

REPUBLIC OF KENYA



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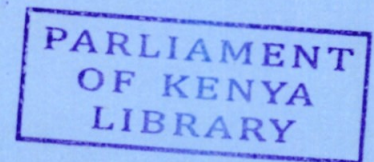
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUN 2026	DAY: WEDNESDAY
TABLED BY:	HON. DUTENI BAYA, MP DEPUTY LEADER OF MAJORITY
CLERK-AT THE-TABLE:	ESTHER NGENYO

THE AUDITOR-GENERAL

ON



SOSIANI
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

UASIN GISHU COUNTY

Revised 30th June 2025.



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)

OFFICE OF THE AUDITOR GENERAL
ELDORET REGIONAL OFFICE

26 MAR 2026

RECEIVED

P. O. Box 2774 - 30100, ELDORET

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

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

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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 located in pioneer along Eldoret-kisumu road, Cheptiret (Pioneer) zone, Racecourse ward, Uasin Gishu County, Kesses Sub-County

The school was registered in the year 2013 December under registration number 27S30000162 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day/boarding school and had 680 number of students as at 30th June 2025. It has 3 streams and 33 teachers of which 2 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.Rev.William Kebenei	Chairman	14/06/2022
2	Catherine J Chepkech	Vice chairperson	14/06/2022
3	Joel K.Tirop	Secretary - Principal	14/06/2022
4	Charles Okwiri	Member	14/06/2022
5	Prof.Evans Nyamota	Member	14/06/2022
6	Dr.Elsebah Maseh	Member	14/06/2022
7	Joyce Jelagat	Member	14/06/2022
8	Rev.Joseph Samoei	Member	14/06/2022
9	Onesmus Karanja	Member	14/06/2022
10	Caleb Michira	Member	14/06/2022
11	Patrick Chege	Member	14/06/2022
12	Irene Talam	Member	14/06/2022
13	Lynne Ashely	Member	14/06/2022
14	Sammy Rutto	Member	14/06/2022
15	Willy Kenei	Member	14/06/2022
16	Alice Sitienei	Member – Rep CEB	14/06/2022
17	Ascar Oenga	Member Rep Teachers	14/06/2022
18	Mishra Wasyrup	Member	14/06/2022
19	Sammy Melly	Member	14/06/2022
20	Amos Kiptanui	Member	14/06/2022
23	Vincent Kiplagat	Rep Students	14/06/2022

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			
2	Audit Committee	Dr.Catherine Jepkech Mr.Willy Kenei Dr.Geoffrey Kiptoo	Chairperson Member Member	1
3	Finance,procurement and general purposes Committee	Mr.Charles Okwiri Mr.Caleb Michira Mrs.Joyce chepkwony	Chairperson Member Member	1
4	Academic Committee	Dr.Geoffrey Kiptoo Dr.Catherine Jepkech Mrs.Wekesa Christine	Chairperson Member Member	1
5	Development Committee	Mr.Onesmus Karanja Mrs.Ascar Ogoti Dr.Rev. William Kebenei Mr.Joel K. Tirop Mr.Caleb Michira Mrs.Sitienei Mrs.Catherine Chepkwach	Chairperson Member Member Member Member Member Member	3
6	Discipline and welfare Committee	Rev.Joseph Samoei Mr.Caleb Michira Joyce Jelagat	Chairperson Member Member	1
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mr.Joel K.Tirop	364245
2	Deputy Principal	Mrs.Ascar Oenga	372270
3	School Bursar	Tanui B.Jebet	23964900

(e) Schools contacts

Post Office Box:7335-30100

Telephone:0722216363

E-mail:sosianisecschool@gmail.com

(f) School Bankers

The following school operated 5 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: NBK
Branch: Eldoret
Account Number: 01025073353400
2. Name of Bank: NBK
Branch: Eldoret
Account Number: 01025073353401
3. Name of Bank: NBK
Branch: Eldoret
Account Number: 01021073353400
4. Name of Bank: NBK
Branch: Eldoret
Account Number: 01025073353403
5. Name of Bank: NBK
Branch: Eldoret
Account Number: 01025073373402
6. MPESA Pay Bill No. 5988403 attached to National bank account

(g) Independent Auditors

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

3. Summary Report of Performance of The School

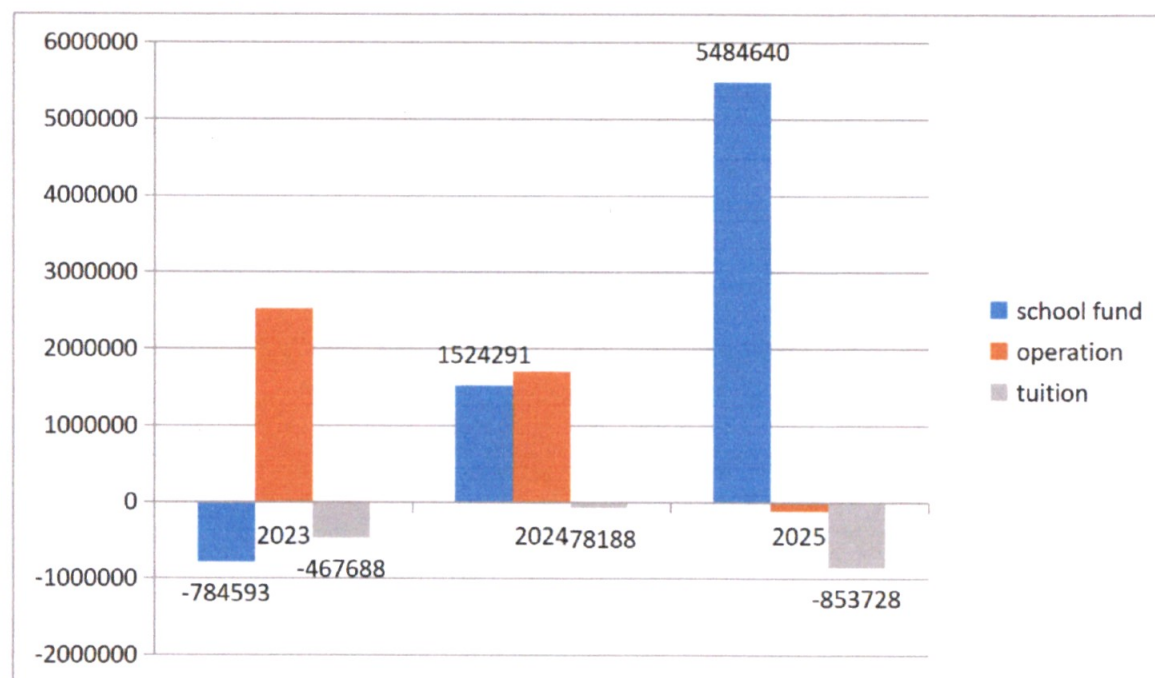
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last four years period between 30th June 2022 to 30th June 2025 which covers a period of 12 months

