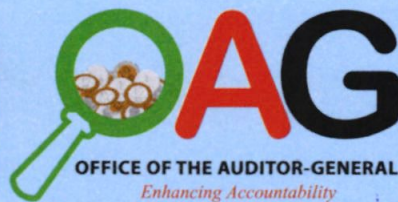


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 29 JUL 2026

DAY

WEDNESDAY

TABLED
BY:

HON. MARIANE KEITANY

FOR: LEADER OF MAJORITY

OF

CLERK-AT
TABLE:

ESTHER NGINYO

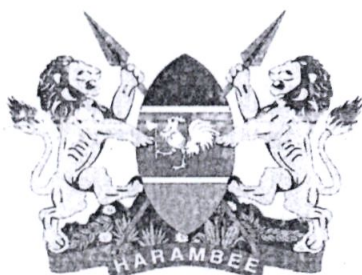
THE AUDITOR-GENERAL

ON

ST. JOHN'S GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

KILIFI COUNTY



ST JOHNS GIRLS 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.

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 Kilifi County, Kaloleni Sub-County.

The school was registered in 5th November 1986 under registration number G/A/500/86 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 2046 number of students as at 30th June 2025. It has 10 streams and 65 teachers of which 31 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	Gerald Ngumbao	Chairman	5th July 2019
2	Salome Mwaruwa	Secretary - Principal	2nd April 2024
3	Dr.Christine Kasichana	Member	5th July 2019
4	Titus Simiyu Wasilwa	Member	5th July 2019
5	Kenneth Kamau Wangamwa	Member	5th July 2019
6	Martin Munga	Member	5th July 2019
7	James Karaba	Member	5th July 2019
8	Jackline nahone	Member	5th July 2019
9	Luis Karisa Yaa	Member – Rep CEB	5th July 2019
10	Marystella Bwire	Member Rep Teachers	5th July 2019
11	Sharlet Biryia	3 Members - Sponsor	5th July 2019
12	Edward Mulewa Mwachinga	Member Community	5th July 2019
13	Paddyson Kasena Changawa	Member Special Needs	5th July 2019
14	Esther Alex	Rep Students	5th July 2019

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Gerald Ngumbao 2.Salome Mwaruwa 3.Arrestus Chombo 4.Sharlet Biryia 5.Mr Kasena Changawa	Chairman Secretary P.A Chairperson Member Member	3 out of 3 3
2	Audit Committee	1.Gerald Ngumbao 2.Salome Mwaruwa 3.Arrestus Chombo 4.Mr Kasena Changawa	Chairman	1
3	Finance, procurement and general purposes Committee	1.Gerald Ngumbao 2.Salome Mwaruwa 3.Titus Wasilwa 4.Sharlet Nyae	Chairman Secretary Member Member	5

ST JOHNS GIRLS SECONDARY SCHOOL

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

4	Academic Committee	1.Martin Munga 2.Mrs Marystella Bwire 3.Mr Arrestus Chombo 4.Mrs Christine Masha	Chairman Secretary Member Member	3
5	Development Committee	1.Kenneth Kamau 2.Edward Mwachinga 3.Loius Karisa 4.Jackline Naniome	Chairman Secretary Member Member	2
6	Discipline and welfare Committee	1.Mrs Sharlet Biryia 2.Mr Kamau Kenneth 3.Mr Dobson Chiro 4..Mrs Marystella Bwire 5.Mr Johnston Mwangiri		2
7	Adhoc Committee (if any during the year)			2

(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	SALOME MWARUWA	TSC No.316075
2	Deputy Principal	ALICEW NGALE	TSC No.503273
3	School Bursar	KIBWANA MWAPASHUA	N/A
4	ACCOUNTS CLERK	JOEL DUME	N/A

(e) Schools contacts

Post Office Box: 3-80105
 Telephone: 0721815047
 E-mail: johnspekee@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

- | | | |
|---------------------------|---|------------|
| 1. Current A/C No. | - | 1106571169 |
| 2. Operational A/C No. | - | 1106573234 |
| 3. Tuition A/C No. | - | 1107631130 |
| 4. Caution Money A/C No. | - | 1104908076 |
| 5. Reserve Fund A/C No. | - | 104093100 |
| 6. Infrastructure A/C No. | - | 1238682707 |
| 7. Bus Fund A/C No. | - | 1117350118 |
| 8. Gratuity A/C No. | - | 1117350274 |

9. Name of Bank: Equity Bank
 Branch: Kilifi
 Account Number: 1060280897386

10. MPESA Pay Bill No. 799593 attached to 1 bank accounts

(g) Independent Auditors

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

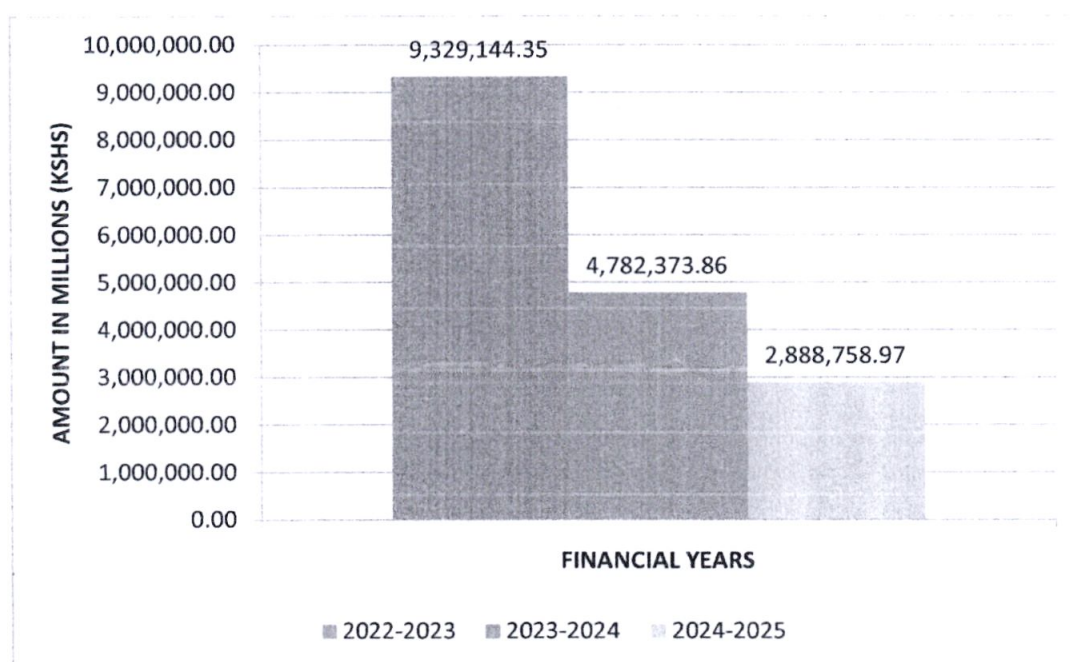
3. Summary Report of Performance of The School

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

A) Financial performance:

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

ACCOUNT	2022-2023	2023-2024	2024-2025
Surplus/Deficit	9,329,144.35	4,782,373.86	668,958.97

