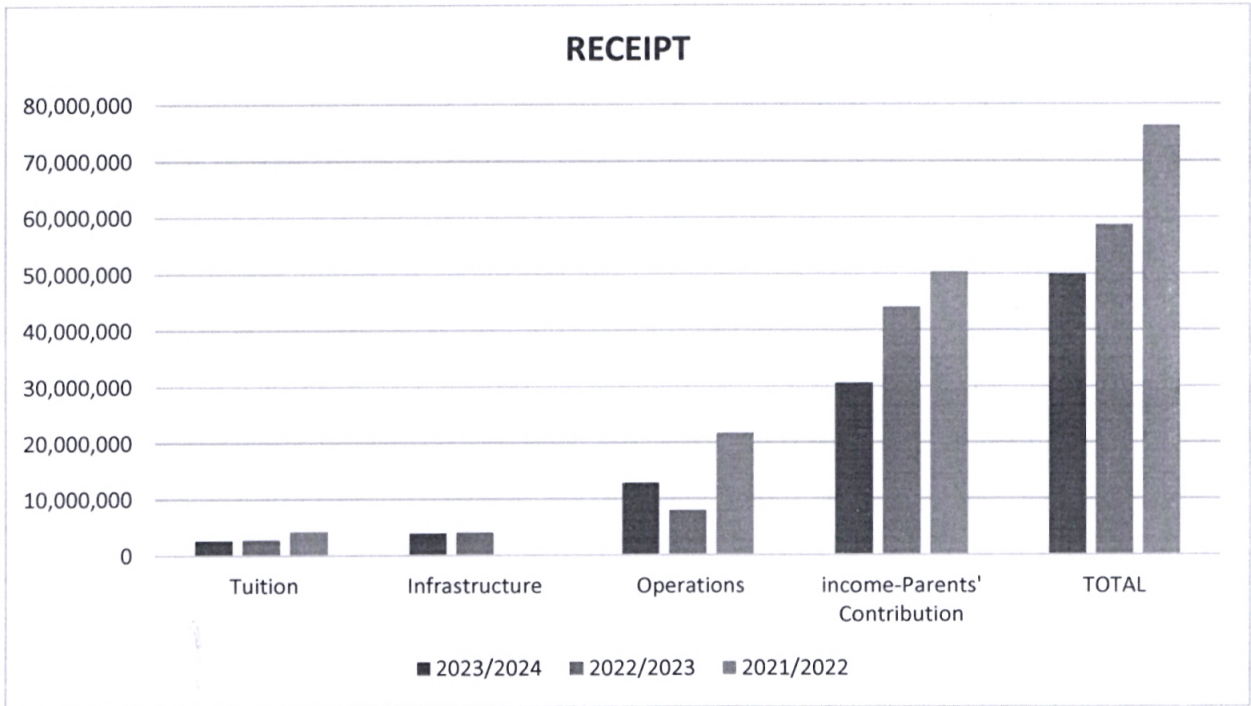
3. Summary Report of Performance of The School

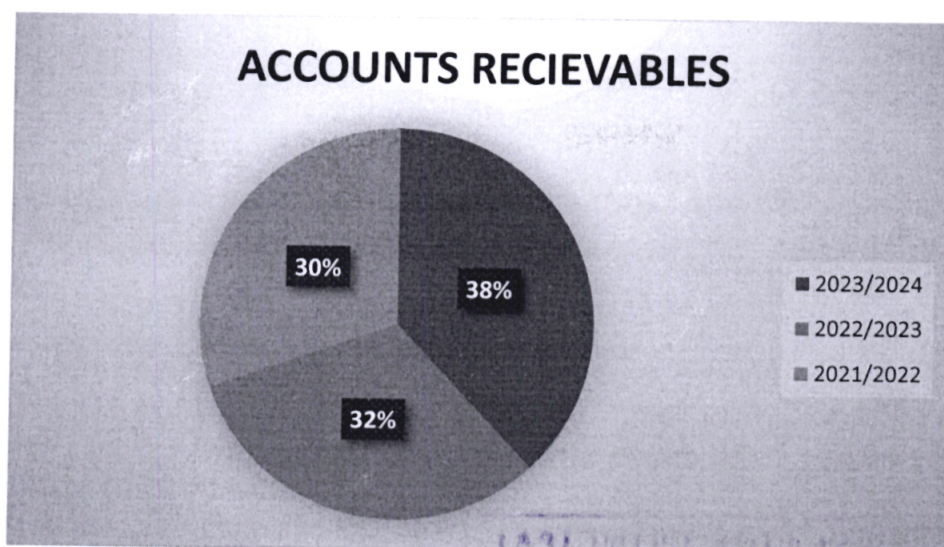
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