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2025	2024	2023	
		Kshs	Kshs	Kshs	
1	School Fund Account	5,484,640.00	1,524,291.00	(784,593.00)	
2	Operations Account	(120,537.00)	1,702,093.01	2,523,085.00	
3	Tuition Account	(853,728.00)	(78,188.00)	(467,688.00)	
4	Infrastructure Account	-	-	-	
	TOTAL	4,510,375.00	3,148,196.00	1,270,804.00	
	Increase/Decrease	1,742,194.00	1,877,392.00	1,779,606.00	

Trend over the Last Three Years

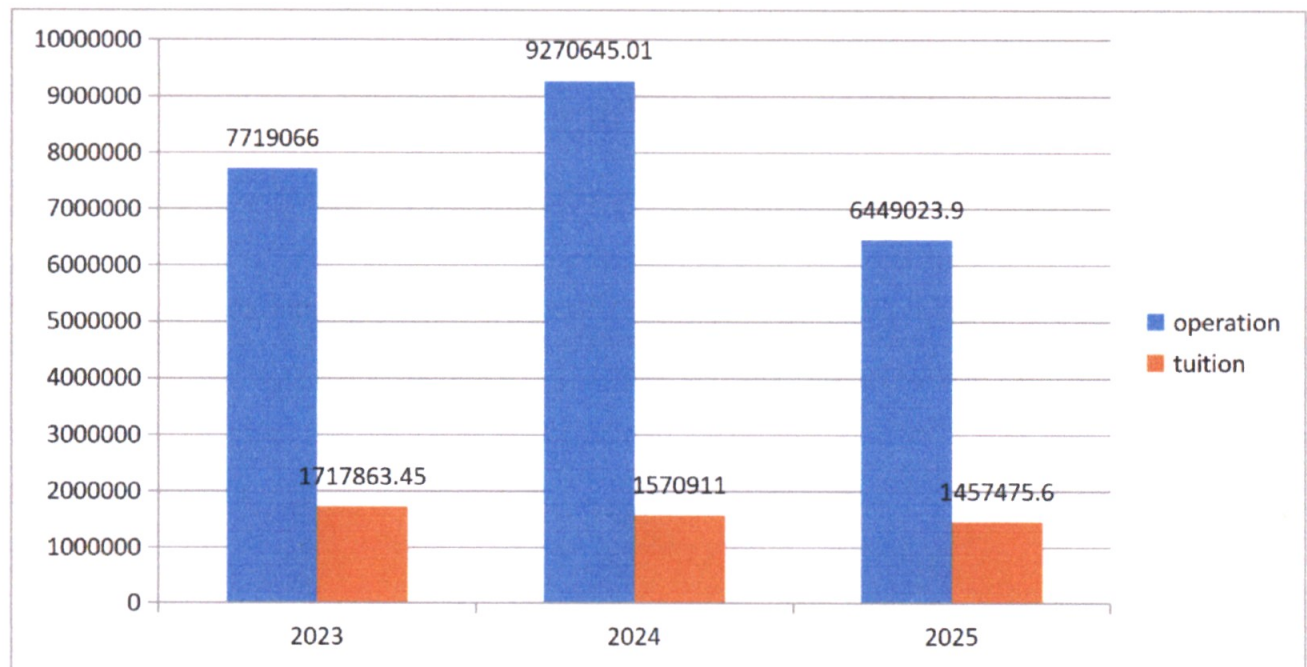


The year ending 30th June 2025 ended with a surplus of Kshs.4,510,375.00, This was mainly due to academic year aligned to financial year ending at 30th June which is mid of term two and late disbursement of FDSE funds.

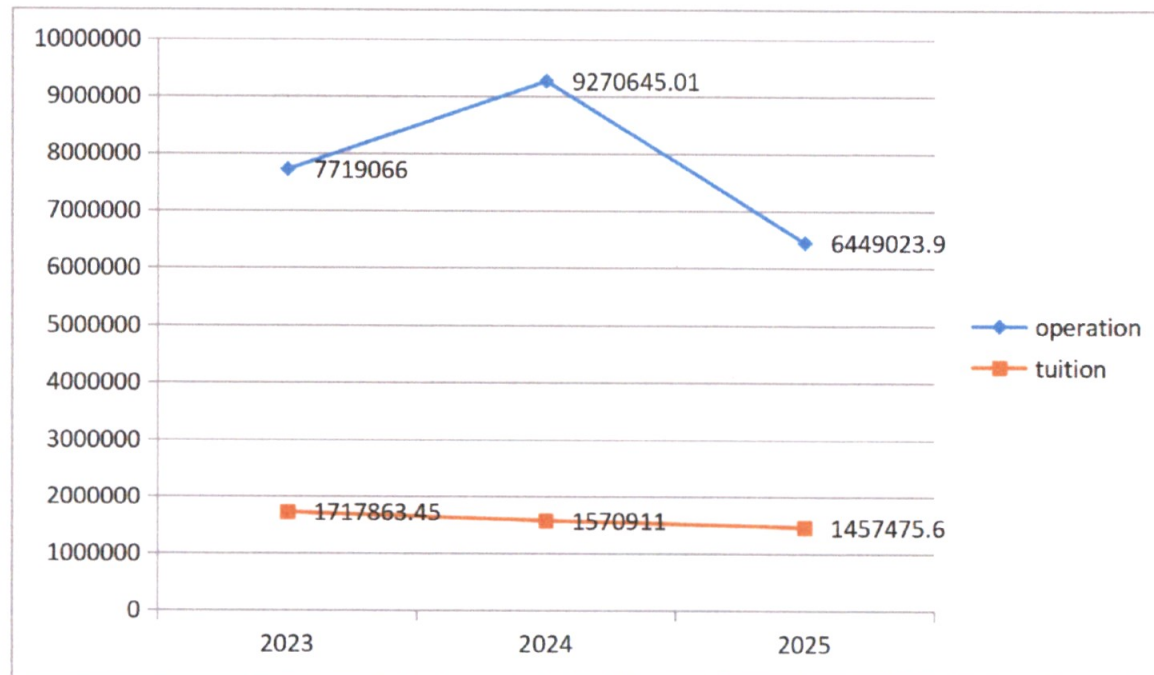
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2025	2024	2023	
		KSHS	KSHS	KSHS	
1	Operations Account	6,449,023.90	9,270,645.01	7,719,066.00	
2	Tuition Account	1,457,475.60	1,570,911.00	1,717,863.45	
	Total	7,906.499.50	10,841,556.01	9,436,930.05	
	Increase/Decrease	2,935,056.51	1,404,626	454,488.85	
	No of Students	649	649	639	
	Ratio of Capitation per student	1:12,183	1:16,705	1:13,016.46	

