

REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

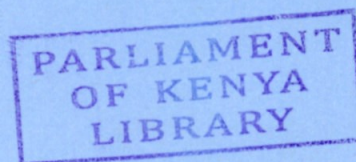
OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 JUN 2026	DAY: Wed
TABLED BY:	Hon. Owen Jari Boga Deputy Majority Leader
CLERK-AT THE-TABLE:	Mado Atado

THE AUDITOR-GENERAL

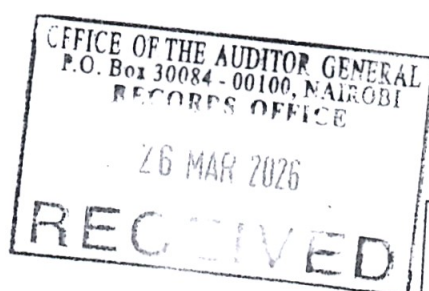
ON

ST. MARY'S MBARANGA SECONDARY
SCHOOL



FOR THE YEAR ENDED 30 JUNE, 2023

MERU COUNTY



ST. MARY'S MBARANGA SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Table of Contents

	Page
1. Acronyms and Glossary of Terms	iii
2. Key School Information and Management	iv
3. Summary Report on Performance of the School	vii
4. Statement of School Management Responsibility	xiii
5. Report of the Independent Auditors.....	xiv
6. Statement of Receipts and Payments for the Year Ended 30 th June 2023	1
7. Statement of Assets and Liabilities as at 30 th June 2023	2
8. Statement of Cash Flows for the Year Ended 30 th June 2023	3
9. Statement of Budgeted Versus Actual Amounts for the Year Ended 30 th June 2023.....	4
10. Significant Accounting Policies.....	9
11. Notes to the Financial Statements.....	11
12. Annexes.....	21

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****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 Meru County, Tigania East Sub-County

The school was registered on 02/2015 under registration number 12S30000022 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a day and boarding school and had 66 students as at 30th June 2023. It has 1 stream and 10 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	ZABERIO KARITHI	Chairman	5 TH FEBRUARY 2022
2	LEONARD M. MARETE	Secretary - Principal	5 TH FEBRUARY 2022
3	DORCAS MWORIA	Member	5 TH FEBRUARY 2022
4	SAMMY MUTIGA	Member	5 TH FEBRUARY 2022
5	ANDREW MAINGI	Member	5 TH FEBRUARY 2022
6	MUTHOMI KAMENCU	Member	5 TH FEBRUARY 2022
7	MOSES NGERE	Member	5 TH FEBRUARY 2022
8	PHILIP KIMATHI	Member – Rep CEB	5 TH FEBRUARY 2022
9	EUNICE KANINI	Member Rep Teachers	5 TH FEBRUARY 2022
10	FEDHA WANJA FESTUS MUGAMBI EVANS KAILEMIA	Members - Sponsor	5 TH FEBRUARY 2022
11	JACINTA KAMENCU	Member - Community	5 TH FEBRUARY 2022
12	STEPHEN KARITHI KOBIA	MemberSpecial Needs	5 TH FEBRUARY 2022
13	REBECCA BARNABAS	Member - Community	5 TH FEBRUARY 2022
14	PRISCILLA GAKULA	Member - Community	5 TH FEBRUARY 2022
	RAPHAEL MUTWIRI	Rep Students	5 TH FEBRUARY 2022

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****The functions of the School Board of Management are to:**

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	ZABERIO KARITHI LEONARD MARETE SAMUEL MUTIGA DORCAS MWORIA DAVID THIRINJA MOSES NGERE	CHAIRPERSON SECRETARY V/CHAIR MEMBER MEMBER MEMBER	2 OUT OF 2 2 OUT OF 2 2 OUT OF 2 2 OUT OF 2 2 OUT OF 2 2 OUT OF 2
2	Finance, procurement and general purposes Committee	DAVID THIRINJA LEONARD MARETE DORCAS MWORIA PHILIP KIMATHI ANDREW MAINGI FEDHA WANJA	CHAIRPERSON SECRETARY MEMBER MEMBER MEMBER MEMBER	3 OUT OF 3 3 OUT OF 3 3 OUT OF 3 3 OUT OF 3 3 OUT OF 3 3 OUT OF 3
3	Academic Committee	LEONARD MARETE MOSES NGERE DORCAS MWORIA ISAAC MUTHOMI EUNICE KANINI	CHAIRPERSON SECRETARY MEMBER MEMBER MEMBER	1 OUT OF 1 1 OUT OF 1 1 OUT OF 1 1 OUT OF 1 1 OUT OF 1
4	Development Committee	ZABERIO KARITHI LEONARD MARETE SAMUEL MUTIGA DAVID THIRINJA DORCAS MWORIA	CHAIRPERSON SECRETARY MEMBER MEMBER MEMBER	NONE
5	Audit Committee	PHILIP KIMATHI JACINTA KAMENCU FESTUS MBAABU BEATRICE NKIROTE	CHAIRPERSON SECRETARY MEMBER MEMBER	NONE

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	LEONARD MARETE	372754
2	Deputy Principal	TIMOTHY G. NKABO	372848
3	School Bursar	PETER MWIKA	51720(KASNEB)
4	Other (specify)		

(e) Schools contacts

Post Office Box: 268 – 60602 KIANJAI
Telephone: 0721447756
E-mail: stmarysmbaranga@gmail.com

(f) School Bankers

The school operated 5 bank accounts in the following banks:

1. Name of Bank: NATIONAL BANK – OPERATION ACCOUNT
Branch: MERU
Account Number: 01025039708701
2. Name of Bank: NATIONAL BANK – TUITION ACCOUNT
Branch: MERU
Account Number: 01025039708700
3. Name of Bank: DHABITI SACCO – SCHOOL FUND ACCOUNT
Branch: MERU
Account Number: 01021039028000
4. Name of Bank: NATIONAL BANK – INFRASTRUCTURE ACCOUNT
Branch: MERU
Account Number: 01022245094600
5. Name of Bank: DHABITI SACCO – SAVINGS ACCOUNT
Branch: MURIRI
Account Number: 491840912102