STATEMENT OF RECEIPTS AND EXPENDITURE				
FOR THE YEAR ENDED 30TH JUNE 2024				
		2023/2024	2022/2023	2021/2022
RECEIPTS	NOTES	KSHS	KSHS	KSHS
Capitation grants for Tuition	1	2,620,898	2,741,933	4,171,514
Capitation grants for Operations	2	10,510,380	7,868,367	21,688,000
Income For Infrastructure	3	3,894,874	3,985,000	-
School Fund income Parents' Contribution	4	48,674,717	45,690,284	50,282,499
TOTAL		65,700,869	60,285,584	76,142,013
		-	-	
PAYMENTS				
Payments for Tuition	5	1,438,588	3,316,135	3,178,918
Payments for Operations	6	8,423,878	8,767,076	27,057,678
Payments for Infrastructure	7	4,291,603	7,015,641	-
Boarding and school fund payments	8	41,696,453	47,413,576	41,345,165
TOTAL		55,850,522	66,512,378	71,581,761
SURPLUS/DEFICIT		9,850,348	(6,226,794)	4,560,252
ACCOUNTS RECIEVABLES	11	84,455,365	70,690,768	67,756,394

**Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024**





b) Teacher Student ratio:

Students	Total No. Of Teachers	Student Teacher Ratio	Number Of Teachers Recruited	Number Of Teachers Transferred	TSC Teachers	BOM Teachers
1,274	48	25:1	1	2	33	15

c) Mean score in the 2023/2024 KCSE:

Year	2021	2022	2023
Candidates	287	294	248
Mean	5.291	5.719	5.753
Transition to university	25%	30%	32%

d) Number of Candidates in the 2023/2024 KCSE:

Year	2021	2022	2023
Candidates	287	292	248

e) Capacity of the school:

Student Population	Dormitories	Dining hall	Laboratories	Toilets	Water points
1274	12	1	4	94	69

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

Development projects carried out by the school:

S/no	Project	Status of the project	Source of Funds	Amount (Ksh)
1.	Desks and chairs	completed	PA	980,000
2.	Renovation of Domitory	completed	RMI	2,444,203
3.	Staff latrine	completed	PA	865,000

..... 
School Principal

SENIOR PRINCIPAL
GOSETA BOYS HIGH SCHOOL
P.O. BOX 2654:311200, KITALE
Date..... Sign.....

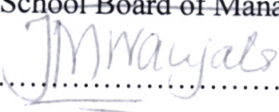
4. Statement of School Management Responsibility

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

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

The Board of Management of *GOSETA BOYS HIGH 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, 2024, and of the school's financial position as at that date.

Name: EDWARD KHAOYA
Designation: Chairman, School Board of Management
Sign: 
Date:

Name: GEOFFREY MURUNGA
Designation: School Principal & Secretary to Board of Management

Sign: 
Date:

SENIOR PRINCIPAL
GOSETA BOYS HIGH SCHOOL
P. O. BOX 2654-30200, KITALE
Date..... Sign.....

Name: DENNIS KITIYO
Designation: Bursar/ Finance Officer

Sign: 
Date:

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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON GOSETA BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – TRANS NZOIA 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 financial statements of Goseta Boys High School set out on pages 1 to 27, which comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and

Report of the Auditor-General on Goseta Boys High School for the year ended 30 June, 2024 – Trans Nzoia County

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 financial statements present fairly, in all material respects, the financial position of Goseta Boys High School as at 30 June, 2024 – Trans Nzoia County and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccurate Accounts Receivable

The statement of assets and liabilities reflects accounts receivable balance of Kshs.84,455,365 as disclosed in Note 11 to the financial statements. However, reconciliation of opening and closing accounts receivable balances revealed a computed balance of Kshs.76,455,365 resulting to unexplained variance of Kshs.7,960,293.

In the circumstances, the accuracy and completeness of accounts receivable balance of Kshs.84,455,365 could not be confirmed.