Trend Over the Last Three Years



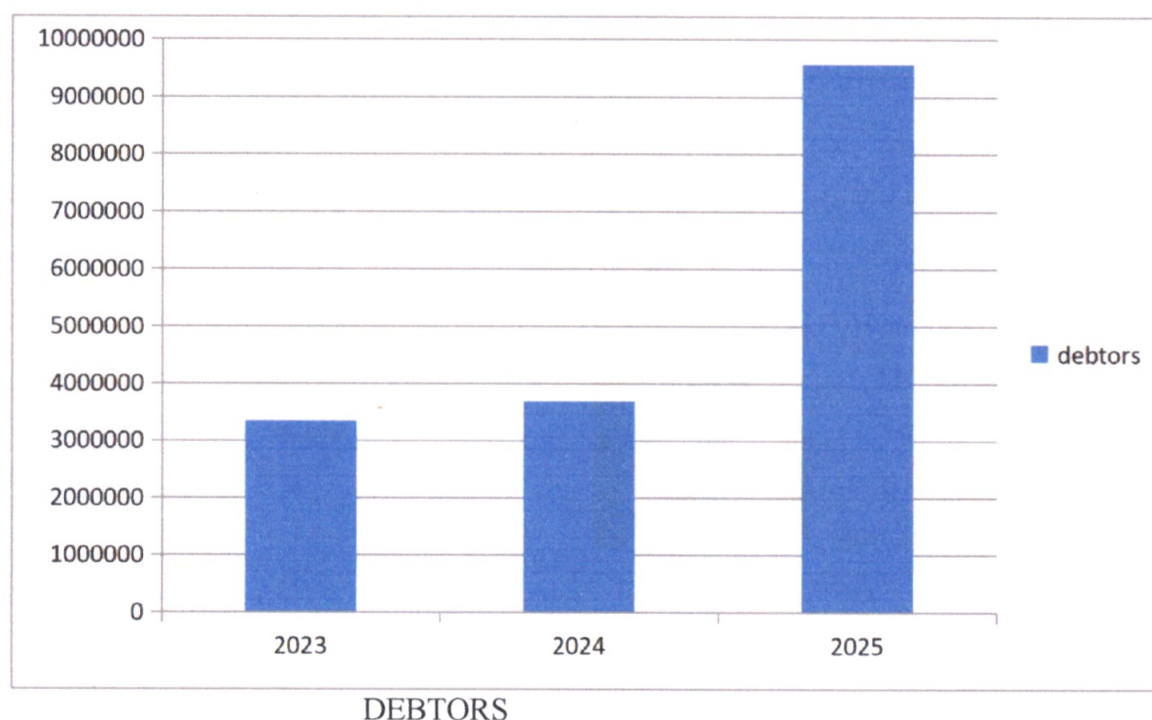
Trend Over the Last Four Years



The total capitation grant for tuition and operation accounts decreased from Kshs.10,841,556.01 to Kshs.7,906,499.50 The decrease was mainly due to reduced capitation by the Government, and the fact that CBC funds was received in the previous year.

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2025	2024	2023	
1	School Fund Account	KSHS	KSHS	KSHS	
a	Debtors	9,576,416.00	3,697,490.00	3,344,294.00	
	Total	9,576,416.00	3,697,490.00	3,344,294.00	
	Increase/Decrease	5,878,926.00	353,196.00	546,546.00	

Trend over the Last Three Years

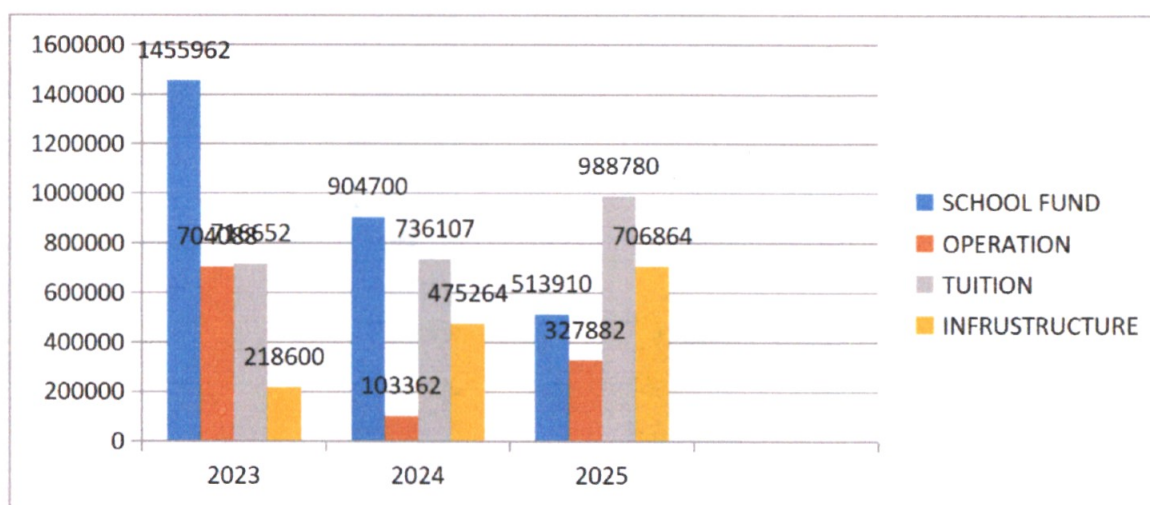


Total debtors as at 30th June 2025 increased by 5,878,926.00. The main contributors to the increase in total debtors is due to the current learners having huge fees balances, while those who cleared form four previous years also went with huge balances and haven't come for clearances.