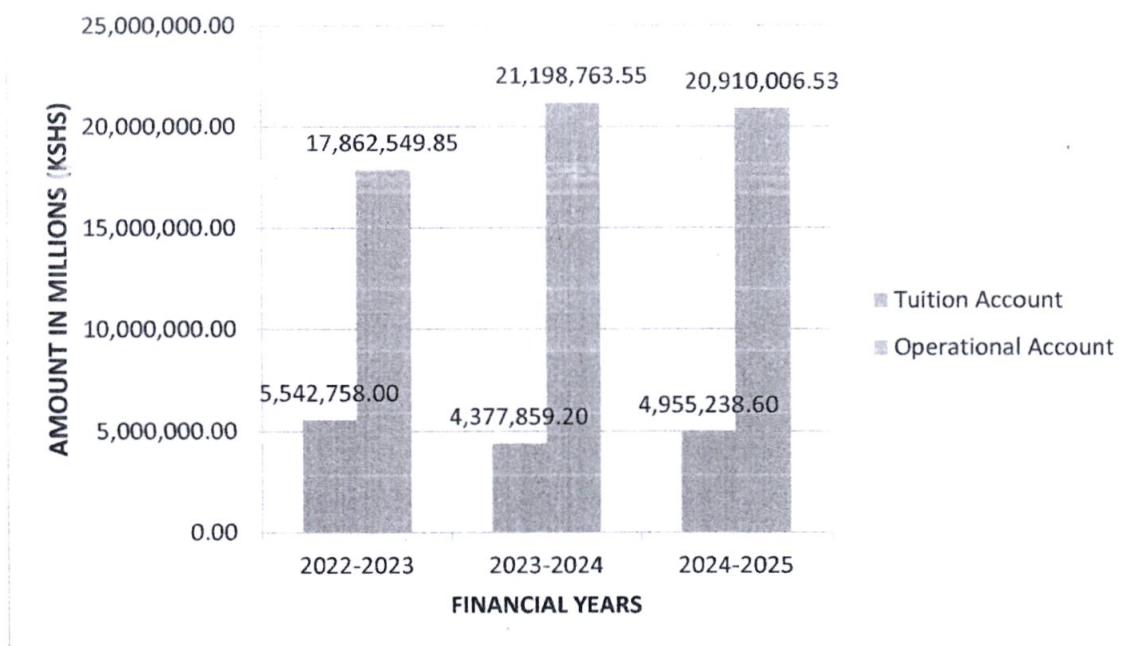


-Capitation grants from the Ministry of Education for the last three years

ACCOUNT	2022-2023	2023-2024	2024-2025
Tuition Account	5,542,758.00	4,377,859.20	4,955,238.60
Operational Account	17,862,549.85	21,198,763.55	14,838,006.00
TOTAL	23,405,307.85	25,576,622.75	19,793,244.60

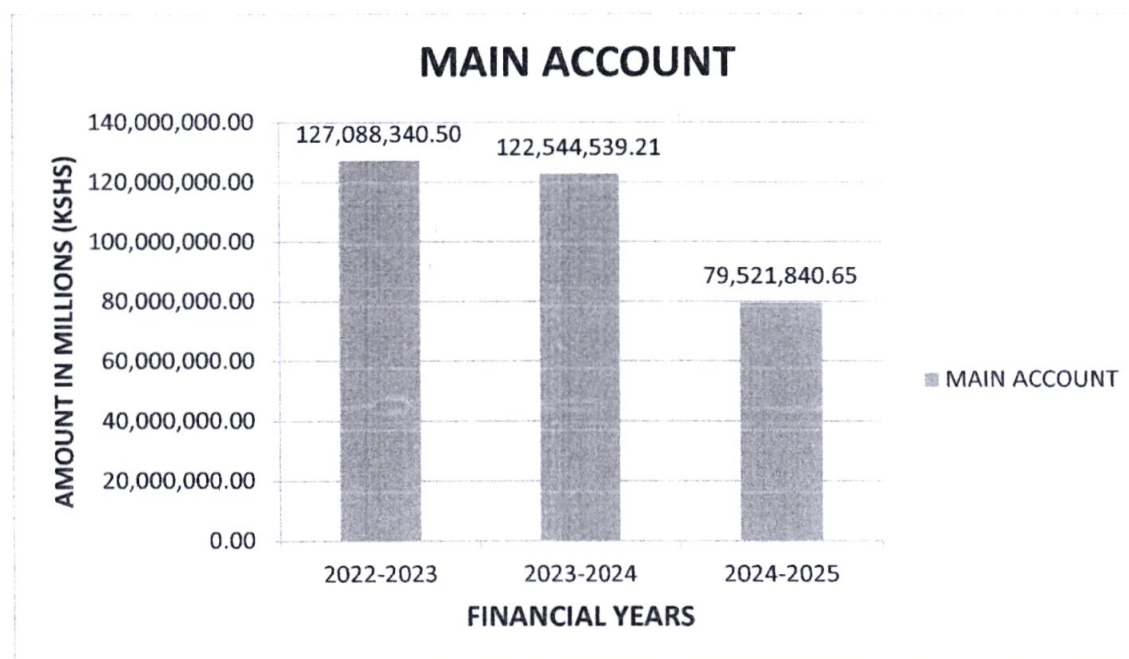
ST JOHNS GIRLS SECONDARY SCHOOL

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



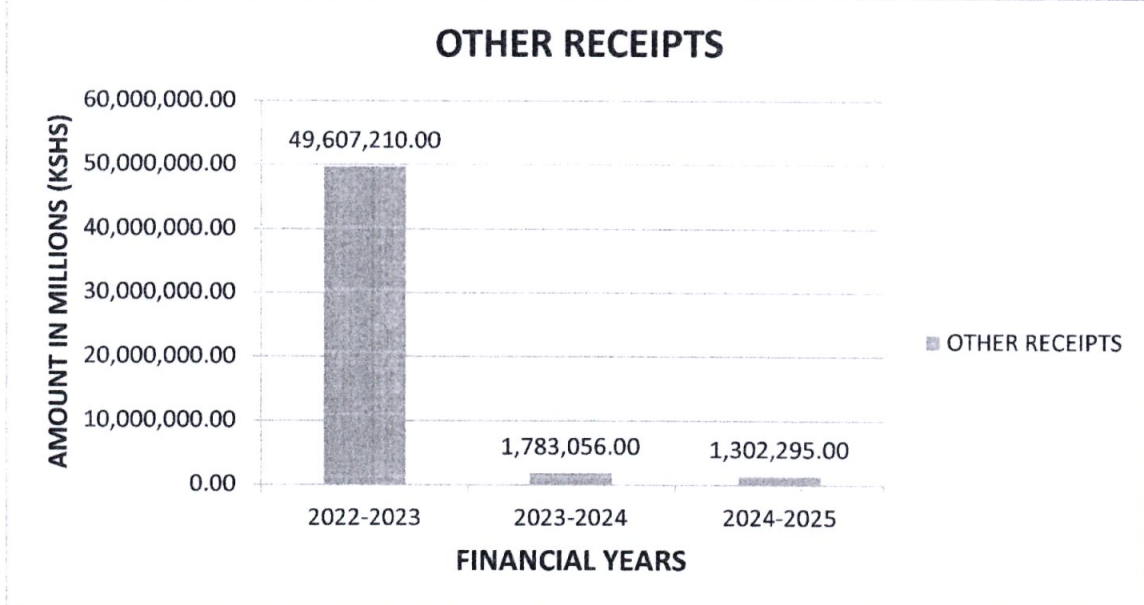
- A three-year overview of growth in expenditure of the school

ACCOUNT	2022-2023	2023-2024	2024-2025
Main Account	127,088,340.50	122,544,539.21	118,537,733.16