2. Inaccurate and Unsupported Accounts Payable

The statement of assets and liabilities reflects accounts payable balance of Kshs.20,587,331 as disclosed in Note 12 to the financial statements. However, included in the balance are prepaid fees balances of Kshs.2,445,804, unpaid salaries and statutory deductions balance of Kshs.144,000 and other payables RD cheque balance of Kshs.197,820 which were not supported by ledgers/schedules. Further, the balance includes overdrawn account balance of Kshs.5,256,252 whose bank account details were not disclosed. In addition, reconciliation of opening and closing accounts payable balances revealed a computed balance of Kshs.13,052,038 resulting to unexplained variance of Kshs.7,535,293.

In the circumstances, the accuracy, completeness and validity of accounts payables balance of Kshs.20,587,330 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Goseta Boys High School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.71,054,800 and Kshs.64,031,439 respectively, resulting to under-funding of Kshs.7,023,371 or 10% of the budget. However, the School spent an amount of Kshs.51,558.918 against actual receipts of Kshs.64,031,429, resulting to an under-utilization of Kshs.12,472,511 or 19% of actual receipts.

The under-funding and under-performance 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 section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the other information set out on page III to XII which comprise of Key Entity Information and Management, summary report of performance of the school and statement of school management responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the school's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter 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

Failure To Deduct Income Tax

During the year under review, the school incurred Kshs.1,857,099 on salaries for employees. However, review of payroll revealed that Management failed to deduct Pay As You Earn (PAYE) amounting to Kshs.40,308 from salaries of six (6) employees as required by Section 3(1) of Income Tax Act (Revised 2021).

In the circumstances, Management was in breach of 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 Risk Management Policy and Disaster Recovery Plan (DRP)

Review of the internal controls of the school revealed that there was no risk management policy in place and thus the school did not carry out risk assessment during the period under review. This was contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015. Further, a disaster recovery plan or business continuity plan was not in place to ensure that the school recovered its operations in the event of a disaster. This is contrary to Regulation 170(1) of the Public Finance Management (National Government) Regulations, 2015.

In the absence of an approved risk management policy and strategy, the risk identification, profiling and management processes will be ineffective. Also, without a

DRP, the school may not restore critical systems and may lose critical data including payroll, accounting, communications and other operational files.

2. Variance in Student Enrollment Data

Scrutiny of students records provided for audit revealed that the school students' population was 1,203 during the year. However, examination of funds disbursement reports from the National Education Management Information System (NEMIS) revealed that, the number of beneficiary students per each tranche of disbursements ranged between 895 and 1,141. The variances between the school records and the NEMIS reports were not explained.

In the circumstances, the school was underfunded and therefore operated under difficult financial environment resulting to compromised service delivery. Further, deserving students may not have benefited from the capitation funding programme.

3. Failure to Comply with School Safety Standards Value for Money

The school does not have a title deed for the land on which it stands and therefore lacks any legal rights over the land; one side of the land on which the school stands is not fenced while the other was being fenced during audit time; the classroom floors are worn out; and walkways and parking area have not been provided and constructed. This is contrary to School Safety Standard No. 1.

In addition, the tuition has narrow stair cases of about three (3) feet wide; there is no provision for special needs on all buildings i.e. staircases; and soaps and clean water are not provided at the latrines. This is contrary to School Safety Standard No. 2.

Further, the school does not keep a comprehensive medical data of the students; the school has not developed any health policies; there was no documentary evidence on regular medical checkups and no adequately trained teacher in health education. This was contrary to School Safety Standard No.3

In the circumstances, the school environment is in a state that significantly compromises the expected performance of the students.

4. Failure to Prepare School Improvement Plan

Contrary to Section 3.1.4 of Operation Manual for Utilisation of Learner Capitation Grant and Other School Funds of June, 2020 which requires utilisation of capitation grants and other school funds to only be done in line with the approved School Improvement Plan and annual budget, Management did not prepare a school improvement plan.

In the circumstances, the school expenditure was not based on an approved school improvement plan and was therefore irregular and ineffective.

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 Board of Management

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 to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable 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.