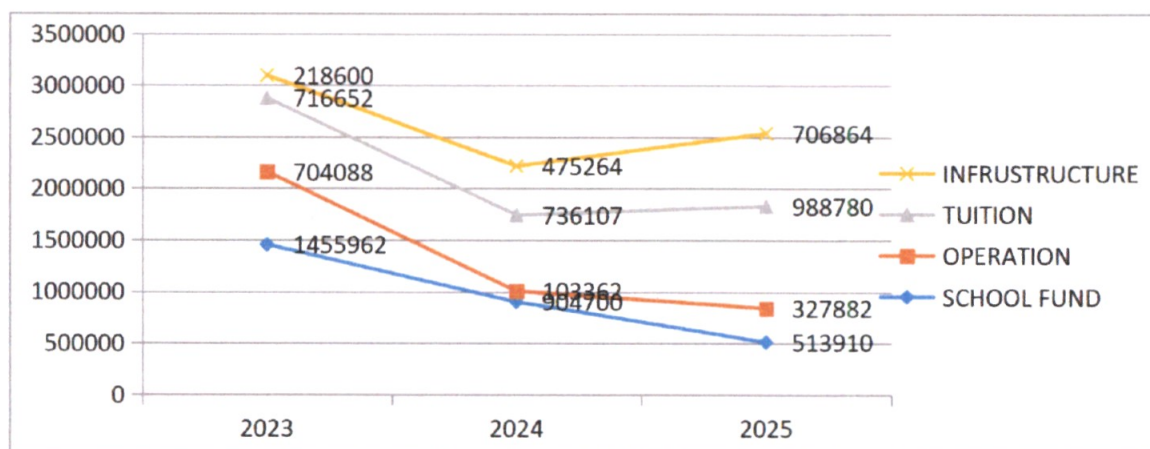
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2025	2024	2023	
		KSHS	KSHS	KSHS	
1	School Fund Account	513,910.00	904,700.00	1,455,962.00	
2	Operations Account	327,882.00	103,362.00	704,088.00	
3	Tuition Account	988,780.00	736,107.00	716,652.00	
4	Infrastructure Account	706,864.00	475,264.00	218,600.00	
	Total	2,537,436.00	2,219,433.00	3,095,302.00	
	Increase/Decrease	318,003.00	(875,869.00)	905,192.00	

Trend Over the Last Three Years



Trend over the last Three years



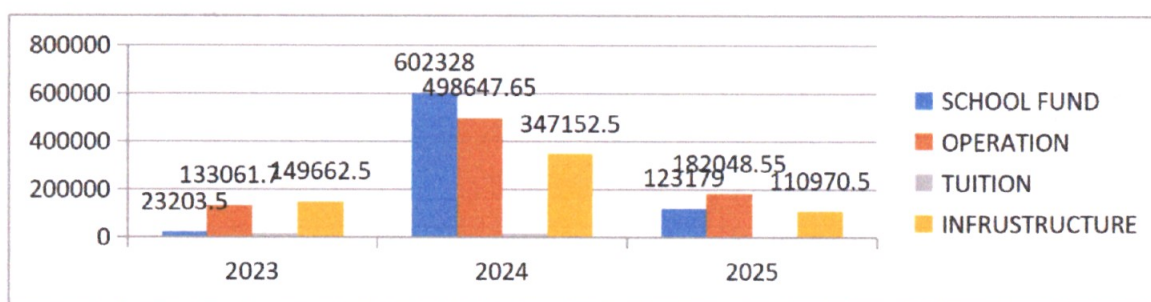
Total creditors as at 30th June 2025 increased by Kshs. 318,003.00

The increase in total creditors is due to reduced capitation by the Government and poor payment of lunch fee by the parents

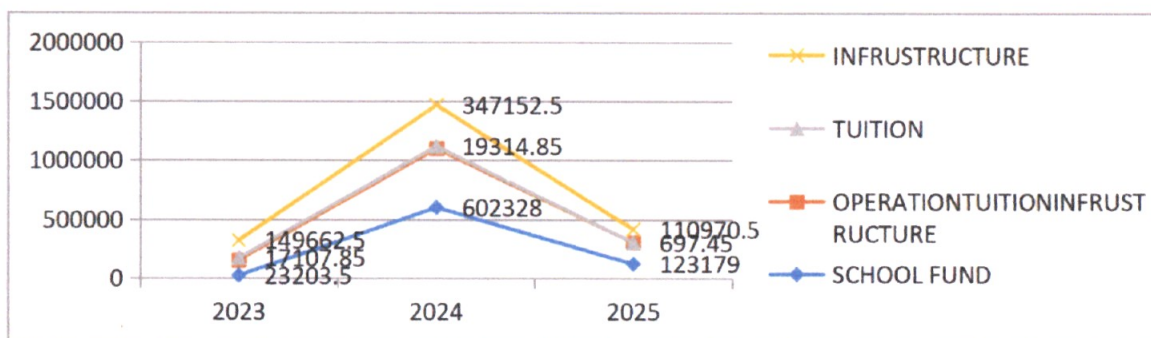
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2025	2024	2023	
		KSHS	KSHS	KSHS	
1	School Fund Account	123,179.00	602,328.00	23,203.00	
2	Operations Account	182,048.55	498,647.65	133,061.70	
3	Tuition Account	697.45	19,314.85	17,107.85	
4	Infrastructure Account	110,970.50	347,152.50	149,662.05	
	Total	416,895.50	1,467,443.00	323,035.60	
	Increase/Decrease	(1,050,547.50)	1,144,408	280,150.8	