(g) Independent Auditors

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

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

3. Summary Report on Performance of the School

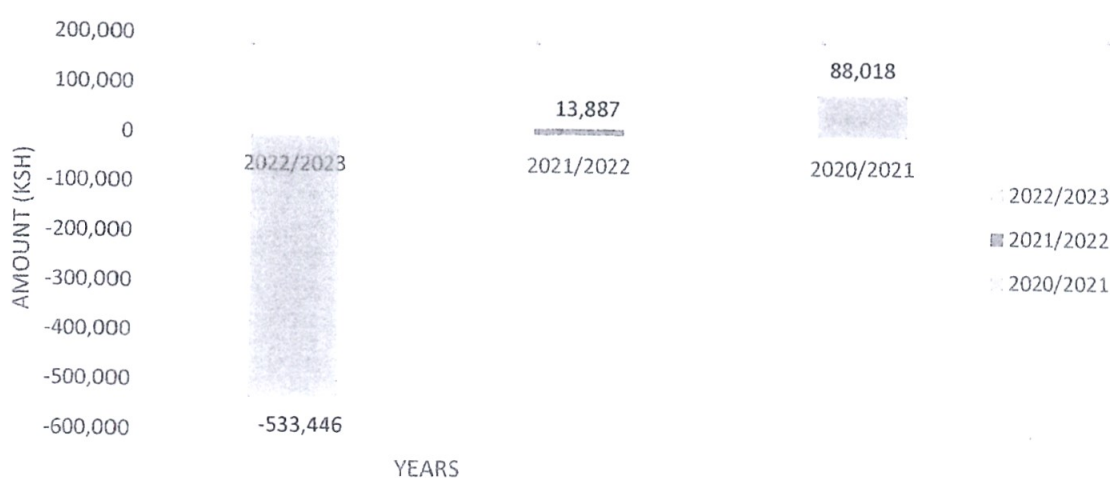
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

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

YEAR	2022/2023	2021/2022	2020/2021
Surplus/Deficit	(533,446)	13,887	88,018

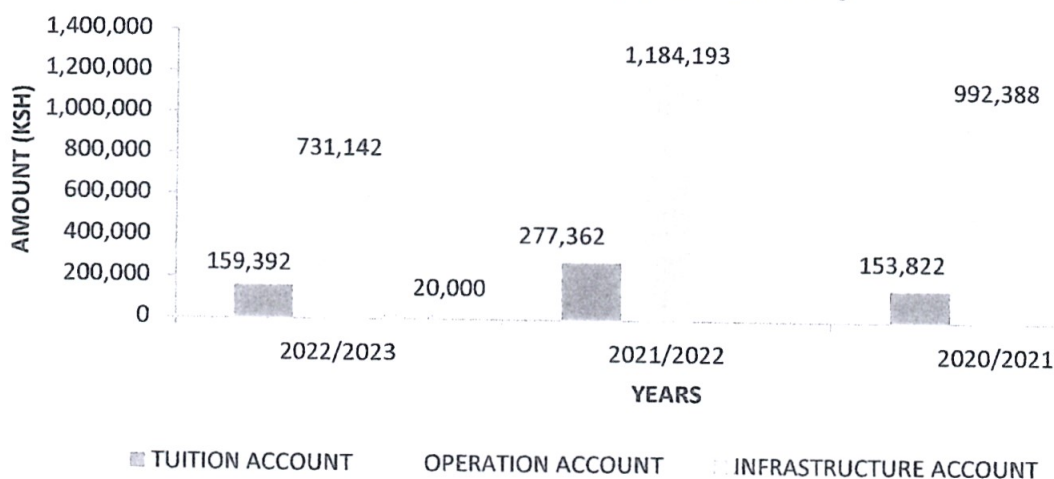
Surplus/Deficit



c) Capitation grants from the Ministry of Education for the last three years

YEAR	2022/2023	2021/2022	2020/2021
Tuition Account	159,392	277,362	153,822
Operations Account	731,142	1,184,193	992,388
Infrastructure Account	20,000		
Total	910,534	1,461,555	1,146,210