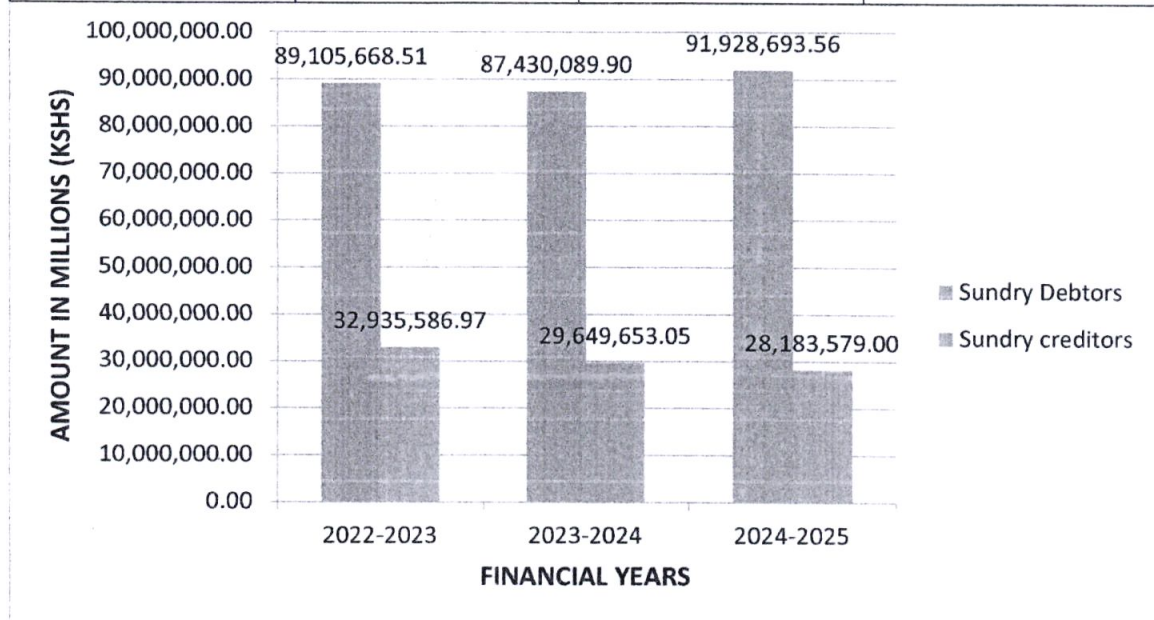
-A three-year overview of growth of other income(s) earned by the school

ACCOUNT	2022-2023	2023-2024	2024-2025
Other Receipts	63,404,967.00	1,783,056.00	1,302,295.00



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

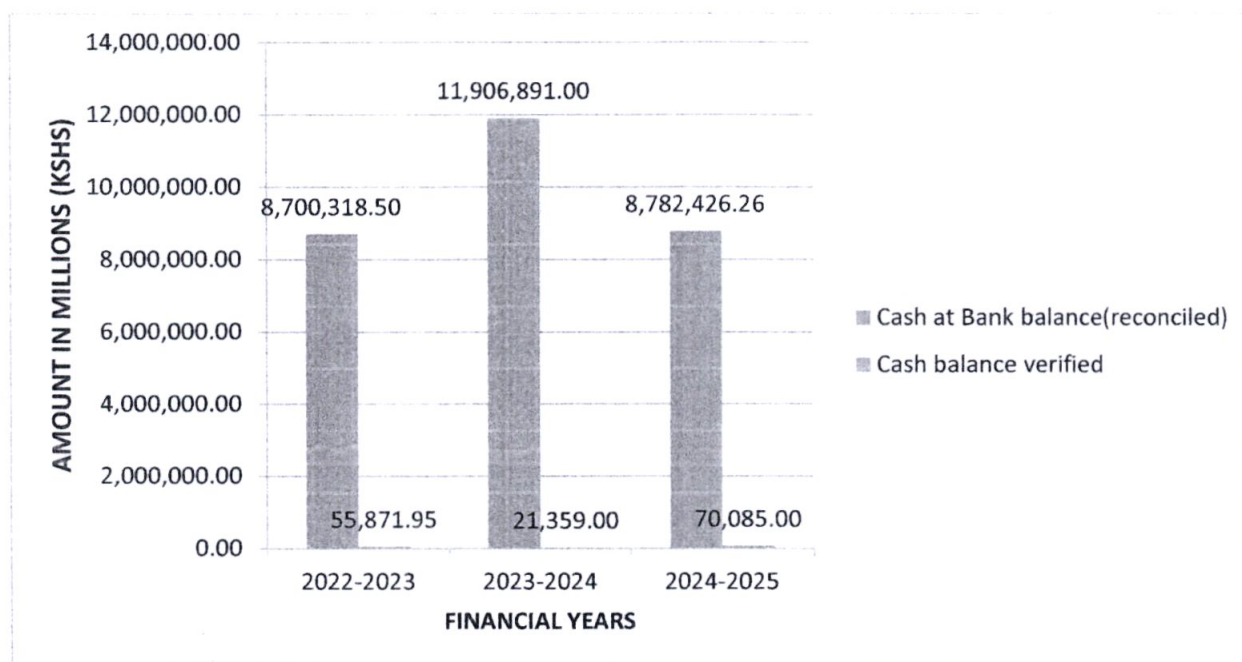
DESCRIPTION	2022-2023	2023-2024	2024-2025
Sundry Debtors	89,105,668.51	87,430,089.90	91,928,693.56
Sundry creditors	32,935,586.97	29,649,653.05	28,183,579.00



ST JOHNS GIRLS SECONDARY SCHOOL

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

DESCRIPTION	2022-2023	2023-2024	2024-2025
Cash at Bank balance(reconciled)	8,700,318.50	11,906,891.00	8,782,426.26
Cash balance verified	55,912.00	21,359.00	70,085.00
TOTAL	8,644,406.50	11,928,250.00	8,782,426.26



-Teachers the school has for each subject

- English-10
- Kiswahili-14
- Mathematics-14
- Biology-10
- Physics-5
- Chemistry-11
- History & Government-7
- Geography-7
- C.R.E-13
- I.R.E-1
- Home science-2

- l) Agriculture-1
- m) Computer studies-2
- n) French-1
- o) Business studies-5

-Teachers required from shortfall-total shortfall=199/27=7.037=7

Teachers required=76+7=83.

Teachers available=35

Teachers shortage =48

a) Teacher Student ratio:

- b) Teacher to student ratio – 1:27.361
- c) Number of teachers recruited – 61
- d) Number of teachers that were transferred/retired - 7
- e) Number of teachers employed by TSC - 38
- f) Number employed by BOM. – 23
- g) Teachers the school has for each subject – 4

1.TEACHING LOAD

Post	<i>Four classes- single stream</i>	<i>Eight classes-double stream</i>	<i>Twelve classes & above –tripe stream</i>
Headteacher	10-12	8-10	6-8
Deputy head teacher	20-24	15-18	12-15
H.O.D –Job group “M”	-	-	18-20
H.O.D-Job group “L”	-	20-24	20-24
Teachers	27	27	27

h) The mean score in the 2024 KCSE:

YEAR	ENTRY	MEAN
2024	363	5.077

i) Number of Candidates in the 2024 KCSE:*(Tabulate the number of candidates sitting for KCSE over the last three years).*

2022	2023	2024
282	357	363

j) The capacity of the school.