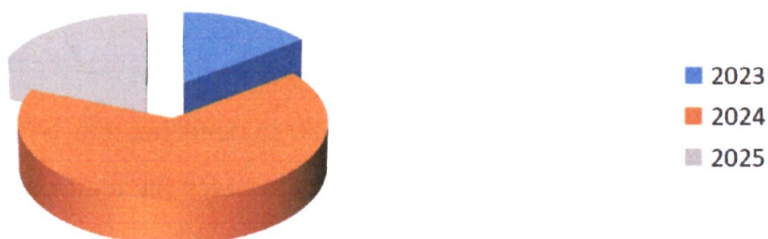
Trend Over the Last Three Years



Trend Over the Last Three Years



CASH AND CASH EQUIVALENTS



b) Teacher Student ratio:

There are 33 teachers posted by the Teachers Service Commission and 2 recruited by the Board of Management. The teacher student ratio lies at 1: 25. We have a shortage of 2 teachers from the given CBE. This is due to subject specialization in Form three and Form four

c) The mean score in the last three years KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2024	172	2.94	3	1.7	4.5	Negative deviation
2023	156	3.04	4	2.56	4.5	Negative deviation
2022	148	3.70	10	6.76	4.5	Negative deviation

d) .Number of Candidates in the 2025 KCSE:

<i>year</i>	<i>No.of students sitting for KCSE</i>
2025	178
2024	172
2023	156

e) The capacity of the school:

. The school has a total of 680 students but only 649 are captured in NEMIS. 31 students are not captured in NEMIS since they lack the requisite items for NEMIS registration. There are four streams with 33 teachers.

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
General repairs	Maintenance and improvement	Completed	284,610.00	284,610.00	2 months
New lab finishing works	Maintenance and improvement	WIP	816,976.00	456,342.00	3months
Lab stools and other items for new lab	Maintenance and improvement	WIP	500,000.00	250,000.00	3weeks
Renovation of 14no. classrooms	Maintenance and improvement	Completed	587,000.00	385,770.00	1month
Tables chairs and benches for library	Maintenance and improvement	Completed	120,000.00	120,000.00	1month



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 Sosiani Secondary School accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

William Kebenei

Name:

Designation: Chairman, School Board of Management

Date: 20/3/26

Joel K. Tirop

Name:

Designation: School Principal & Secretary to Board of Management

Date:



Tanvi Jebet

Name:

Designation: Bursar/ Finance Officer

Date: 20/03/2026

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON SOSIANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – UASIN GISHU 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 Sosiani Secondary School set out on pages 1 to 24, which comprise of the statement of assets and liabilities as at 30 June, 2025 and statement of receipts and payments, statement of

cash flows, statement of budgeted versus actual amounts for the year 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 financial statements present fairly, in all material respects, the financial position of Sosiani Secondary School at 30 June, 2025 and of its financial performance and its cash flows for the year ended 30 June, 2025, in accordance with International Public Sector Accounting Standards Accrual Basis (including transitional provisions permitted under IPSAS 33) and comply with the Basic Education Act, 2013, the Public Finance Management Act, 2012 and The National Treasury and Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported Bank Balances

The statement of assets and liabilities reflects bank balance of Kshs.415,282 as disclosed in Note 10 to the financial statements. The balance comprises of four (4) bank accounts which were not supported by certificates of bank balances. Further, the statement reflect cash and cash equivalent balance of Kshs.416,895 while the statement of cash flows reflect a balance of Kshs.1,467,443 resulting in an unreconciled variance of Kshs.1,050,548

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.415,282 could not be confirmed.

2. Unsupported Accounts Receivables Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.9,576,416 as disclosed in Note 13 to the financial statements. The balance include fees arrears amount of Kshs.9,287,916 which was not supported by detailed ageing analysis and policy on bad and doubtful debts.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.9,287,916 could not be confirmed.

3. Unsupported Accounts Payables Balance

The statement of assets and liabilities reflects accounts payables balance of Kshs.2,537,436 as disclosed in Note 14 to the financial statements. The balance include trade creditors amount of Kshs.2,364,986 which was not supported by schedules and a detailed ageing analysis.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.2,537,436 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Sosiani 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 budget versus actual amounts reflects the final receipts budget and actual on a comparable basis of Kshs.16,986,200 and Kshs.14,392,860 respectively, resulting in an under-funding of Kshs.2,593,340 or 15% of the budget. However, the School spent an amount of Kshs.15,443,407 against actual receipts amounting to Kshs.14,392,860 resulting to an over-utilization of Kshs.1,050,547.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Significant Exemptions by PSASB in the Financial Reporting Template

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

Other Information

Management is responsible for the Other Information set out on page ii to xiv which comprise of Acronyms and Definition of Key Terms, Key School Information and Management, Summary Report of Performance of The School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Deduction of Capacity Building Levy

The statement of receipts and payments reflects payments amount of Kshs.17,229,510 as disclosed. The amount includes an amount of Kshs.5,965,500 in respect of procurement contracts signed with Contractors. Review of payments for goods and services revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, contrary to the Levy Order 2023 issued by the Public Procurement Regulatory Authority.

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

2. Failure to Prepare a School Improvement Plan

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

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

3. Lack of a Procurement Plan and Procurement Function

The statement of receipts and payments reflects amounts of Kshs.21,739,886 and Kshs.17,229,510 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process.

Further, the School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

In addition, Management did not maintain procurement records, including tender documents, tender advertisements, bid evaluation reports, correspondences with supplier, contract documents, payment certificates and contract performance monitoring reports. This was contrary to Section 68 of the Public Procurement and Asset Disposal Act, 2015 and which require a procuring entity to maintain procurement records.

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

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

The statement of receipts and payments reflects operational payments amount of Kshs.6,569,561 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.730,860 transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in the Government Funding System and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.730,860 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. Weaknesses in Management of Textbooks

Review of the management and control of textbooks in the School revealed that three hundred and forty-three (343) copies of a set book were received and issued to students.

However, only one hundred and forty-nine (149) copies were returned while one hundred and ninety-four (194) copies were not returned by students who had left the school. Management had not taken any measures to recover the missing set books.

In the circumstances, the effectiveness of mechanism for management of textbooks could not be confirmed.