Capitation Grants from the Ministry

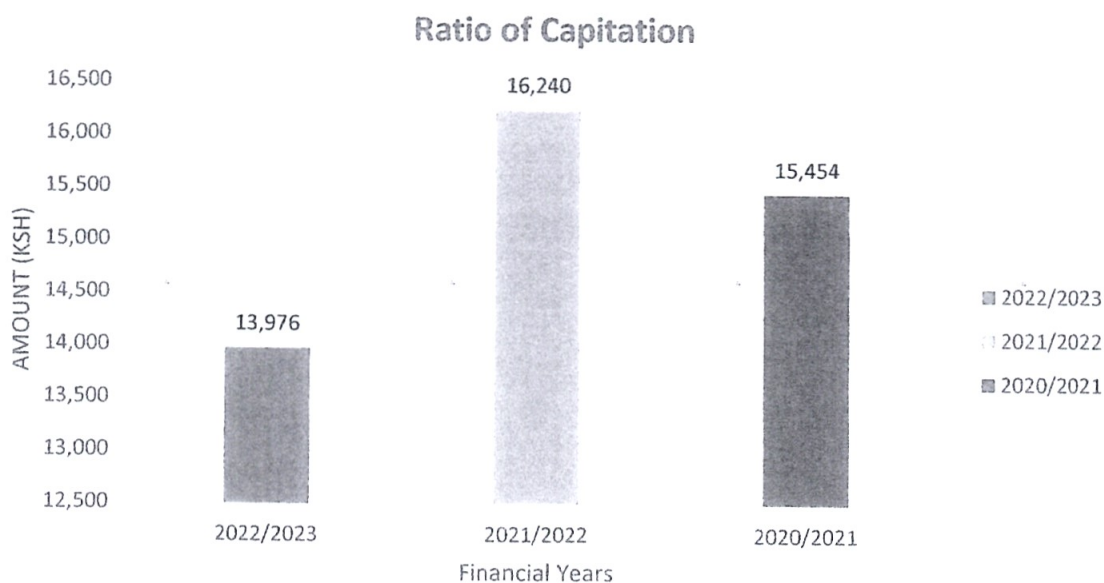


ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

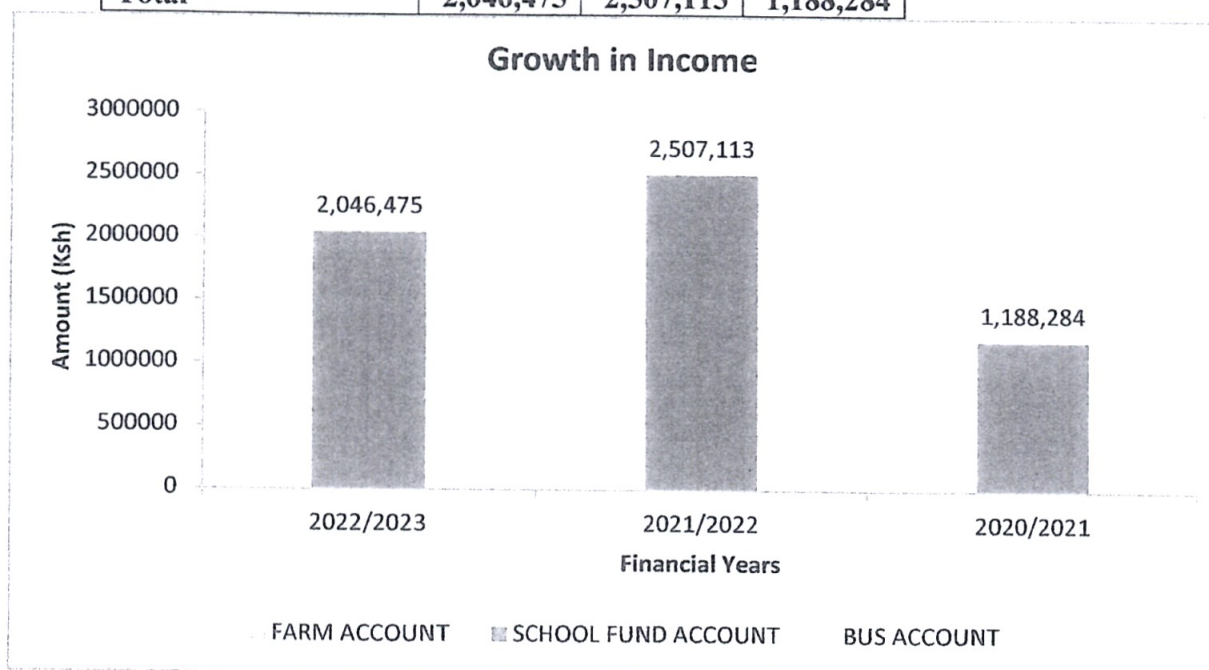
d) Ratio of capitation grant per student over the last three years

YEAR	2022/2023	2021/2022	2020/2021
Capitation Grants	910,534	1,461,555	1,146,210
No. of Student	66	90	74
Ratio of Capitation per Student	1:13,976	1:16,240	1: 15,454



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

YEAR	2022/2023	2021/2022	2020/2021
Farm Account			
School Fund Account	2,046,475	2,507,113	1,188,284
Bus Account			
Total	2,046,475	2,507,113	1,188,284