STRUCTURE	CAPACITY	ACTUAL	SHORTAGE/SURPLUS
Dormitories	1000	800	200
Dining hall	None	None	None
Laboratories	5streams	7streams	Streams 2 new laboratory
Toilets	5streams	7streams	Need for 12toilets space for tuition
Bathrooms	975pax	1600pax	625pax
Home Science laboratories	40pax	120pax	2laboratories for 80pax
Computer laboratory	1	1	-
Staffroom	16 teachers	67teachers	Space for 49teachers
Administration block	small	Need for modern block	1modern block

k) Development projects carried out by the school:

S/NO	Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
1.	Dormitory phase I	MOE	-		5,021,350.00	31/12/2025

ST JOHN'S GIRLS SECONDARY SCHOOL

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

School Principal



SENIOR PRINCIPAL
ST. JOHN'S GIRLS SECONDARY SCHOOL

21 June 2025

P. O. Box 3-80105
KALOLENI

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 *ST JOHNS GIRLS SECONDARY SCHOOL* accepts responsibility for the school's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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



Name: **GERALD SAMMY NAUMBWA**

Designation: Chairman, School Board of Management

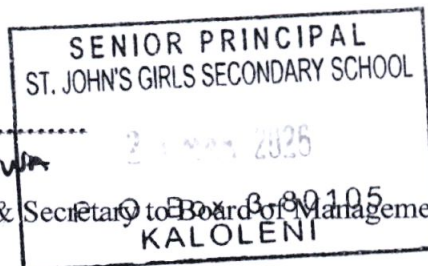
Date: 22-08-2025



Name: **SALOME MWARUMA**

Designation: School Principal & Secretary to Board of Management

Date: 22-08-2025



Name: **KIBWANA MWARASWA**

Designation: Bursar/ Finance Officer

Date: 22-08-2025

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 ST. JOHN'S GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – KILIFI 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 St. John's Girls Secondary School set out on pages 1 to 24, which comprise of the statement of assets and liabilities as at 30 June, 2025 and the statement of financial performance,

statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of St. John's Girls Secondary School as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Basic Education Act, (Cap. 211) 2013, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies in School Fund Income- Parents' Contributions and Unsupported Miscellaneous Incomes

The statement of financial performance reflects total revenue of Kshs.121,423,492. Included in the amount is Kshs.92,036,152 in respect to school fund income – parents' contributions. However, review of collection registers revealed amount of Kshs.108,326,617 resulting to an unexplained variance of Kshs.16,290,465. Further, miscellaneous incomes amount of Kshs.1,302,295 was not supported by way of general ledgers.

In the circumstances, the accuracy and completeness of total revenue amount of Kshs.121,423,492 could not be confirmed.

2. Variance in Payments

The statement of receipts and payments reflects total payments of Kshs.118,534,733. However, analysis of ledgers revealed an amount Kshs.110,060,879 resulting to unexplained variance of Kshs.8,473,854. Further, examination of purchases amounting to Kshs.10,786,789 revealed that they were not supported with requisitions, Local Purchase Orders, delivery notes and inspection reports.

In the circumstances, the accuracy and completeness of total payments of Kshs.118,534,733 could not be confirmed.

3. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10 and Note 11 to the financial statements reflects cash and cash equivalents balance of Kshs.8,852,511. Included in the balance is Kshs.8,782,426 in respect to bank balances which were not supported by bank reconciliation statements and Kshs.75,023 was in respect to three (3) dormant accounts.

Further, review of bank statements revealed cash withdrawals amounting to Kshs.21,174,937 without authorizations by the principal, supporting imprest warrants, surrender documents or memorandum cashbooks.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.8,852,511 could not be confirmed.

4. Unsupported Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.91,928,693. Included in the balance is outstanding imprest balance of Kshs.2,394,761 which was not supported with schedules. Further, the balance includes Kshs.58,206,313 fee arrears that has been outstanding for more than two years.

In the circumstances, the accuracy, completeness and recoverability of accounts receivables balance of Kshs.91,928,693 could not be confirmed.

5. Variance in Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.28,183,759 while the ledger reflects a balance of Kshs.30,999,165 resulting to unexplained variance of Kshs.2,815,406. Further, included in the balance is Kshs.10,094,250 which has been outstanding for more than one year.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.28,183,759 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget of Kshs.211,933,649 and actual on comparable basis of Kshs.102,895,199 resulting to under-funding of Kshs.109,038,450 or 51 % of the budget. In addition, the School budget was not balanced.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

1. Gaps in the PSASB 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.

2. Unresolved Prior Year Audit Issues

The Auditor-General's report for the year ended 30 June, 2023 raised several audit issues which remained unresolved as at 30 June, 2025. Management has not taken adequate action to address these matters. The issues relate to prior periods and have been reported for emphasis of matter purposes.

- a) Inaccuracies in Capitation Grants,
- b) Unsupported and Long Outstanding Accounts Receivables,
- c) Unsupported Accounts Payables,
- d) Unsupported Payments,
- e) Inaccuracies in the Financial Statements,
- f) Irregular Transfer of Funds to Kenya Secondary Schools Heads Association,
- g) Unconfirmed Student Enrolment Data,
- h) Excess Supply of Books,
- i) Failure to Transfer Infrastructure Funds from Operations Bank Accounts,
- j) Unapproved Fees on Parents Association Support Programme,
- k) Non-Banking of School Fees Receipt,
- l) Non-Segregation of Other Receipts from Boarding and School Fund,
- m) Lack of procurement Plan,
- n) Use of Cash to Procure Goods, Works and Services,
- o) Lack of Internal Audit Function and Audit Committee,
- p) Failure to Close Dormant Bank Accounts, and
- q) Lack of Ownership Documents.

Other Information

The Management is responsible for the Other Information set out on pages iii to xiv which comprise of Key School Information and Management, Summary Report of the 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 and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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.

1. Declining School Revenue

Review of the school's performance information revealed that total receipts decreased from Kshs.136,417,424 in 2023 to Kshs.127,326,913 in 2024 and further declined to Kshs.121,423,492 in 2025 due to reduced student enrolment and weak revenue recovery and mobilization strategies.

The continued decline in revenue may hinder the school's ability to meet operational and recurrent expenses on time, leading to delayed payments to suppliers and staff, reduced maintenance of facilities and learning resources, compromised quality of education and service delivery, and ultimately long-term financial instability of the school.

2. Declining Academic Performance

Review of the school's KCSE performance over the last three years indicates fluctuating academic performance and consistently low transition rates of candidates to higher learning institutions. The school mean grade declined from 5.7943 (C) in 2022 to 5.2275 (C-) in 2023, then to 5.077 (C-) in 2024 and to 5.0495 (C-) in 2025, remaining below the level required for significant university qualification. Additionally, the number of candidates transitioning to higher learning institutions remained low relative to total candidature. Out of two hundred and eighty-two (282) candidates in 2022, only seventy (70) students transitioned to higher institutions. In 2023, sixty-two (62) out of three hundred and fifty-seven (357) candidates transitioned, while in 2024, only fifty-nine (59) out of three hundred and sixty-three (363) candidates and in 2025, sixty-two (62) out of three hundred and eighty-four (384) candidates achieved transition, indicating limited progression despite slight performance improvement.

The continued low academic performance may result in reduced student transition to higher institutions, diminished school reputation, decreased enrolment levels, and limited future opportunities for learners.

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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects boarding and school fund payments amount of Kshs.79,521,840. Included in the payment is activity fee of Kshs.5,983,594 out of which an amount of Kshs.2,240,000 was transferred to Kenya Secondary School Heads Association (KESSHA) a welfare organization which is not defined in Government Funding system. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside the Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.2,240,000 could not be confirmed.