The Board of Management is 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 for 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 IFPP 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

11 June, 2025

**Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024**

6. Statement Of Receipts and Payments For the Year Ended 30th June 2024

Description Of Vote Head	Note	6/30/2024	6/30/2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,620,898	2,741,933
Government grants for operations	2	10,510,380	11,853,367
Government Grants for infrastructure	3	3,894,874	-
School fund income- parents' contributions	4	48,674,717	45,690,284
Total Receipts		65,700,869	60,285,584
Payments			
Payments for tuition	5	1,438,588	3,316,135
Payments for operations	6	8,423,878	8,767,076
Payments for Infrastructure	7	4,291,603	7,015,641
Boarding and school fund payments	8	41,696,453	47,413,526
Total Payments		55,850,522	66,512,378
Surplus/Deficit		9,850,348	(6,226,794)

The school financial statements were approved on _____ 2024 and signed by:

[Signature]
 Name: EDWARDS
 KITHAOYA
 Chair BOM
 Date:

[Signature]
 Name: GIFFREY MURUNGA
 School Principal/ Secretary to
 BOM
 Date:



[Signature]
 Name: DENNIS KIRIRO
 Bursar/ Finance Officer
 Date:

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	6/30/2024	6/30/2023
		Kshs	Kshs
Financial Assets			
Cash and Cash equivalents			
Bank balances	9	3,409,219	3,190,326
Cash balances	10	3,738	245,476
Total cash and cash equivalent		3,412,957	3,435,802
Account's receivables	11(a)	84,455,365	70,690,768
Total financial assets		87,868,322	74,126,570
Financial liabilities			
Accounts payables	12(a)	21,012,331	17,120,925
Net financial assets		66,855,992	57,005,645
<i>Represented By:</i>			
Accumulated fund b/fwd	13	57,005,644	63,232,439
Surplus/deficit for the year		9,850,348	(6,226,795)
Net financial position		66,855,992	57,005,645

The school's financial statements were approved on _____ 2024 and signed by:

J. Mwayalo
 Name: EDWARD KITHAOYA

Chair BOM
 Date:

Kga
 Name: GOFFREY MURUNGA
 School Principal/ Secretary to BOM



J. Kititu
 Name: JENNIS KITITU
 Bursar/ Finance Officer

Date:

**Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024**

8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Notes	6/30/2024	6/30/2023
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for Tuition	1	2,620,898	2,741,933
Capitation grants for Operations	2	10,510,380	11,853,367
Capitation grants for Infrastructure	3	3,894,874	-
School fund income- Parents contributions/ fees adjusted	14(a)	34,910,120	45,690,284
Total receipts		51,936,272	60,285,584
Payments			
Payments for Tuition	6	1,438,588	3,316,135
Payments for Operations	7	8,423,878	15,782,717
Boarding and School Fund Payments	14(b)	37,805,046	47,413,526
Payables adjustments			
Total payments		47,667,513	66,512,378
Net cash flow from operating activities		4,268,759	(6,226,794)
Cashflow from investing activities			
Proceeds from sale of assets		-	-
Payments for Infrastructure	7	(4,291,603)	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from investing activities		(4,291,603)	-
Cashflow from Financing activities			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings			
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		(22,844)	5,267,037
Cash and cash equivalent at beginning of the year		3,435,801	8,702,839
Cash and cash equivalent at end of the year		3,412,957	3,435,801

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

.....
 Name: **EDWARD KITAAYA**
 Chair BOM
 Date:

.....
 Name: **GEORGE MURUNGA**
 School Principal/ Secretary to BOM
 Date:

SENIOR PRINCIPAL
GOSETA BOYS HIGH SCHOOL
P. O. BOX 2654-30200, KITALE
 Date..... Sign.....

.....
 Name: **DENNIS KIRITO**
 Bursar/ Finance Officer
 Date:

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	VARIANCE	% of Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
(1) Capitation Grant on Tuition	2,572,800	-	2,572,800	2,620,898	48,098	2%
(2) Capitation Grant on Operations	14,640,000	-	14,640,000	10,510,380	(4,129,620)	(28%)
(3) FDSE for Infrastructure	5,200,000	-	5,200,000	3,894,874	(1,305,126)	(25%)
(4) Fees Charged on Parents	48,642,000	-	48,642,000	48,674,717	(22,380,083)	(31%)
TOTAL INCOME	71,054,800	-	71,054,800	65,700,869	(5,353,931)	(8%)
EXPENDITURES						
(1) Expenditure For Tuition	2,572,800	-	2,572,800	1,438,588	1,134,212	44%
(2) Expenditure For Operations	14,640,000	-	14,640,000	8,423,878	6,216,122	42%
(3) Expenditure For School Fund	48,642,000	-	48,642,000	41,696,453	6,945,547	14%
(4) Expenditure For Infrastructure		-	-	4,291,603	4,291,603	100%
TOTAL EXPENDITURE	65,854,800	-	65,854,800	55,850,522	10,004,278	1 5%

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

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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 receipts and payments both as a receipt and as a payment 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 insignificant risk of

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

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 fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has 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 2024.