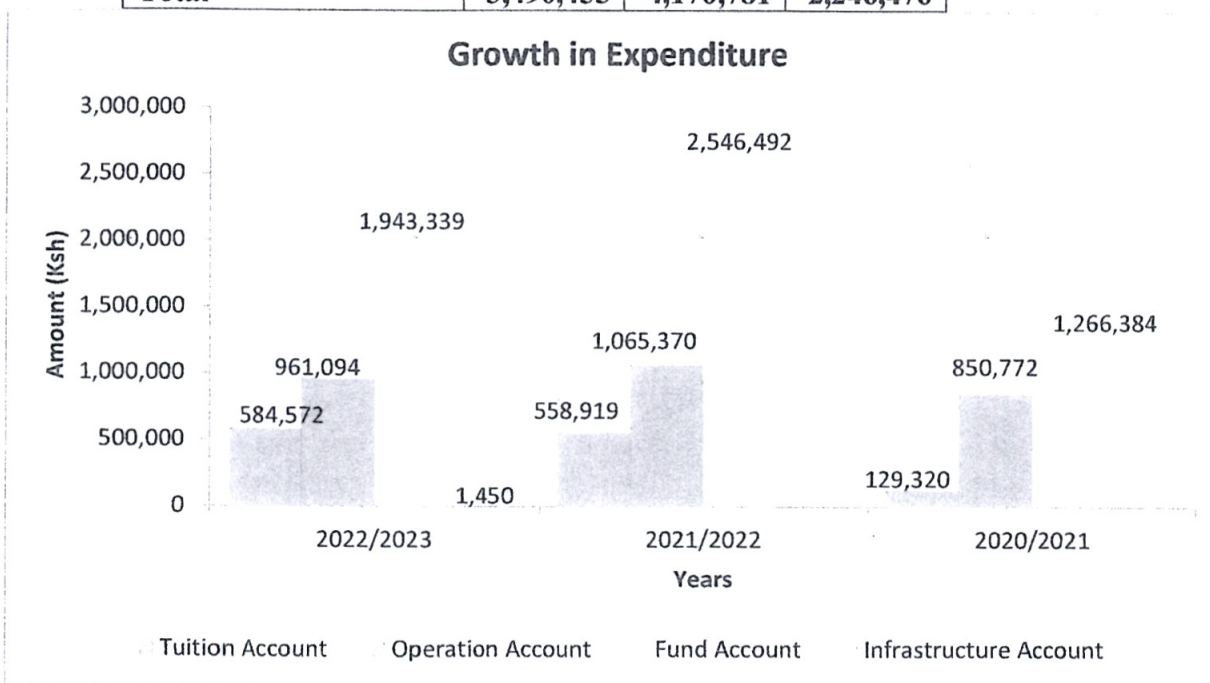


ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

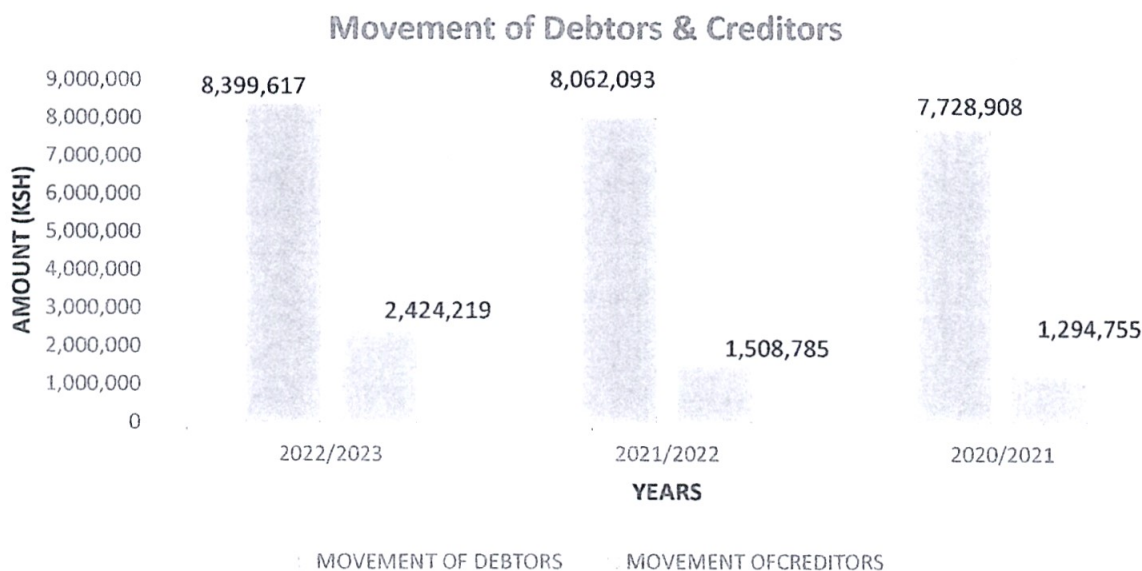
f) A three-year overview of growth in expenditure of the school

YEAR	2022/2023	2021/2022	2020/2021
Tuition Account	584,572	558,919	129,320
Operations Account	961,094	1,065,370	850,772
School Fund Account	1,943,339	2,546,492	1,266,384
Infrastructure Account	1,450		
Total	3,490,455	4,170,781	2,246,476



g) Movement of debtors and creditors of the school over the last three years

YEAR	2022/2023	2021/2022	2020/2021
Sundry Debtors	8,399,617	8,062,093	7,728,908
Sundry Creditors	2,424,219	1,508,785	1,294,755



ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****h) Teacher Student ratio:**

Teacher to student ratio= $\frac{\text{No. of students}}{\text{No. of teacher}} = \frac{66}{10} = 1:7$

No. of teachers recruited within the year **NIL**

No of teacher posted to the school within the year **1**

No. of teachers that were transferred during the period **1**

No. of teachers Retired during the period **1**

No. of teachers employed by TSC **8**

No. of teachers employed by BOM **2**

No. of teachers per subject

Subject	ENG	KISW	MATH	BIO	CHEM	PHYS	AGRI	B/S	HIST	CRE	GEO
No. of TSC teachers	1	1	1	1	1	0	1	1	1	1	1
No. of BOM teachers	0	1	0	0	0	1	0	0	0	0	0
Surplus											
Shortage			1			1					

i) Mean score in the 2020 - 2022:

YEAR	KCSE Mean Score	No. of students that have transitioned to institutions of higher learning	Comment
2022	3.09	5	
2021	2.96	2	
2020	3.62	4	

j) Number of Candidates in the 2020 - 2022 KCSE:

YEAR	2022	2021	2020
No. of candidates	33	29	27

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023**

k) Capacity of the school:

Facility	Available	Capacity	No. of students	Required	Comment
Classrooms	5	225	66	NIL	<i>Adequate</i>
Science Laboratories	1	50	66	NIL	<i>Need renovation</i>
Computer lab					
Dining hall					
Dormitories	2	500	66	NIL	<i>Need renovation</i>
Modern library					
Pitches	3	225	66	NIL	<i>Adequate</i>
School bus					
Ablution block	2	180	66	NIL	<i>Adequate</i>
Student Bathrooms	16		66	NIL	<i>Need renovation</i>
Staff washrooms					
Water tank storage	4	10000Ltrs	66	NIL	<i>Adequate</i>
Departmental offices	1	1		2	<i>Required</i>
Boardroom					
Staffroom	1				<i>Need renovations</i>
Staff houses	3	3			<i>Need renovations</i>

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****l) Development projects carried out by the school:**

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Administration Block	Safaricom Ltd	Stalled	3,000,000	1,000,000	When the funds will be available

.....
School PrincipalST. MARY'S MBARANGA
SECONDARY SCHOOL
P. O. Box 283 - 60602, KIANJAI
Date: 24/3/2026.....

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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. Mary's Mbaranga 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, 2023, and of the school's financial position as at that date.

Sign:.....

Name: MWOKA MUKORU

Designation: Chairman, School Board of Management

Date: 24/3/2026

Sign:.....

Name: LEONARD MARETE

Designation: School Principal & Secretary to Board of Management

Date: 24/3/2026

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P. O. Box 268 - 60602, KIANJAI
Date: 24/3/2026

Sign:.....

Name: PETER MUKA

Designation: Bursar/ Finance Officer

Date: 24/3/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ST. MARY'S MBARANGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - MERU COUNTY

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Mary's Mbaranga Secondary School set out on pages 1 to 20, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows

Report of the Auditor-General on St. Mary's Mbaranga Secondary School for the year ended 30 June, 2023 - Meru County

and the 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 financial statements present fairly, in all material respects, the financial position of St. Mary's Mbaranga Secondary School as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Bank Balances

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.87,300 as disclosed in Notes 10 and 11 to the financial statements. The balance includes bank balance of Kshs.87,175 relating to four (4) bank accounts. However, the bank balances were not supported by bank reconciliation statements. Further, the cashbook was not closed monthly and checked for accuracy every month by a senior officer.

In the circumstances, the accuracy and completeness of bank balance of Kshs.87,175 could not be confirmed.

2. Unsupported Long Outstanding Account's Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.8,399,617 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance was accounts receivables balance of Kshs.7,428,908 which had been outstanding for more than two (2) years. However, a listing of the individual debtors and policy on the impairment of long outstanding fees arrears was not provided casting doubt on the full recoverability of the accounts receivables balance.

In the circumstances, the accuracy, existence and completeness of the accounts receivables balance of Kshs.7,428,908 could not be confirmed.

3. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.2,424,219 as disclosed in Note 14 to the financial statements. However, the balance was not supported by relevant supporting documents such as ledgers, invoices, delivery notes and inspection and acceptance reports.

In the circumstances the accuracy and completeness of accounts payables balance of Kshs.2,424,219 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.4,054,904 and Kshs.2,957,009 respectively, resulting in an under-collection of Kshs.1,097,895 or 27% of the budget. In addition, the School spent an amount of Kshs.3,490,455 against actual receipts of Kshs.2,957,009, resulting in an over-expenditure of Kshs.533,446 or 18% of actual receipts.

The under-collection affected the planned activities and may have impacted negatively on service delivery to the School. The over-expenditure was not supported by the source of funding.