2. Under-Funding of Capitation Grants

The statement of financial performance and as disclosed in Note 1 and Note 2 to the financial statements reflects government grants for tuition and operations of Kshs.4,955,239 and Kshs.14,838,007 respectively. During the year under review, the school received an allocation of Kshs.14,920 per student against the approved allocation of Kshs.22,244 resulting in underfunding of Kshs.7,324 per student. This was contrary to Ministry of Education Circular Ref No. MOE.HQS/3/10/18 Vol.II/(33) on guidelines on implementation of free day secondary education for 2024 dated 07 March,2024 which provides that each student should be allocated Kshs.22,244 annually.

In the circumstances, the under-funding may have affected service delivery.

3. Delayed Transfer of Infrastructure Funds

The statement of financial performance and as disclosed in Note 2 to the financial statements reflects government grants for operations amount of Kshs.14,838,007 out of which Kshs.3,352,000 was transferred to infrastructure account after the lapse of fifteen (15) days. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

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

4. Irregular Procurement of Goods and Services

The statement of financial performance and as disclosed in Notes 6 to 9 the financial statements reflects total expenditure of Kshs.118,534,733. Review of procurement procedures revealed that goods and services worth Kshs.6,210,014 were procured without advertising. Further, they were taken on charge without certification from inspection and acceptance committee and there was no evidence of professional opinions raised. This was contrary to Section 44(1) and (2)(g) of the Public Procurement and Asset Disposal Act, 2015 which states that an accounting officer of a public entity shall ensure the procurement and asset disposal process of the public entity comply with the Act.

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

5. Failure to Deduct Capacity Building Levy

The statement of financial performance and Note 8 to the financial statement reflects payment for infrastructure amount of Kshs.5,022,352 in respect of procurement contracts signed with the school's suppliers. However, review of payments for goods and services revealed that there was no evidence of deduction of the public procurement capacity building levy of 0.03% on the contracts. This was contrary to the Section 3(1) of Public Procurement Capacity Building Levy Order, 2023 which states that there shall be paid a Levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes.

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

6. Delayed Project Completion

Review of procurement records revealed that Management entered into a contract for the construction of dormitory phase I at a contract price of Kshs.12,695,226 for a period of twelve (12) weeks from 04 December 2023 to 31 March, 2024 and an amount of Kshs.8,912,997 or 70% was paid. However, physical verification in the month of March 2026 being two (2) years after the initial completion date, revealed that the doors and windows were not fitted, the stairs to the upper floor had not been constructed and the contractor was not on site. Further, there was no evidence inform

of bank guarantee to support performance security of Kshs.1,269,523 prior to signing of the contract.

In the circumstances, the value for money for on the expenditure of Kshs.8,912,997 incurred on the project could not be confirmed.

7. Abandoned Project

Review of project records revealed that the site for construction of class rooms was handed over on 01 July, 2022. However, Management explained that the construction was being implemented by the Ministry of Education and they did not have any other documents including signed contract, bills of quantities, payment details, certificates of completed works or information in respect to the start and completion dates. Further, physical verification carried out on 20 March, 2026 revealed pending works of roofing, fitting doors, windows, and furniture, electrical works, painting and labelling and the contractor was not on site.

In the circumstances, the school has been denied benefits associated with the completion of the classroom and that value for money could not be confirmed.

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

REPORT ON 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. Failure to Update Fixed Assets Register

Annex 2 to the financial statements reflects summary of fixed assets register with a balance of Kshs.264,532,229. However, Management did not update the fixed asset register with the tag number, location and status of the assets.

In the circumstances, the effectiveness of internal controls on management of fixed assets could not be confirmed.

2. Failure to Prepare School Improvement Plan

During the year under review, Management did not have an approved School Improvement Plan (SIP) which is a key strategic planning tool that guides academic performance targets, infrastructure development, resource allocation, and overall institutional growth.

In the circumstances, the effectiveness of overall governance and strategic direction of the school could not be confirmed.

3. Weaknesses in the Management of Board Affairs

Review of the school's governance arrangements revealed that the members of the Board of Management did not make declarations of conflict of interest and the attendance registers were not signed during meetings.

In the circumstances, the effectiveness of overall governance could not be confirmed.

4. Lack of Policies

During the year under review, Management had not developed and formally approved a Risk Management Policy, Information Communication and Technology Policy, and a disaster recovery plan. Therefore, there was no formal risk identification and assessment, a risk register, defined risk mitigation strategies, a fraud prevention policy, a whistleblowing/reporting mechanism and periodic fraud risk assessments.

In the circumstances, the effectiveness of risk management could not be confirmed.

5. Use of Manual Systems

During the year under review, it was observed that Management was using manual system in preparation of financial statements, maintenance of ledgers and maintaining students' data. However, manual systems have low efficiency, high rates of human error, time-consuming to maintain, often resulting in inconsistent data, limited security, and an inability to provide real-time information.

In the circumstances, the effectiveness of internal controls on manual systems used by the school could not be confirmed.

6. Buildings with Asbestos Roofing

Physical verification of the school's infrastructure on 20 March, 2026 revealed one (1) home science laboratory, one (1) administration block, three (3) door toilet blocks, three (3) staff houses and three (3) bathrooms with asbestos roofing. This was contrary to the fourth schedule of the Environmental Management and Coordination (Waste Management) Regulations, 2006 and Ministry of Environment, Climate Change and Forestry circular Ref: MEF/EMC/1/1 dated 23 August, 2024 that directed on the removal of asbestos roofing by Government agencies including offices, houses and learning institutions' premises as a means of providing a clean, safe, healthy and sustainable environment.

In the circumstances, the school is exposed to hazardous and potential carcinogenic health risks to the students and staff due to roofing materials containing asbestos.

7. Weakness in Textbooks Management

Review of the school's textbook management system for learning materials received from the Kenya Institute of Curriculum Development (KICD) revealed that the school's issuance registers did not capture bibliographic details such as the full title, publisher, and edition of textbooks issued to students. In addition, verification of issuance records for three sampled classes for the year 2024 established a shortfall of two hundred and sixty-seven (267) textbooks, which had been reported as lost and they had not been recovered or replaced as at March 2026.

In the circumstances, the effectiveness of internal controls of management of textbooks 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 Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards Accrual Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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 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

29 April, 2026

ST JOHNS GIRLS SECONDARY SCHOOL

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

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

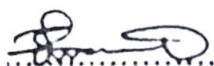
Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	4,955,238.60	4,377,859.20
Government grants for operations	2	14,838,006.53	14,291,763.55
Government Grants for infrastructure	3	8,291,800.00	6,907,000.00
School fund income- parents' contributions	4	92,036,152.00	99,967,234.32
Miscellaneous incomes	5	1,302,295.00	1,783,056.00
Total Revenue		121,423,492.13	127,326,913.07
Expenditure			
Tuition	6	6,635,501.75	2,886,892.00
Operations	7	27,355,038.01	7,231,620.93
Infrastructure	8	5,022,352.75	6,099,749.00
Boarding and school fund	9	79,521,840.65	106,326,277.00
Total Expenditure		118,534,733.16	122,544,538.93
Surplus/Deficit		2,888,758.97	4,782,373.00

The school financial statements were approved on 22-08- 2025 and signed by:



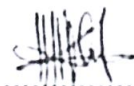
Name: GERALD S.
NGUMBAAO
Chair BOM

Date: 22-08-2025



Name: SALOME MWARUWA
School Principal/ Secretary to
BOM

Date: 22-08-2025



Name: KIRWANA MWARUWA
Bursar/ Finance Officer

Date: 22-08-2025

ST JOHNS GIRLS SEECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****7. Statement of Assets and Liabilities As At 30th June 2025**