Goseta Boys High School**Annual Report and Financial Statements For the year ended 30th June 2024**

11. Notes To The Financial Statements**1 Government Grants for Tuition**

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	2,620,898	2,741,933
Chalks	-	-
Exams And Assessment	-	-
Tuition	-	-
Total	2,620,898	2,741,933

2 Government Grants for Operations

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Personnel Emoluments	2,765,993	-
Other votesheads	-	7,415,967
Local Transport / Travelling	1,170,951	-
Repair, Maintenance and Improvement	-	3,918,000
Electricity And Water	1,080,286	-
Medical/Insurance	911,677	105,300
Administration Costs	2,383,640	-
Activity	621,394	347,100
CBC	1,576,440	-
Total	10,510,380	7,868,367

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

3 Government Grants for infrastructure

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Transition infrastructure Grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Transfer from School Fund	-	-
Repairs And Maintenance	3,894,874	3,985,000
Others(NGCDF, County government)	-	-
Total	3,894,874	3,985,000

4 School Fund Income - Parents Contribution/Fees

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Personnel emoluments	3,998,952	4,937,658
Repairs and maintenance	2,864,014	2,426,991
Local transport / travelling	2,701,743	681,529
Electricity and water	4,994,401	4,653,715
Medical	-	77,944
Administration costs	4,897,624	1,972,370
B.E.S	27,713,733	28,269,191
bursary		1,667,500
Damages	-	681,232
Rent	8,000	-
BUS	85,000	-
Activity	1,411,250	322,154
Total	48,674,717	45,690,284

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

5 Payment for Tuition

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Teaching / Learning Materials	1,438,588	3,312,063
Chalks	-	-
Bank Charges	-	4,072
Total	1,438,588	3,316,135

6 Payment for operations

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Personnel Emoluments	5,257,025	5,839,149
Administration Cost	2,069,790	1,436,865
Repairs And Maintenance & Improvements	173,000	7,101,791
Local Transport / Travelling	241,400	68,500
Electricity And Water	464,530	461,500
Medical & Insurance Cost	57,260	421,214
Activity Expenses	158,243	-
Other votes	-	450,678
Bank Charges	2,630	3,020
Total	8,423,878	15,782,717

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

7 Infrastructure

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Construction of Laboratory	-	7,011,791
Construction of Dormitory	1,423,144	-
RmI	2,866,059	-
Bank Charges	2,400	3,850
Total	4,291,603	7,015,641

8 Boarding And School Fund

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Personnel Emoluments	4,414,568	29,658,340
Activity	1,851,854	1,029,240
Repairs And Maintenance & Improvements	3,475,439	5,977,640
Local Transport / Travelling	1,101,765	714,560
Electricity And Water	3,464,516	5,508,080
Medical Expenses	195,610	230,440
Administration Costs	8,026,908	5,125,580
Bank Charges	39,776	57,377
Fee On Boarding Equipment and Stores	19,032,017	22,415,087
Other votes	-	1,555,757
Bus Hire	94,000	-
Refund	-	166,431
Total	41,696,453	47,413,526

Goseta Boys High School**Annual Report and Financial Statements For the year ended 30th June 2024****9 Bank Accounts**

Name Of Bank, Account No. & Currency	Status	Bank Account Number	6/30/2024
	Active/Dormant		Kshs
Tuition Account	Active	1105103838	822,887
Operations Account	Active	10210492007900	2,288,194
School Fund Account/Boarding	Active	330	-
Savings Account	-		140,956
Parent Association Development Account	-	1021049207900	-
C.D.F	-		142,395
Infrastructural Account	Active		14,787
Total			3,409,219

10 Cash In Hand

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Tuition Account	-	-
Infrastructural Account	-	-
Operation Account	3,120	-
School Fund account	618	245,476
Total	3,738	245,476

11 (a) Accounts Receivable

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Fees Arrears	84,438,457	70,690,768
Other Non-Fees Receivables		
statutory deductoins	16,908	
Total	84,455,365	70,690,768

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

11 (b) Ageing Analysis of Accounts Receivable

Description	6/30/2024		6/30/2023
	Kshs	% of the total	Kshs
Less than 1 year	12,855,167	21%	9,609,939
Between 1- 2 years	14,862,701	6%	607,499
Between 2-3 years	18,157,136	1%	23,576,945
Over 3 years	38,563,454	72%	36,896,385
Total (should tie to note 11 a)	84,438,457	100%	70,690,768