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 Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan. This was contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds. The Manual 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.

This may affect planning, coordination, accountability and continuous improvement of the School.

2. Late Submission of the Financial Statements for Audit

During the year under review, the School Management submitted the annual report and financial statements to the Auditor-General on 25 March, 2025 approximately one and a half years after the statutory date of 31 September, 2023. This was contrary to Sections 68(2)(k) and 81(4) of the Public Finance Management Act, 2012 which require that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

3. Failure to Transfer Infrastructure Funds from Operational Bank Account

The statement of receipts and payments reflects an amount of Kshs.731,142 for Government grants for operations as disclosed in Note 2 to the financial statements. Included in these grants is an amount of Kshs.197,000 that was to be transferred to infrastructure funds account. However, the School did not transfer the amount to the infrastructure account. This was contrary to the Ministry of Education circular Ref: No.MOE.HQS/3/13/3 dated June, 2021 which requires that all infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days of receipt.

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 reflect operations payment of Kshs.961,094 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.45,000 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the legality and value for money transferred to KESSHA amounting to Kshs.45,000 could not be confirmed.

5. Failure to Approve the Budget by the Board of Management

The financial statements for the year under review include the statements of budgeted versus actual amounts which reflects total receipts and total payments of Kshs.4,054,904. However, the School did not submit the budget for approval by the Board of Management. This was contrary to Regulation 31 of Public Finance Management (National Government) Regulations, 2015 and the Fourth Schedule of the Basic Education Act, 2013, which require the Accounting Officer and the Board to prepare the annual estimates of a basic education institution and submit to the Cabinet Secretary responsible for Education for approval.

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

6. Non-Compliance with the Law on Procurement

The statement of receipts and payments reflects amounts of Kshs.2,957,009 in respect of total receipts. However, during the year, Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Section 45(3)(a) and Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 which requires an accounting officer of a procuring entity prepare a procurement plan within the approved budget for each financial year as part of the annual budget preparation process.

Further, the School did not have a procurement function as required by Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and did not seek to transfer the procurement function through the use of alternative procurement structures as guided by Sections 51 and 52 of the Public Procurement and Asset Disposal Act, 2015.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of a Risk Management Policy and Disaster Recovery Plan

Review of the documents provided revealed that the School lacked a framework for management of risks which includes identification, assessment and control of the risks. In addition, the School lacked a Disaster Recovery Plan. This implies that there was no plan to assist the School to resume processes with minimal interruptions in the event of a disaster.

2. Lack of Audit Committee

Review of the documents provided by the Management indicated that the School Board of Management has not operationalized an Audit Committee. This was contrary to Section 61(d) of the Basic Education Act, 2013. The Committee provides independent assurance that the School's risk management, governance and internal controls are operating as required by relevant laws, policies and procedures.

Therefore, the School lacks an effective oversight mechanism in the School.

3. Weaknesses in Management of Assets

Audit inspection revealed that the School has several assets including; land, buildings, furniture, laboratory equipment and biological assets. However, Management had not updated its assets register to include the number and value of different classes of assets owned by the School.

Further, as disclosed in Note 19 to the financial statements, the School had inventory balance of Kshs.127,500. However, Management did not carry out a stock take exercise as at 30 June, 2023 and did not maintain a Board of Survey.

In addition, Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.21,932,483 which includes land with a balance of Kshs.8,250,000, building and structures of Kshs.12,040,000. However, relevant ownership documents were not provided for audit. Further, biological assets of Kshs.728,100 were not supported by any documentary evidence.

There were no effective measures in the management of assets.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is

not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are following 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

26 May, 2026

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement of Receipts and Payments for the Year Ended 30th June 2023

Description Of Vote Head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	159,392	277,362
Government grants for operations	2	731,142	1,184,193
Government Grants for infrastructure	3	20,000	216,000
School fund income- parents' contributions	4	2,046,475	2,507,113
Miscellaneous incomes	5	-	-
Total Receipts		2,957,009	4,184,668
Payments			
Tuition	6	584,572	558,919
Operations	7	961,094	1,065,370
Infrastructure	8	1,450	-
Boarding and school fund	9	1,943,339	2,546,492
Total Payments		3,490,455	4,170,781
Deficit/Surplus		(533,446)	13,887

The school financial statements were approved on _____ 2026 and signed by:

Sign: _____

Name: MWOKA MUMOM

Chair BOM

Date: 24/3/2026

Sign: _____

Name: LEONARD M.

School Principal/ Secretary to BOM

Date: 24/3/2026

Sign: _____

Name: Peter Muriu

Bursar/ Finance Officer

Date: 24/3/2026

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. Box 268, 60602, KIANJAI
Date: 24/3/2026

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

7. Statement of Assets and Liabilities as at 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	87,175	22,836
Cash balances	11	125	-
Short term investments	12	-	-
Total cash and cash equivalent		87,300	22,836
Account's receivables	13	8,399,617	8,062,093
Total financial assets		8,486,917	8,084,929
Financial liabilities			
Accounts payables	14	(2,424,219)	(1,508,785)
Net financial assets		6,062,698	6,576,144
Represented by			
Accumulated fund b/fwd	15	6,596,144	6,562,257
Surplus/deficit for the year		(533,446)	13,887
Net financial position		6,062,698	6,576,144

The school's financial statements were approved on _____ 2026 and signed by:

Sign:.....

Name: MWONGA MURORO

Chair BOM

Date: 24/3/2026

Sign:.....

Name: LEONARD M.
School Principal/ Secretary to
BOM

Date: 24/3/2026

Sign:.....

Name: PETER MURORO

Bursar/ Finance Officer

Date: 24/3/2026

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from Operating Activities	16		
Receipts			
Government grants for tuition		159,392	277,362
Government grants for operations		731,142	1,184,193
Government grants for infrastructure		20,000	-
School fund income- parents contributions/ fees		1,796,951	2,173,928
Other income		-	216,000
Total receipts		2,707,485	3,851,483
Payments			
Cash outflows for tuition		171,540	300,919
Cash outflows for operations		635,798	1,101,370
Infrastructure		1,450	-
Cash outflows Boarding/lunch and school fund payments		1,834,233	2,554,462
Total payments		2,643,021	3,956,751
Net cash inflow/outflow from operating activities		64,464	(105,268)
Cash flow from investing activities	17		
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		-	-
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		64,464	(105,268)
Cash and cash equivalent at beginning of the FY		22,836	128,104
Cash and cash equivalent at end of the FY		87,300	22,836

The school's financial statements were approved on _____ 2026 and signed by:

Sign:.....