Description	Note	2024-2025	2023-2024
		Ksh.	Ksh.
Financial Assets			
Cash and cash equivalents			
Bank balances	10	8,782,426.26	11,906,891.00
Cash balances	11	70,085.00	21,359.00
Short term investments	12	-	-
Total cash and cash equivalent		8,852,511.26	11,928,250.00
Account's receivables	13	91,928,693.56	87,430,089.50
Total financial assets (a)		100,781,204.82	99,358,339.50
Financial liabilities			
Accounts payables	14	(28,183,759.00)	(29,649,653.05)
Total Financial Liabilities (b)			
Net financial assets (a-b)		72,597,445.82	69,708,686.85
Represented by			
Accumulated fund b/fwd	15	69,708,686.85	64,926,312.99
Surplus/deficit for the year		2,888,758.82	4,782,373.86
Net Assets		72,597,445.82	69,708,686.85

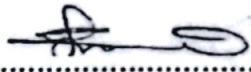
The school's financial statements were approved on _____ 2025 and signed by:



Name: **GERALD NGUMBAO**

Chair BOM

Date: **22/08/2025**



Name: **SATOME MWARURA**
School Principal/ Secretary to
BOM

Date: **22/08/2025**



Name: **KIBWANA MWAPASHA**

Bursar/ Finance Officer

Date: **22/08/2025**

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

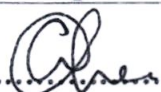
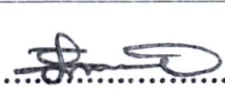
Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		4,955,238.60	4,377,859.20
Government grants for operations		14,836,006.53	21,198,763.00
Government grants for infrastructure		8,291,800.00	
School fund income- parents contributions/ fees		81,648,723.00	99,967,234.32
Other income		1,302,295.00	1,783,056.00
Total receipts		111,034,063.13	127,326,913.07
Payments			
Cash outflows for tuition		6,635,501.75	2,886,892.00
Cash outflows for operations		27,355,038.07	7,231,620.93
Cash outflows Boarding/lunch and school fund payments		75,273,993.16	107,936,632.59
Total payments		109,087,449.12	118,055,145.52
Net cash inflow/outflow from operating activities		1,946,614.01	9,271,767.55
Cash flow from investing activities			
Acquisition of assets		(5,022,352.75)	(6,099,749.00)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		(5,022,352.75)	(6,099,749.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		3,075,738.74	3,172,018.55
Cash and cash equivalent at beginning of the FY		11,928,250.00	8,756,231.45
Cash and cash equivalent at end of the FY		8,852,511.26	11,928,250.00

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

The school's financial statements were approved on 22-08-2025 and signed by:

ST JOHN'S GIRLS SECONDARY SCHOOL

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

		
Name: GERALD S. NGUNJIRI	Name: SALOME MWARIDYA	Name: KIBWANA MWARIDYA
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 22-08-2025	Date: 22-08-25	Date: 22-08-2025

SENIOR PRINCIPAL
ST. JOHN'S GIRLS SECONDARY SCHOOL

22-08-2025

P. O. Box 3-80105
KALOLENI

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(White board)	96,000.00	-	96,000.00	-	-
Exercise Books	1,979,168.00	-	1,979,168.00	-	-
Laboratory Equipment	484,016.00	-	484,016.00	-	-
Internal Exams	314,944.00	-	314,944.00	-	-
Teaching / Learning Materials	440,912.00	-	440,912.00	4,955,238.60	149%-
Exams And Assessment	-	-	-	-	-
TOTAL	3,315,040.00	-	3,315,040.00	4,955,238.60	149%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	17,104,932.00	-	17,104,932.00	5,739,906.78	33.78\$%
Repairs And Maintenance	8,775,000.00	-	8,775,000.00	6,072,000.00	69.20%
Local Transport / Travelling	3,135,834.00	-	3,135,834.00	1,278,502.73	40.68%
Electricity And Water	3,421,021.50	-	3,421,021.50	1,155,740.67	33.78%
Medical	3,510,000.00	-	3,510,000.00	2,230,536.66	66.68%
Administration Costs	4,846,432.50	-	4,846,432.50	3,343,491.94	68.99%
Activity	1,755,000.00	-	1,755,000.00	976,827.75	55.66%
Gratuity	-	-	-	-	-
TOTAL	42,548,220.00	-	42,548,220.00	20,797,006.53	50.2%

ST JOHNS GIRLS 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	10,000,000.00	-	10,000,000.00	8,291,800.00	67.49%
M&I parents' contribution	2,285,000.00	-	2,285,000.00	2,724,422.00	22.18%
Economic Stimulus Programs	-	-	-	-	
Transition Infrastructure Grants	-	-	-	-	
Administration Block		-			
TOTAL	12,285,000.00	-	12,285,000.00	11,016,222.00	89.67%
(4) Fees Charged on Parents					
Personnel Emoluments	25,660,860.00		25,660,860.00	8,301,921.00	89.67%
Repairs And Maintenance	2,285,000.00		2,285,000.00	2,724,422.00	119.23%
Local Transport / Travelling	4,387,500.00		4,387,500.00	3,142,205.00	71.62%
Electricity And Water	5,224,986.00		5,224,986.00	2,361,373.00	45.19%
Medical	3,510,000.00		3,510,000.00	-	-
Administration Costs	6,214,694.00		6,214,694.00	3,550,018.00	57.12%
Activity	3,510,000.00		3,510,000.00	396,459.00	11.30%
SMASSE	351,000.00		351,000.00	-	-
Fee On Boarding Equipment and Stores	89,101,350.00		89,101,350.00	36,630,370.00	41.11%
5) Miscellaneous Income					
B.O.M TEACHERS SALARY	12,000,000.00	-	12,000,000.00	7,692,269.00	64.10%
Borrowing from Infrastructure A/C	-	-	-	605,000.00	72.02%
Rent income	840,000.00	-	840,000.00	622,000.00	-
Income From Farming Activities	-	-	-	113,695.00	-

ST JOHNS GIRLS SEECONDARY 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
Tender	-	-	-	43,000.00	-
Income From Posho Mill				-	-
Income From Bus Hire	700,000.00	-	700,000.00	523,000.00	74.71%
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	211,933,649.50	-	211,933,649.50	102,895,199.00	42.97%
(6) Expenditure For Tuition			-	-	-
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	1,979,168.00	-	1,979,168.00	1,709,704.00	86%
Laboratory Equipment	484,016.00	-	484,016.00	1,105,787.00	228%
Internal Exams	314,944.00	-	314,944.00	-	-
Teaching / Learning Materials	440,912.00	-	440,912.00	582,850.00	132%
Chalks(White board)	96,000.00	-	96,000.00	334,000.00	348%
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	3,000.00	-	3,000.00	1,467.75	49%
	3,318,040.00	-	3,318,040.00	3,733,008.25	112%
(7) Expenditure For Operations					
Personnel Emoluments	17,104,932.00	-	17,104,932.00	10,867,008.25	63.53%

ST JOHNS GIRLS 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
Repairs, Maintenance & Improvements	8,775,000.00	-	8,775,000.00	-	-
Local Transport / Travelling	3,135,834.00	-	3,135,834.00	9,000.00	0.29%
Electricity, Water and Conservancy	3,421,021.50	-	3,421,021.20	953,121.00	27.86%
Medical	3,510,000.00	-	3,510,000.00	-	-
Administration Costs	4,846,432.50	-	4,846,432.50	678,806.75	14.00%
Activity Expenses	1,755,000.00	-	1,755,000.00	2,629,475.00	149.83%
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
TOTAL	42,548,220.00	-	42,548,220.00	15,137,411	35.58%
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	
Construction of LAB	-	-	-	-	
Construction of DORMS	12,285,000.00	-	12,285,000.00	5,022,352.75	39.74%
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery		-	-	-	-
TOTAL	12,285,000.00	-	12,285,000.00	5,021,350.00	39.74%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	25,660,860.00	-	25,660,860.00	7,620,070.75	29.70%
Repairs, Maintenance and Improvements	2,285,000.00	-	2,285,000.00	1,449,462.00	63%