2. Weaknesses in Management of Inventory

Note 19 to the financial statements reflects an inventory balance of Kshs.156,000. However, stock take instructions, stock count sheets/certificates, and reconciliations between physical counts and stores records were not provided for audit review. In the absence of this documentation, the existence, valuation and completeness of the reported inventory balance could not be confirmed.

In the circumstances, the mechanisms for the management of inventory could not be confirmed.

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects a summary of the fixed assets register with a total balance of Kshs.77,196,085 which includes land valued at Kshs.40,000,000. However, ownership documents for the parcel of land were not provided for audit verification. Further, the fixed asset register lacked critical details such as asset values, date of acquisition, information on additions and disposals during the year. In addition several assets at the school were also not tagged and Management did not carry out facility assessment during the year to ascertain compliance with the infrastructure standards set out in the Basic Education Regulations, 2015.

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

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

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards Accrual Basis and for maintaining effective internal controls as the 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, the 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 the 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing School's financial reporting process, reviewing the effectiveness of how the 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

22 May, 2026

6. Statement Of Receipts and Payments for the Year Ended 30th June 2025

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,457,475.00	1,570,911.00
Government grants for operations	2	6,449,023.00	9,270,645.00
Government Grants for infrastructure	3		
School fund income- parents' contributions	4	13,833,386.00	10,295,337.00
Miscellaneous incomes	5		
Total Receipts		21,739,886.00	21,136,893.00
Payments			
Tuition	6	2,311,203.00	1,649,099.00
Operations	7	6,569,561.00	7,568,552.00
Infrastructure	8		
Boarding and school fund	9	8,348,746.00	8,771,047.00
Total Payments		17,229,510.00	17,988,698.00
Surplus/Deficit		4,510,376.00	3,148,196.00

The school financial statements were approved on 20/03/2026 and signed by:

William Kebeni

Name:

Chair BOM

Date: 20/3/26

Isabel K. Kiprotich

Name:
Principal/ Secretary to
BOM

Date: 20/03/26



Temui Jebet

Name:

Bursar/ Finance Officer

Date: 20/03/26

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	415,282.50	1,433,426.00
Cash balances	11	1,613.00	34,020.00
Short term investments	12		
Total cash and cash equivalent		<u>416,895.50</u>	<u>1,467,443.00</u>
Account's receivables	13	9,576,416.00	3,697,490.00
Total financial assets (a)		9,993,311.50	5,164,933.00
Financial liabilities			
Accounts payables	14	2,537,436.00	2,219,433.00
Total Financial Labilities (b)		2,537,436.00	2,219,433.00
Net financial assets (a-b)		7,455,875.00	2,954,500.00
Represented by			
Accumulated fund b/fwd	15	2,945,500.00	(202,696.00)
Surplus/deficit for the year		4,510,376.00	3,148,196.00
Net Assets		7,455,875.00	2,945,500.00

The school's financial statements were approved on 23/03/26

and signed by:

William Kebenei

Name:

Chair BOM

Date:

20/3/26

Joseph K Tirop

School Principal/ Secretary to BOM

Date: 23/03/2026



Tanui Jebet

Name:

Bursar/ Finance Officer

Date: 20/03/26

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,570,911.00	1,717,863.00
Government grants for operations	2	9,270,645.00	7,719,066.00
Government grants for infrastructure	3		
School fund income- parents contributions/ fees	4	8,249,217.00	8,445,552.00
Other income			
Total receipts		19,090,773.00	17,882,481.00
Payments			
Cash outflows for tuition	6	1,569,104.00	2,126,860.00
Cash outflows for operations	7	8,021,650.00	3,723,694.00
Cash outflows Boarding/lunch and school fund payments	9	7,646,312.00	7,700,787.00
Total payments		17,237,066.00	14,551,341.00
Net cash inflow/outflow from operating activities		1,853,707.00	3,331,140.00
Cash flow from investing activities			
Acquisition of assets		(710,000.00)	(2,163,660.00)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		1,143,707.00	(2,163,660.00)
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		1,143,707.00	1,167,480.00
Cash and cash equivalent at beginning of the FY		323,035.00	42,844.00
Cash and cash equivalent at end of the FY		1,467,443.00	323,035.00

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

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

William Kebeni
.....

Name:

Chair BOM

Date: *20/3/26*

Joel K Tirop
.....

Name:

School Principal/ Secretary to
BOM

Date: *20/03/2028*



Tanyi Jebel
.....

Name:

Bursar/ Finance Officer

Date: *20/03/26*

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	-	-	-	-	-
Exercise Books	399,000.00	-	399,000.00	399,000.00	100%
Laboratory Equipment	570,000.00	-	570,000.00	594,615.36	104%
Internal Exams					
Teaching / Learning Materials	228,000.00	-	228,000.00	269,524.08	118%
Exams And Assessment	171,000.00	-	171,000.00	194,336.16	114%
				1457475.6	-
<i>(2) Capitation Grant on Operations</i>	-	-	-	-	-
Personnel Emoluments	1,710,000.00	-	1,710,000.00	1,214,807.15	71%
Repairs And Maintenance	2,280,000.00	-	2,280,000.00	2,071,000.00	91%
Local Transport / Travelling	855,000.00	-	855,000.00	715,500.00	84%
Electricity And Water	228,000.00	-	228,000.00	446,891.76	196%
Medical	-	-	-	535,830.00	
Administration Costs	1,288,200.00	-	1,288,200.00	940,294.99	73%
Activity	627,000.00	-	627,000.00	524,700.00	84%
CBC class	-	-	-	-	-
					-
<i>3) FDSE for infrastructure</i>	-	-	-	-	-

Sosiani 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
Maintenance &Improvement MoE					
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
<i>(4) Fees Charged on Parents</i>	-	-	-	-	-
Personnel Emoluments	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	-	-
Administration Costs	-	-	-	-	-
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	8,630,000.00	-	8,630,000.00	6,486,360.00	75%
<i>5) Miscellaneous Income</i>	-	-	-	-	-
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-