Name:.....

Chair BOM

Date:

Sign:.....

Name:.....

School Principal/ Secretary to BOM

Date:

Sign:.....

Name:.....

Bursar/ Finance Officer

Date:

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

9. Statement of Budgeted Versus Actual Amounts for the Year Ended 30th June 2023

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					
(1) Capitation Grant on Tuition					
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	273,504	-	273,504	159,392	58%
Exams And Assessment	-	-	-	-	-
(2) Capitation Grant on Operations					
Others	620,400	-	620,400	459,421	74%
Repairs And Maintenance	330,000	-	330,000	248,420	75%
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	132,000	-	132,000	14,434	11%
Administration Costs	-	-	-	-	-
Activity	99,000	-	99,000	28,867	29%
Gratuity	-	-	-	-	-
	-	-	-	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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	-	-	-	-	-
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
(4) Fees Charged on Parents					
Personal Emoluments	300,000	-	300,000	183,316	61%
Repairs And Maintenance	120,000	-	120,000	56,478	47%
Local Transport / Travelling	50,000	-	50,000	37,111	74%
Electricity And Water	150,000	-	150,000	132,001	88%
Medical	10,000	-	10,000	7,575	76%
Administration Costs	350,000	-	350,000	54,070	15%
Farm	20,000	-	20,000	-	0%
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	1,600,000	-	1,600,000	1,575,924	98%
5) Miscellaneous Income					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	4,054,904	-	4,054,904	2,957,009	73%
(6) Expenditure For Tuition					
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	273,504	-	273,504	584,572	214%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(7) Expenditure For Operations					
Others	620,400	-	620,400	826,619	133%
Repairs, Maintenance & Improvements	330,000	-	330,000	129,925	39%
Local Transport / Travelling	-	-	-	-	-
Electricity, Water and Conservancy	-	-	-	-	-
Medical	132,000	-	132,000	-	0%
Administration Costs	-	-	-	-	-
Activity Expenses	99,000	-	99,000	6,000	6%
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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
(9) Expenditure For school fund/lunch/boarding					
Personal Emoluments	300,000	-	300,000	285,030	95%
Repairs, Maintenance and Improvements	120,000	-	120,000	105,960	88%
Local Transport / Travelling	50,000	-	50,000	48,830	98%
Electricity, Water and Conservancy	150,000	-	150,000	16,850	11%
Medical Expenses	10,000	-	10,000	-	0%
Administration Costs	350,000	-	350,000	286,054	82%
Farm	20,000	-	20,000	11,800	59%
Lunch Program	-	-	-	-	-
Boarding Equipment and Stores	1,600,000	-	1,600,000	1,188,815	74%
Expenditure For Income Generating Activity	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Totals	4,054,904	-	4,054,904	3,490,455	86%

i. There was underutilization of funds because MoE disbursed less than the budgeted amount

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

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 *St. Mary's Mbaranga Secondary School*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by *St. Mary's Mbaranga Secondary School*. In addition, *St. Mary's Mbaranga Secondary School* recognises all expenses when the event occurs, and the related cash has actually been paid out by *St. Mary's Mbaranga Secondary 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 *St. Mary's Mbaranga Secondary 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, *St. Mary's Mbaranga Secondary School* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. *St. Mary's Mbaranga Secondary 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

The 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 2023.

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****11. Notes to the Financial Statements****1 Government Grants for Tuition**

Description	2022/2023	2021/2022
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	159,392	277,362
Others (<i>specify</i>)*	-	-
Total	159,392	277,362

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	-	-
Repairs And Maintenance	228,420	413,609
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	14,434	-
Administration Costs	-	-
Activity	28,867	-
Other Vote Heads (LTT, EWC, ADM & PE)*	459,421	770,584
Total	731,142	1,184,193

3 Government Grants for infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement	20,000	-
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (<i>specify</i>)(NGCDF and County govt.	-	-
Total	20,000	-

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****4 School Fund Income - Parents Contribution/Fees**

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	183,316	476,600,00
Repairs and maintenance	56,478	141,500
Local transport / travelling	37,111	84,500
Electricity and water	132,001	300,230
Medical	7,575	-
Administration costs	54,070	80,000
Activity	-	-
Fee on Boarding Equipment and stores	1,575,924	1,424,283
PA Levies*	-	-
Lunch	-	-
Total	2,046,475	2,507,113

5 Miscellaneous Incomes

Description	2022/2023	2021/2022
	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 (<i>specify</i>)*	-	-
Total	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	583,132	588,499
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	1,440	420
Others (<i>specify</i>)	-	-
Total	584,572	558,919

7 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	432,816	-
Others	-	620,430
Administration Cost	346,795	-
Repairs, Maintenance & Improvements	128,475	439,460
Local Transport / Travelling	26,165	-
Electricity And Water	12,150	-
Medical	-	-
Activity Expenses	6,000	-
Insurance Cost	-	-
Bank Charges	8,693	5,480
Total	961,094	1,065,370

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****Notes to the Financial Statements (continued)****8 Infrastructure**

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Bank Charges	1,450	-
Others (Repairs)	-	-
Total	1,450	-

9 Boarding and School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	285,030	500,500
Service Gratuity	-	-
Repairs And Maintenance & Improvements	105,960	123,236
Local Transport / Travelling	48,830	102,120
Electricity And Water	16,850	106,130
Medical Expenses	-	-
Administration Costs	277,510	85,000
Farm	11,800	-
Bank Charges	8,544	8,122
Expenses On Income Generating Activities**	-	228,800
Fee On Boarding Equipment and Stores	1,188,815	1,392,584
Rent Expenses	-	-
Insurance Cost (<i>Life Property</i>)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
PA expenses	-	-
Others (Activity)	-	-
Total	1,943,339	2,546,492

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****Notes to the Financial Statements (continued)****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025039708700	12,928	1,076
Operations Account	Active	01025039708701	12,493	10,274
School Fund Account/Boarding	Active	01021039028000	54,972	10,534
Savings Account	Active	491840912102	5,732	952
Parent Association Development Account			-	-
Income Generating Activities Account			-	-
Infrastructural Account	Active	01022245094600	1,050	-
Total			87,175	22,836

11 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	125	-
Total	125	-

12 Short Term Investments

Description	2022/2023	2021/2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

13 a. Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	8,399,617	8,082,093
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	8,399,617	8,082,093