ST JOHNS GIRLS SEECONDARY 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
Local Transport / Travelling	4,387,500.00	-	4,387,500.00	3,212,358.00	73%
Electricity, Water and Conservancy	5,224,986.00	-	5,224,986.00	2,020,579.00	39%
Medical Expenses	3,510,000.00	-	3,510,000.00	186,718.00	5%
Administration Costs	6,214,694.00	-	6,214,694.00		
Activity	3,510,000.00	-	3,510,000.00		
Gratuity	-	-	-		
B.o.m Teachers Salary	12,000,000.00	-	12,000,000.00		
Boarding Equipment and Stores	89,101,350.00	-	89,101,350.00		
Expenditure For Income Generating Activity	-	-	-		
Insurance Costs	-	-	-		
Other Expenses On Investments	-	-	-		
Rent Expenses	840,000.00	-	840,000.00	31,000.00	3.69%
Bank Charges	50,000.00	-	50,000.00	38,714.55	77.43%
Loan Interest Repayment	-	-			
Loan Principal Repayment	-	-			
Acquisition Of Assets		-			
Totals	152,784,390.00	-	152,784,390.00	70,811,014.50	46.24%

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

- i. *Underfunding i.e The revenue received visavie the expenditure*
- ii. *The payment of 2023-2024 (financial year)creditors*
- iii. *Failure to collect the last year arrears due to government policy not to hold students certificates reason being fees arrears*
- iv. *Due to virement from one votehead to other since relevancy of the other votehead.*

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

These financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and the International Public Sector Accounting Standards Board (IPSASB). The school is currently within the transition period permitted under IPSAS 33-First-time Adoption of accrual Basis IPSAS and accordingly, these financial statements are presented as transitional accrual financial statement.

During the year and in line with the transitional exemptions allowed under IPSAS 33, the school applied partial recognition and measurement of assets and liabilities. The school recognized cash and cash equivalents, receivables and validated payables.

The following IPSAS -required elements have not yet been fully recognized or measured and therefore remain transitional.

- . Full valuation and impairment assessment of property, plant and equipment;
- . Inventories and consumable stores;
- . Provision and contingent liabilities as required by IPSAS 19; and
- . Full compliance with IPSAS 24 on budget reporting and the related narrative variance explanation.

The school is implementing a phased approach towards full IPSAS accrual compliance. Key activities underway include: undertaking full valuation and impairment assessment of property, plant and equipment and establishing complete inventories and consumable store records.

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	-	16,930.00
Exercise Books	-	524,840.00
Laboratory Equipment	-	128,417.80
Internal Exams	-	83,128.00
Teaching / Learning Materials	4,955,238.60	3,599,063.40
Others (specify) *White board & ink		25,480.00
Total	4,955,238.60	4,377,859.20

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	5,739,906.78	5,740,502.17
Repairs And Maintenance	-	6,907,000.00
Local Transport / Travelling	1,275,502.73	1,222,871.02
Electricity And Water	1,155,740.67	1,150,419.56
Medical	2,346,536.66	1,408,350.00
Administration Costs	3,343,491.94	3,361,840.80
Activity	976,827.75	1,407,780.00
Other Vote Heads (specify)*		-
Total	14,838,006.53	21,198,763.55

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	8,291,800.00	-
Transition infrastructure grants		-
Administration Block		-
Economic stimulus grants		-
Other (specify) (NGCDF and County govt.		-
Total	8,291,800.00	-

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	11,654,296.00	15,693,882.32
Repairs and maintenance	3,739,175.00	4,300,561.00
Local transport / travelling	4,411,763.00	4,645,745.00
Electricity and water	3,326,907.00	3,431,118.00
Medical	-	21,726.00
Administration costs	4,993,514.00	4,941,825.00
Activity	526,990.00	1,057,561.00
Fee on Boarding Equipment and stores	52,072,208.00	56,379,714.00
PA Levies*BOM	10,988,602.00	-
Others (specify)INVENTORY	322,697.00	9,495,102.00
Total	92,036,152.00	99,967,234.32

*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 (STALL RENT)	622,000.00	1,582,028.00
Income From Farming Activities	113,695.00	15,400.00
Tender fees	43,000.00	101,000.00
Mock /magazine/ ID card	600.00	4,728.00
Income From Posho Mill	-	-
Income From Bus Hire	523,000.00	75,000.00
Prize giving	-	1,400.00
Income From Grants and Donations*HARAMBEE	-	3,500.00
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*		
Total	1,302,295.00	1,783,056.00

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

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

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	2,853,304.00	565,392.00
Textbooks	-	-
Reference materials	1,863,880.00	-
Laboratory Equipment	-	524,976.00
Teaching / Learning Materials	1,582,850.00	1,796,524.00
Exams And Assessment(WHITE BOARD INK)	334,000.00	-
Teachers Guides	-	-
Bank Charges	1467.75	-
Others (specify)	-	-
Total	6,635,501.75	2,886,892.00

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	10,867,008.26	4,628,223.18
Service Gratuity	-	-
Administration Cost	678,806.75	215,600.75
Repairs And Maintenance & Improvements	8,291,800.00	88,540.00
Local Transport / Travelling	9,000.00	206,200.00
Electricity And Water	953,121.00	1,113,927.00
BOM TEACHERS	3,749,967.00	-
I.E.S	-	974,730.00
Activity Expenses	2,629,475.00	-
NITA LEVY		4,400.00
Affordable Housing Levy	175,860.00	
Others (specify)		
Total	27,355,038.01	7,231,620.93

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	5,021,350.00	3,899,647.00
Purchase of furniture	-	2,193,110.00
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (Bank charges)	1,002.75	6,992.00
Total	5,022,352.75	6,099,749.00

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	3,141,447.45	7,418,505.53
Service Gratuity	-	-
Repairs And Maintenance & Improvements	3,715,739.00	12,462,004.95
Local Transport / Travelling	3,212,358.00	4,910,203.00
Electricity And Water	2,040,579.00	3,086,494.00
Medical Expenses	439,868.00	1,094,270.00
Administration Costs	11,296,562.00	8,724,371.10
Activity	5,983,594.00	4,163,150.00
Bank Charges	38,714.55	17,105.00
Expenses On Income Generating Activities**	-	-
Fee On Boarding Equipment and Stores	43,332,344.45	51,590,771.32
Bom Teachers Salary	4,785,061.75	7,101,480.70
School Uniforms	-	-
T.E.S	-	4,774,161.00
Bus Fund	1,016,830.00	931,345.68
Farm project	118,020.00	-
Stall Rent	31,000.00	-
Insurance Policy	160,579.45	-
Affordable Housing Levy	138,243.00	-
Tender	44,000.00	-
Nita Levy	26,900.00	-

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Harambee Fund	-	15,000.00
Dormitory/Hostel	-	-
Prize giving	-	1,400.00
Magazine/Id card	-	36,000.00
Imarika	-	-
Chairs and Lockers	-	52,090.00
Egerton Hall	-	1,831,000.00
Multipurpose Hall	-	380,000.00
Home Science lab	-	397,380.00
Biometrics	-	1,330.00
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
PA expenses	-	-
Others (specify)		
Total	79,521,840.65	106,326,277.28

(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).