12 (a) Accounts Payable

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Trade Creditors (See Ageing Below Appendix 1)	12,543,455	9,168,961
Prepaid Fees	2,445,804	1,490,362
Bank overdraft	5,681,252	-
bursaries	144,000	-
Other Payables(R/D cheque)	197,820	-
Tuition account	-	1,045,000
Operation account	-	1,213,172
School fund account	-	4,203,430
Total	21,012,331	17,120,925

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

12 (b). Ageing Analysis of Accounts Payable

Description	6/30/2024		6/30/2023
	Kshs		Kshs
	Current FY	% of the total	Comparative FY
Less than 1 year	4,080,463	33 %	4,203,430
Between 1- 2 years	2,736,510	22 %	2,258,172
Between 2-3 years	1,708,855	14 %	9,168,961
Over 3 years	4,017,627	32 %	-
Total (should tie to note 14)	12,543,455	100%	15,630,563

13 Fund Balance Brought Forward

Description	6/30/2024	6/30/2023
	Kshs	Kshs
Bank Balances	3,409,218	3,190,325
Cash Balances	3,738	245,476
Receivables	84,455,365	70,690,768
Payables	(21,012,331)	(17,120,925)
Total	66,855,990	57,005,644

14 Cashflow Adjustment For Receipts And Payments

14(a) Income cashflows adjustments

Details	Kshs.
fee balances 1/7/2023	70,690,768
add fees charged to students' parent contributions 2023-2024 (note 4)	48,674,717
Total available for collections	119,365,485
less fee balance 30/6/2024	84,455,365
Fees collected during the year 2023-24	34,910,120

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

14 (b) Expenditure cashflows adjustments

Details	Kshs.
sundry creditors 1/7/2023	17,120,925
add commitments 2023-2024 (note 8)	41,696,452
Total payables to pay	58,817,377
less payables 30/6/2024	21,012,331
cash paid during the year	37,805,046

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.

15 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



Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance 2022/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1.SIMLINK CONNECTIONS	1,191,624.00	26/06/2023	1,446,624.00	95,000.00	350,000.00	
2.DOMFRIN INVESTMENTS	477,500.00	26/06/2023	558,500.00	50,000.00	131,000.00	
3.IRATI ENTERPRISES	830,000.00	26/06/2023	1,035,430.00	140,000.00	345,430.00	
4.PATRICK KAMAU	580,224.00	26/06/2023	121,776.00	80,000.00	180,000.00	
5.PAMELA AFANDI	1,600,000.00	26/06/2023	1,795,000.00	60,000.00	255,000.00	
6.GH TANNA AND SONS	1,565,800.00	26/06/2023	1,751,300.00	100,000.00	285,500.00	
7.TRANWESTLIB ENTERPRISES	754,600.00	26/06/2023	1,124,600.00	80,000.00	450,000.00	
8.PEAK LAB LTD	348,800.00	26/06/2023	688,800.00	40,000.00	380,000.00	
9.LISA PAPER WORKS	725,600.00	26/06/2023	1,037,502.00	88,098.00	400,000.00	
10.PROLUCENT INVENTORS ENTERPRISES	936,500.00	26/06/2023	1,208,000.00	55,000.00	326,500.00	
11.BONITA NALIAKA	1,200,600.00	26/06/2023	1,468,000.00	40,000.00	300,000.00	
12.GILBERT KIPLIMO	950,000.00	26/06/2023	1,320,000.00	60,000.00	430,000.00	
1.Copy CAT	180,000.00	2/8/2023	365,000.00	65,000.00	250,000.00	
2.DELSAT ELECTRICALS	165,000.00	2/8/2023	240,000.00	45,000.00	120,000.00	
Grand Total	118,224.00		12,155,408.00	998,098.00	4,203,430.00	

Goseta Boys High School
Annual Report and Financial Statements For the year ended 30th June 2024

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land	4,400,000.00			4,400,000.00
Buildings And Structures				
Motor Vehicles	7,000,000.00			7,000,000.00
Office Equipment, Furniture And Fittings	119,999,505.00			119,999,505.00
Textbooks				
ICT Equipment	3,599,000.00			3,599,000.00
Tools And Apparatus	2,100,000.00			2,100,000.00
Other Machinery And Equipment	1,500,000.00			1,500,000.00
Heritage And Cultural Assets				
Intangible Assets- Soft Ware	300,000.00			300,000.00
Total	174,899,505.00			174,899,505.00