13 b. Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	477,724	6%	653,185	8%
Between 1- 2 years	493,185	6%	80,500	1%
Between 2-3 years	80,500	1%	-	-
Over 3 years	7,348,408	87%	7,348,408	91%
Total (should tie to note 13 a)	8,399,617	100%	8,082,093	100%

14 Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,356,219	1,508,785
Prepaid Fees	68,000	-
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	2,424,219	1,508,785

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****Notes to the Financial Statements (continued)****14a. Ageing Analysis of Accounts Payable**

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year	1,040,381	44%	644,530	43%
Between 1- 2 years	451,583	19%	-	-
Between 2-3 years	-	-	-	-
Over 3 years	864,255	37%	864,255	57%
Total (should tie to note 14)	2,356,219	100%	1,508,785	100%

15 Fund Balance Brought Forward

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Balances	22,836	128,104
Cash Balances	-	-
Short Term Investments	-	-
Receivables	8,082,093	7,728,908
Payables	(1,508,785)	(1,294,755)
Total	6,596,144	6,562,257

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****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	2022/2023	2021/2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle	5	-	200,000
Goats		-	-
Trees	754	-	528,100
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total			728,100

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	-	-

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****Other Important Disclosure Notes****19 Stock/ Inventory**

Description	2022/2023	2021/2022
	Kshs	Kshs
Food stuffs	25,000	57,800
Lab consumables	102,500	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
Total	127,500	57,800

ST. MARY'S MBARANGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****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


ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. Box 268 - 60602, KIAMBA
Date: 24/3/2028

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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 2023	Outstanding Balance 2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of Buildings						
1.						
Sub-Total						
Supply Of Goods						
2. JEKINA - TUITION	125,684	2020/22		125,684	115,684	
3. KIANJAI AGROVET - FUND	29,000	2020		29,000	29,000	
4. POSTAL COOPERATION LTD - OPERATION	40,000	2020		40,000	40,000	
5. WINFRED KUNIYA - FUND	177,240	2020	58,947	118,293	177,240	
6. PENZI PUBLISHERS - TUITION	23,000	2020		23,000	23,000	
7. COUNTY COMPUTERS - OPERATION	36,432	2020		36,432	26,432	
8. MUGAMBI EMPORIUM - TUITION	74,000	2020/22		74,000	66,000	
9. WILFRED KAILEMIA - FUND	45,000	2020/22	20,000	25,000	45,000	
10. RUMANO NJATI - FUND	15,000	2020/22		15,000	15,000	
11. FIRE CHIEF LTD - OPERATION	37,300	2019		37,300	37,300	

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023	Outstanding Balance 2022	Comments
12. MUNILAS ENTERPRISES - FUND	30,000	2019		30,000	30,000	
13. TIMOTHY MWENDA - OPERATION	81,861	2019		81,861	39,661	
14. DOREEN K. CYPRIAN - OPERATION	68,000	2019		68,000	45,661	
15. JUSTIN KIMATHI - FUND	51,533	2019		51,533	51,533	
16. JOHN THURANIRA - FUND	51,377	2019		51,377	30,527	
17. MARY THIRINDI - FUND	14,350	2019		14,350	9,317	
18. JOHN MWENDA - FUND	72,300	2019		72,300	53,300	
19. JULIAS MUGAMBI - FUND	40,700	2019		40,700	40,700	
20. GEOFFREY KARUTI - FUND	2,900	2019		2,900	2,900	
21. JOSHUA KITHINJI - FUND	231,000	2022/23	100,000	131,000	155,000	
22. PAUL MATHIU- FUND	117,100	2022/23		117,100	14,530	
23. FESTUS MUGAMBI - TUITION	51,000	2022/23		51,000	51,000	
24. JUFA - TUITION	14,000	2022/23	14,000		14,000	
25. GACHUI RENGEURA - FUND	6,000	2022/23		6,000	6,000	
26. JOSEPH MWIKA - FUND	32,000	2022/23		32,000	32,000	
27. HIGH MARK - TUITION	304,000	2022/23		304,000	304,000	
28. KIOKO - FUND	54,000	2022/23		54,000	54,000	
29. MARY KIENDE - OPERATION	39,000	2021/22		39,000		
30. BEATRICE NKIROTE - OPERATION	49,000	2021/22		49,000		
31. ELANTHENTIC SUPPLY	20,540	2021/22		20,540		

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023	Outstanding Balance 2022	Comments
32. RANGERS BUTCHERY - FUND	18,000	2022/23		18,000		
33. MUGRAPHIC PRESS - TUITION	5,250	2022/23		5,250		
34. EMIGA LAB - TUITION	373,432	2022/23		373,432		
35. PURITY GICHUNGE - TUITION	8,810	2022/23		8,810		
36. OLIVE COMPUTERS - OPERATIONS	14,500	2022/23		14,500		
37. DANIEL KINYUA - FUND	18,600	2022/23		18,600		
38. JOHN THURANIRA - FUND	64,377	2022/23		64,377		
39. LAWRENCE KANAMPIU - FUND	49,210	2022/23		49,210		
40. JAMES MEEME - FUND	19,970	2022/23		19,970		
41. FRANKLIN KIMATHI - FUND	13,000	2022/23		13,000		
42. JAMES MWIKA - FUND	5,700	2022/23		5,700		
Sub-Total	2,549,166		192,947	2,356,219	1,508,785	
Supply Of Services						
1.						
2.						
Sub-Total						
Grand Total	2,549,166		192,947	2,356,219	1,508,785	

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Annex 2 – Summary of Fixed Assets Register

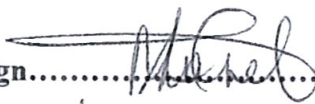
Asset Class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land	8,250,000			8,250,000
Buildings And Structures	12,040,000			12,040,000
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks	1,260,483			1,260,483
ICT Equipment	370,000			370,000
Tools And Apparatus	12,000			12,000
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total	21,932,483			21,932,483