Sosiani 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
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	16,986,200.00	-	16,986,200.00	14,392,859.50	85%
(6) Expenditure For Tuition	-	-	-	-	-
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	370,000.00	-	370,000.00	27,000.00	65%
Laboratory Equipment	570,000.00	-	570,000.00	286,170.00	116%
Internal Exams	171,000.00	-	171,000.00	442,908.00	277%
Teaching / Learning Materials	228,000.00	-	228,000.00	852,285.00	408%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Textbooks maintainance cost	27,000.00	-	27,000.00	-	-
Bank Charges	2,000.00	-	2,000.00	230.00	11.5%
					-
(7) Expenditure For Operations	-	-	-	-	-
Personnel Emoluments	1,710,000.00	-	1,710,000.00	1,942,696.00	103%
Repairs, Maintenance & Improvements					-
Local Transport / Travelling	855,000.00	-	855,000.00	776,050.00	91%

Sosiani 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
Electricity, Water and Conservancy	228,000.00	-	228,000.00	420,415.00	184%
Medical	-	-	-	7,000.00	-
Administration Costs	1,282,900.00	-	1,282,900.00	2,010,460.00	200%
Activity Expenses	627,000.00	-	627,000.00	798,500.00	127%
Bank charges	5,300.00	-	5,300.00	1,920.00	36%
Gratuity	-	-	-	73,500.00	-
					-
(8) Expenditure For infrastructure	-	-	-	-	-
Construction of classrooms	-	-	-	-	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	-	-	-	-	-
Purchase of furniture					-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
(9) Expenditure For school fund/lunch/boarding	-	-	-	-	-
Personnel Emoluments	-	-	-	-	-
Repairs, Maintenance and Improvements	1,660,000.00	-	1,660,000.00	1,370,782.00	83%
Local Transport / Travelling	-	-	-	-	-
Electricity, Water and Conservancy	-	-	-	-	-
Medical Expenses	-	-	-	-	-

Sosiani 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
Administration Costs	-	-	-	-	-
Activity	-	-	-	-	-
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	8,624,000.00	-	8,624,000.00	6,057,541.00	66%
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	6,000.00	-	6,000.00	5,950.00	99%
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	620,000.00	-	620,000.00	370,000.00	60%
Totals	16,986,200.00	-	16,986,200.00	15,443,407.00	91%

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

- i. Expenses were under utilized because only 85% of income was realized

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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits, and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

10. Subsequent events

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Reference Materials		
Exercise Books	399,000.00	322,663.20
Laboratory Equipment	594,615.36	672,248.00
Internal Exams	194,336.16	222,548.900
Teaching / Learning Materials	269,524.08	353,450.80
Others (specify) *		
Total	1,457,475.60	1,570,911.00

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	1,214,807.15	1,619,741.00
Repairs And Maintenance	2,071,000.00	2,542,600.00
Local Transport / Travelling	715,500.00	700,990.30
Electricity And Water	446,891.76	577,279.85
Medical	535,830.00	289,425.00
Administration Costs	940,294.99	1,451,975.00
Activity	524,700.00	512,193.86
CBC Class	-	1,576,440.00
Total	6,449,023.90	9,270,645.01

*Include others as per MOE circulars

3 Government Grants for infrastructure

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

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Fee on Boarding Equipment and stores	13,833,386.00	10,295,337.00
PA Levies*		-
Others (specify)		-
Total	13,833,386.00	10,295,337.00

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

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify) *	-	-
Total	-	-

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

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

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

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	241,200.00	342,720.00
Textbooks		-
Reference materials		-
Laboratory Equipment	663,720.00	592,626.00
Teaching / Learning Materials	932,145.00	613,715.00
Exams And Assessment	473,908.00	99,808.00
Teachers Guides		
Bank Charges	230.00	230.00
Others (<i>specify</i>)		-
Total	2,311,203.00	1,649,099.00

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	2,388,424.00	2,233,805.00
Service Gratuity	73,500.00	
Administration Cost	1,974,630.00	2,020,885.00
Repairs and Maintenance & Improvements	-	-
Local Transport / Travelling	788,550.00	537,950.00
Electricity And Water	453,287.00	317,400.00
Medical	7,000.00	-
Activity Expenses	882,250.00	1,031,036.00
CBC Class	-	1,418,796.00
Bank charges	1,920.00	8,680.00
Total	6,569,561.00	7,568,552.00

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Bank charges	-	-
Repairs and improvements	-	-
Total	-	-

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	-	-
Service Gratuity		
Repairs And Maintenance & Improvements	1,833,586.00	1,304,870.00
Local Transport / Travelling	525,440.00	634,070.00
Electricity And Water		
Medical Expenses		
Administration Costs		
Lunch Programme	5,613,770.00	5,779,576.00
Bank Charges	5,950.00	2,525.50
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost (<i>Life Property</i>)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets	370,000.00	1,050,005.00
PA expenses		
Others (specify)		
Total	8,348,746.00	8,771,046.50

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

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025073353400	697.45	19,314.85
Operations Account	Active	01025073353401	181,728.55	498,626.65
School Fund Account/Boarding	Active	1021073353400	121,886.00	568,329.00
Savings Account			-	-
Parent Association Development Account			-	-
Income Generating Activities Account			-	-
Infrastructural Account	Active	01025073353403	110,970.50	347,152.50
Total			415,282.50	1,433,423.00

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	1,613.00	34,020.00
Total	1,613.00	34,020.00

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
Fees Arrears	9,287,916.00	3,574,490.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	134,500.00	103,000.00
Imprest (list/schedule attached)	154,000.00	20,000.00
Rent arrears (list/schedule attached)		
Total	9,576,416.00	3,697,490.00

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	4,045,650.00	42%	xxx	%
Between 1- 2 years	1,317,545.00	20%	xxx	%
Between 2-3 years	1,317,000.00	14%	xxx	%
Over 3 years	2,607,721.00	24%	xxx	%
Total (should tie to note 13 a)	9,576,416.00	100%	xxx	%

14 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,364,986.00	1,826,433.00
Prepaid Fees	172,450.00	393,000.00
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	2,537,436.00	2,219,433.00

14a. Ageing Analysis of Accounts Payable

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

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	415,282.50	1,433,423.00
Cash Balances	1,613.00	34,020.00
Short Term Investments		
Receivables	9,576,416.00	3,697,490.00
Payables	(2,537,436.00)	(2,219,433.00)
Total	7,455,875.00	2,945,500.00