ST JOHNS GIRLS SECONDARY SCHOOL

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

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1107631130	13,323.95	1,516,503.10
Operations Account	Active	1106573234	1,341,228.45	6,928,498.65
School Fund Account/Boarding	Active	110671169	501,797.91	626,437.56
Savings Account	Dormant	1117350274	34,015.30	34,015.30
Parent Association Development Account	Dormant	-	-	-
Income Generating Activities Account	Active	-	-	-
Caution money	Dormant	1104908026	436.10	436.10
Chama cha wazazi na walimu	Dormant	1238682707	40,572.10	40,572.10
Equity bank	Active	1060280897	1,457,739.00	378,000.00
M-pesa paybill	Active	799593	384,894.00	343,456.00
Infrastructural Account	Active	12386822707	5,008,419.45	1,738,972.20
Total			8,782,426.26	11,606,891.01

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Tuition Account	-	-
Operational Account	1,309.00	9
School Fund Account	68,776.00	21,350.00
Notes and Coins	-	-
Total	70,085.00	21,359.00

12 Short Term Investments

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

ST JOHNS GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
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School Fund Account	68,776.00	21,350.00
Notes and Coins	-	-
Total	70,085.00	21,359.00

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
a) Fees Arrears	89,039,432.56	84,443,426.90
Other Non-Fees Receivables	-	
Salary Advances (list/schedule attached)	25,000.00	14,700.00
Imprest (list/schedule attached)	2,394,761.00	1,983,435.00
R/D Cheques	-	-
Rent arrears (list/schedule attached)	469,500.00	988,528.00
Total	91,928,693.56	87,430,089.90

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	21,755,489.00	24.43%	23,090,349.00	27.34%
Between 1- 2 years	9,077,630.00	10.20%	10,026,738.00	13.88%
Between 2-3 years	26,839,733.00	30.14%	27,056,116.50	30.04%
Over 3 years	31,366,580.56	35.23%	24,270,223.40	28.74%
Total (should tie to note 13 a)	89,039,432.56	100%	84,443,426.90	100%

14 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	24,680,820.00	24,331,649.05
Prepaid Fees	3,502,939.00	5,318,004.00
Retention Monies	-	-
P.T.A	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Bank overdraft	-	-
Other payables (<i>specify</i>)	-	-
Total	28,183,759.00	29,649,653.05

14a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	14,586,570.00	59.10%	21,799,377.10	90.20%
Between 1- 2 years	10,094,250.00	40.90%	2,532,271.95	9.80%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (should tie to note 14)	24,680,820.00	100%	24,331,649.05	100%

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	8,782,426.26	11,906,891.00
Cash Balances	70,085.00	21,359.00
Short Term Investments	-	-
Receivables	91,928,693.56	87,430,089.90
Payables	(28,183,759.00)	(29,649,653.05)
Total	72,597,445.82	69,708,686.85

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	4	240,000.00	240,000.00
Goats	8	64,000.00	45,000.00
Trees	1250	3,750,000.00	2,880,000.00
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)Vegetables	100	30,000.00	-
Total		3,664,000.00	3,163,000.00

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	825,068.00	86,050.00
Lab consumables	325,000.00	674,300.00
Farm produce	30,000.00	10,000.00
Medication	82,000.00	80,000.00
Construction Materials	-	-
Others (specify) Stationery	689,040.00	-
	1,951,108.00	850,350.00

(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)

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)
7.1	Sundry Creditors	The management paid some of the sundry and some are yet to be paid	Partly resolved	N/A
7.2	Sundry Debtors	Fees debtors recovered but with the govt policy on issuing of certificate making it impossible to recover the fees debtors fully	Partly resolved	N/A


 Sign and Date _____
 Principal

SENIOR PRINCIPAL
 ST. JOHN'S GIRLS SECONDARY SCHOOL
 23 June 2025
 P. O. Box 3-80105
 KALOLENI

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.	5,021,350.00	1/1/2024	5,021,350.00	-	-	
Sub-Total	5,021,350.00		5,021,350.00			
Supply Of Goods						
1.Gombato Trading Company	5,503,775.00	1/07/2024	3,890,800.00	1,612,975.00	-	
2.Saney investments	2,213,380.00	1/07/2024	1,695,345.00	518,035.00	-	
3.Absahun investment	1,500,000.00	1/07/2024	1,200,000.00	300,000.00	-	
4.Namoni Investments	3,300,900.00	1/07/2024	1,899,900.00	1,401,000.00	-	
5.Danvajjos Enterprises	3,482,500.00	1/07/2024	2,357,500.00	1,125,000.00	-	
6.Ultramed Clinic	453,290.00	1/07/2024	200,140.00	253,150.00	-	
7.Pwani Jikos	1,312,200.00	1/07/2024	600,000.00	712,200.00	-	
8.Mwashochi Enterprises	1,484,800.00	1/07/2024	1,154,200.00	330,600.00	-	
9.Juvai investments	1,946,750.00	1/07/2024	1,106,750.00	840,000.00	-	
10.Phokany enterprises	1,117,719.00	1/07/2024	606,719.00	511,000.00	-	
11.Copycat ltd	1,122,528.20	3/02/2024	612,528.20	510,000.00	-	

ST JOHNS GIRLS SECONDARY SCHOOL

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

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
12.Pensal ventures	1,345,031.00	13/03/2024	655,991.00	689,040.00	-	
13.Gombato Trading company II	2,466,277.00	7/02/2024	200,000.00	2,266,277.00	-	
14.Eskalievu enterprises	218,300.00	08/05/2025	-	218,300.00	-	
15.Myksons Investment	180,000.00	16/05/2025	-	180,000.00	-	
16.Coast Tailoring	217,300.00	19/05/2025	-	217,300.00	-	
17.Mombasa Road Gen Supplies	10,238,140.00	1/7/2023	6,238,140.00	-	4,000,000.00	
18.Rabai General Store & Hardware	19,616,400.00	1/7/2023	13,646,300.00	-	5,970,100.00	
19.Luta Enterprises	124,150.00	1/7/2023	-	-	124,150.00	
20.Kilifi New Face Ent	1,663,356.00	1/07/2024	676,356.00	987,000.00	-	
21.Kyendi Labchem	2,193,480.00	1/07/2024	1,435,387.00	758,093.00	-	
22.Pensal ventures	1,189,948.00	1/07/2025	1,033,348.00	156,600.00	-	
23.Hilkath ventures	1,334,000.00	1/07/2025	334,000.00	1,000,000.00	-	
Sub-Total	64,224,224.20		39,543,404.20	14,586,570.00	10,094,250.00	
Sub-Total						
Grand Total	69,245,574.20		44,564,754.20	14,586,570.00	10,094,250.00	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land	CHURCH LAND			
Buildings And Structures	243,580,580.00			243,580,580.00
Motor Vehicles	2,780,000.00			2,780,000.00
Office Equipment, Furniture and Fittings	1,539,263.00	530,000.00		2,069,263.00
Textbooks	655,958.00	-	-	655,958.00
ICT Equipment	206,900.00		-	206,900.00
Tools And Apparatus	4,241,900.00			4,241,900.00
Other Machinery and Equipment	1,326,631.00	500,000.00		1,826,631.00
Heritage And Cultural Assets	-			
Work in progress (Dormitory)	3,899,647.00	5,021,350.00		8,920,997.00
Intangible Assets- Soft Ware SCHACCS & ZERAKI	250,000.00			250,000.00
Total	258,480,879.00	6,051,350.00		264,532,229.00