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Annex 3 - Trial Balances

ST. MARY'S MBARANGA SECONDARY SCHOOL
ADJUSTED TRIAL BALANCE AS AT 30/06/2023

PARTICULARS	ORIGINAL TRIAL BALANCE		ADJUSTED T. BALANCE		FINAL TRIAL BALANCE	
	DR	CR	DR	CR	DR	CR
OPENING BALANCE - CASH						
- BANK		22,836				22,836
TUITION ACCOUNT	157,540	159,392	427,032		584,572	159,392
OPERATION ACCOUNT	615,798	731,142	345,296		961,094	731,142
SCHOOL FUND ACCOUNT	1,675,286	1,568,751	268,053	477,724	1,943,339	2,046,475
INFRASTRUCTURE ACC.	1,450	20,000			1,450	20,000
DEBTORS			477,724		477,724	
ARREARS		160,200				160,200
CREDITORS	192,947			1,040,381	192,947	1,040,381
FEES OVERPAYMENT		68,000				68,000
CLOSING BALANCE - CASH	125				125	
- BANK	87,175				87,175	
TOTALS	2,730,321	2,730,321	1,518,105	1,518,105	4,248,426	4,248,426

Sign.......... Date 24/03/2026.....
Name.....LEONARD MARETE.....
Principal/BoM Secretary

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. BOX 262 - 80602, KENYA
Date: 24/3/2026

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

ST. MARY'S MBARANGA SECONDARY SCHOOL

TUITION ACCOUNT

ADJUSTED TRIAL BALANCE AS AT 30/06/2023

PARTICULARS	APPR. ESTI.	INITIAL TRIAL BALANCE		COMM.	BAL. AVAIL.	ADJUSTMENTS		FINAL TRIAL BALANCE	
		DR	CR			DR	CR	DR	CR
OPENING BAL.- BANK			1,076						1,076
T/L MATERIALS		156,100	159,392			427,032		583,132	159,392
OPERATIONS ACC.		10,000	30,000					10,000	30,000
FUNDS ACCOUNT		21,000	25,000					21,000	25,000
SUNDRY CREDITORS		14,000					427,032	14,000	427,032
BANK CHARGES		1,440						1,440	
CLOSING BAL.- BANK		12,928						12,928	
TOTALS		215,468	215,468			427,032	427,032	642,500	642,500

Sign.....

Date.....

Name.....

Principal/BoM Secretary

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. Box 288 - 80602, KIAMBA
Date: 24/3/2026

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

ST. MARY'S MBARANGA SECONDARY SCHOOL
OPERATIONS ACCOUNT
ADJUSTED TRIAL BALANCE AS AT 30/06/2023

PARTICULARS	APP. ES.					ADJUSTMENTS		FINAL TRIAL BALANCE	
		DR	CR	COMM.	BAL.AV.	DR	CR	DR	CR
OPEN. BAL. - BANK			10,274						10,274
EWC		12,150						12,150	
OTHERS			459,421						459,421
LTT		26,165						26,165	
ADMIN. COST		322,295				24,500		346,795	
PERSONAL EMOL.		112,020				320,796		432,816	
ACTIVITY		6,000	28,867					6,000	28,867
NHIF/EDU AFYA			14,434						14,434
RMI		128,475	248,420					128,475	248,420
TUITION ACCOUNT		30,000	10,000					30,000	10,000
INFRASTRUCTURE ACC.		20,000	10,000					20,000	10,000
SCHOOL FUND ACC.		83,000						83,000	
SUNDRY CREDITORS		20,000					345,296	20,000	345,296
BANK CHARGES		8,693						8,693	
CLOS. BAL. - CASH		125						125	
- BANK		12,493						12,493	
TOTALS		781,416	781,416			345,296	345,296	1,126,712	1,126,712

Sign.....

Date.....24/3/2026.....

Name.....LEONARD MARETE.....
Principal/BoM Secretary

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. Box 255 - 60602, KIANJAI
Date.....24/3/2026.....

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

ST. MARY'S MBARANGA SECONDARY SCHOOL
INFRASTRUCTURE ACCOUNT
ADJUSTED TRIAL BALANCE AS AT 30/06/2023

VOTEHEAD	APP. ESTI.	ADJUSTMENTS		FINAL TRIAL BALANCE	
		DR	CR	DR	CR
OPEN. BAL. - BANK					
OPERATION ACC.		10,000	20,000	10,000	20,000
SCHOOL FUND ACC.		7,500		7,500	
MAINTENANCE & IMP.					
CREDITORS					
BANK CHARGES		1,450		1,450	
CLOS. BAL.- BANK		1,050		1,050	
TOTALS		20,000	20,000	20,000	20,000

Sign.....

Date.....

Name.....

Principal/BoM Secretary

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. Box 289, KAMPALA
Date: 24/3/2023

ST. MARY'S MBARANGA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

**SCHOOL FUND & OTHER MONIES ACCOUNT
ADJUSTED TRIAL BALANCE AS AT 30/06/2023**

PARTICULARS	ESTI.					ADJUSTMENTS		FINAL TRIAL BALANCE	
		DR	CR	COMM.	AVAIL.	DR	CR	DR	CR
OPENI. BAL. - BANK			11,486						11,486
BES/LUNCH		920,762	1,098,200			268,053	477,724	1,188,815	1,575,924
RMI		105,960	56,478					105,960	56,478
EWC		16,850	132,001					16,850	132,001
LTT		48,830	37,111					48,830	37,111
OPERATIONS ACC.			83,000						83,000
INFRASTRUCTURE			7,500						7,500
TUITION ACCOUNT		25,000	21,000					25,000	21,000
PERSONAL EMOL.		285,030	183,316					285,030	183,316
ADMIN. COST		277,510	54,070					277,510	54,070
MEDICAL			7,575						7,575
FEES ARREARS			160,200						160,200
FEES OVERPAYMENT			68,000						68,000
BANK CHARGES		8,544						8,544	
FARM		11,800						11,800	
DEBTORS						477,724		477,724	
CREDITORS		158,947					268,053	158,947	268,053
CLOS. BAL. -BANK		60,704						60,704	
TOTALS		1,919,937	1,919,937			745,777	745,777	2,665,714	2,665,714

Sign.....

Date.....

Name.....

Principal/BoM Secretary

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P. O. Box 263 - 50012, KIAMBU
Date:.....

ST. MARY'S MBARANGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Annex 4 – Sundry Debtors Schedule

ST. MARY'S MBARANGA SECONDARY SCHOOL
SUNDRY DEBTORS SCHEDULE

CLASS/FORM	AMOUNT
FORM 1	70,700
FORM 2	80,534
FORM 3	126,700
FORM 4	199,790
TOTALS	477,724

Sign.....

Date.....

Name.....

Principal/BoM Secretary

ST. MARY'S MBARANGA
SECONDARY SCHOOL
P.O. BOX 255, 60302, KILIMANJARO
Date: 24/3/2026