Other important disclosure notes

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

16 Non-current Liabilities Summary

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

17 Biological assets

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

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	89,000.00	56,000.00
Lab consumables	67,000.00	100,000.00
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	-	-

(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)

 Sign and Date
 Principal

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

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 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Trinity hardware	106,740.00			106,740.00	65,820.00	
2. Satnam hardware	57,190.00			57,190.00	69,440.00	
3. Testai General	37,300.00			37,300.00	80,000.00	
4. Susa Construction LTD	360,634.00			360,634.00		
5. Eldo lab	145,000.00			145,000.00		
Sub-Total	106,740.00					
Supply Of Goods						
6. Aggrey Toboso	29,750.00			29,750.00		
7. Samwel Lagat	217,000			217,000.00	217,000.00	
8. Silverline Butcheries	28,350.00			28,350.00		
9. Eldoret Bookshop	234,060.00			234,060.00		
10. Vivatech enterprises	60,000.00			60,000.00		
11. ELDOWAS	43,372.00			43,372.00		
12. Kessha for Exams	30,000.00			30,000.00		

Sosiani 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 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
13. Eunice Jepchirchir	30,000.00			30,000.00		
14. Cheboryot Dairies	42,800.00			42,800.00		
15. Welfare	45,000.00			45,000.00		
16. Ledian Sports house	83,750.00			83,750.00		
17. Eldo Laboratories				663,720.00		
18. Samson Muliro	3,260.00			3,260.00		
Sub-Total						
Supply Of Services						
19. Sadrojen Enterprises	8,000.00			8,000.00		
20. BOM teaches	18,000.00			18,000.00		
21. Attaches	12,500.00			12,500.00		
22. Jarus Kihuya	3,400.00			3,400.00		
23. SHA	17,050.00			17,050.00		
24. NHIF	5,250.00			5,250.00		
25. Boresha Sacco	133,300.00			133,300.00		
Sub-Total						
Grand Total						

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

Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	Location	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 1		School	40,000,000.00			40,000,000.00
Land 2						
Buildings and structures		School compound	22,208,525.00			22,208,525.00
Motor vehicles						
Office equipment, furniture and fittings		Classrooms and offices	5,686,310.00	370,000.00		6,056,310.00
ICT Equipment, and Other ICT Assets			2,155,000.00			2,155,000.00
Tools and apparatus		Laboratory	1,502,630.00			1,502,630.00
Textbooks		Library	5,123,620.00			5,123,620.00
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware		D.O.S & Admin offices	150,000.00			150,000.00
Total			76,826,085.00	370,000.00		77,196,085.00

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



**National
Bank**

A Subsidiary of Access Bank PLC

National Bank of Kenya Limited
Head Office, National Bank Building
Harambee Avenue,
P.O. Box 72866 - 00200, Nairobi, Kenya
Tel: +254 (0) 20 - 2828000
Cell: +254 (0) 711 - 038000
Email: mca@nationalbank.co.ke
Website: www.nationalbank.co.ke

CERTIFICATE OF BALANCE

Thursday, 12 March 2026

National Bank of Kenya-Eldoret Branch

Certifies that the Book balance for: **SOSIANI SECONDARY SCHOOL.**

Account No. **01025073353403** at

The closure of business on **30th June 2025** was Kenya Shillings

One hundred ten thousand nine hundred seventy Cents fifty only

KShs.110,970=50 CR

Branch Manager

O.I.C



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Bank**

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Head Office, National Bank Building
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P.O. Box 72866 - 00200, Nairobi, Kenya
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Cell: +254 (0) 711 - 038000
Email: mca@nationalbank.co.ke
Website: www.nationalbank.co.ke

CERTIFICATE OF BALANCE

Thursday, 12 March 2026

National Bank of Kenya-Eldoret Branch

Certifies that the Book balance for: **SOSIANI SECONDARY SCHOOL.**

Account No. **01025073353401** at

The closure of business on **30th June 2025** was Kenya Shillings

One hundred eighty one thousand seven hundred twenty eight Cents fifty five only

KShs.181,728=55 CR

Branch Manager  O.I.C. 



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Email: mca@nationalbank.co.ke
Website: www.nationalbank.co.ke

CERTIFICATE OF BALANCE

Thursday, 12 March 2026

National Bank of Kenya-Eldoret Branch

Certifies that the Book balance for: **SOSIANI SECONDARY SCHOOL.**

Account No. **01025073353400** at

The closure of business on **30th June 2025** was Kenya Shillings

Six hundred ninety seven Cents forty five only

KShs.697=45 CR

Branch Manager _____

O.I.C _____

Directors: Ms. Barbara Barungi, Mr. Oluseyi Kumapayi, Mr. Oludolapo Omotayo Ogundimu, Mr. Peter Kemel, Mr. Sammy Langat,
Ms. Lina Githuka, Mr. Laban Omangi, Mr. George Odhiambo (Managing Director).

Regulated by the Central Bank



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Website: www.nationalbank.co.ke

CERTIFICATE OF BALANCE

Thursday, 12 March 2026

National Bank of Kenya-Eldoret Branch

Certifies that the Book balance for: **SOSIANI SECONDARY SCHOOL.**

Account No. **01021073353400** at

The closure of business on **30th June 2025** was Kenya Shillings

One hundred seventy four thousand, one hundred eighty three Cents twenty only

KShs.174,183=20 CR

Branch Manager _____

O.I.C _____



SOSIANI SECONDARY SCHOOL,
P.O. BOX 7335-30100,
ELDORET - KENYA.
TEL: +254 722 216 363.

Location: Situated within Eldoret Municipality, next to Sosiani Primary School

RE: BANK RECONCILIATION AS AT 30TH JUNE 2025

SCHOOL FUND ACCOUNT

Balance as per the bank statement 174,183.20

Less: un- receipted deposits

September	22,270.00	
January	20.00	
February	5.00	
March	0.20	
April	30,000.00	
May	<u>2.00</u>	(52,297.20)

Balance as per the cash book 121,886.00

Prepared by: Bursar..... *Bo* Date..... 07/07/25

Verified by: Principal..... *[Signature]* Date..... 07/07/25

