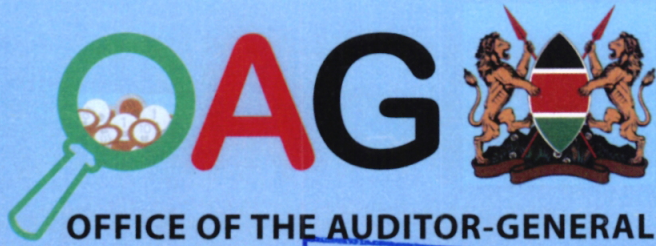


REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 25 JUN 2025	DAY. WEDNESDAY
TABLED BY:	MAJORITY LEADER
CLERK-AT THE-TABLE:	FINLAY

**REPORT**

**OF**

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**ST. MARY'S MIAMBANI SECONDARY SCHOOL**

**FOR YEAR ENDED  
30 JUNE, 2023**

**KITUI COUNTY**



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

07 JUL 2024

RECEIVED

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**ST. MARY'S MIAMBANI SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>th</sup> June 2023**

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

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

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# ST. MARY'S MIAMBANI SECONDARY SCHOOL

## Reports and Financial Statements

For the year ended 30th June 2023

### 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 Kitui County, Kitui Central Sub-County

The school was registered in 19/12/2000 under registration number GP/A/1526/2000 and is currently categorized as a *County* public school established, owned or operated by the Government.

The school is a Boarding school and had 123 number of students as at *30<sup>th</sup> June 2023*. It has **One** streams and 9 teachers of which 1 teachers was 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	PIUS MUTEMI	Chairman	4/5/2022
2	PETER NJERU	Secretary - Principal	4/5/2022
3	MR BENSON NZAKYO	Member	4/5/2022
4	CRISTINE WAMBUA	Member	4/5/2022
5	PATRICK NGALA	Member	4/5/2022
6	JOSEPH KAVYU	Member	4/5/2022
7	FELISTUS MUSYOKA	Member	4/5/2022
8	LILIAN MUIMI	Member – Rep CEB	4/5/2022
9	NATHAN KIMOTHO	Member Rep Teachers	4/5/2022
10	PATRICIA KOKI	Member - Sponsor	4/5/2022
11	STEPHEN MWONGELA	Member- Community	4/5/2022
12	FR.DANIEL MULYUNGI	Member - Sponsor	4/5/2022
13	BENARD KATEE	MemberSpecial Needs	4/5/2022
14	BONFACE JANE M.	Rep Students	4/5/2022

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**The function of the School Board of Management include:**

- 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			2 of 3
		PIUS MUTEMI	BOM CHAIRMAN	
		PETER NJIRU	BOM SECRETARY	
		PATRICIA KOKI	BOM VICE CHAIR	
		PATRICK NGALA	PTA CHAIRMAN	
		FR DANIEL MUTIA	SPONSOR	
2	Audit ,Finance,procurement and general purposes Committee			4 of 3
		PETER NJIRU	PRINCIPAL	
		PIUS MUTEMI	BOM.CHAIRMAN	
		PATRICK NGALA	PA. CHAIRMAN	
		FR DANIEL MUTIA	SPONSOR	
		RUTH MWENDWA	MEMBER	
3	Academic Committee			6 of 3
		PETER NJIRU	BOM SECRETARY	
		NATHAN KIMOTHO	TEACHER	
		STEPHEN MWONGELA	MEMBER	
		LILIAN MUIMI	CEB	
		PATRICIA KOKI	BOM VICE CHAIR	
		BENSON NZAKYO	MEMBER	
		PATRICK NGALA	PA CHAIRMAN	

**ST. MARY'S MIAMBANI SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**  
**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

4	Development Committee		
		PIUS M.UTEMI	BOM CHAIRMAN
		PETER NJIRU	BOM/SEC/PRINCIP
		PATRICK NGALA	PA CHAIR
		PATRICIA KOKI	BOM VICE CHAIR
		FR. DANIEL MUTIA	SPONSOR
5	Discipline and welfare Committee		
		PETER NJIRU	BOM SECRETARY
		NATHAN KIMOTHO	TEACHER
		CHRISTINE KALENGA	D/PRINCIPAL
		CHRISTINE WAMBUA	MEMBER
		BENSON NZAKYO	MEMBER
		JOSEPH KAVYU	MEMBER
6	Adhoc Committee	N/A	

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	NAME	TSC Number
1	Principal	PETER NJIRU	388624
2	Deputy Principal	CHRISTINE KALENGA	407236
3	School Bursar	JUDY SYENGO	

**ST. MARY'S MIAMBANI SECONDARY SCHOOL**  
**Annual Report and Financial Statements**

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: P.O BOX-1420-90200 ,KITUI  
Telephone: PHONE NO. 0112506569  
E-mail: STMARYSMIAMBANISECSCH@G.MAIL.COM.  
Website N/A  
Facebook:Twiter N/A

**(f) School Bankers**

The school operated accounts in the following banks:

- 1 Name of Bank: KCB BANK-BOARDING A/C  
Branch: KITUI  
Account Number: NO.1167255933
- 2 Name of Bank: NATIONAL BANK-OPERATION A/C  
Branch: KITUI  
Account Number: NO.010210517422901
- 3 Name of Bank: NATIONAL BANK-TUITION A/C  
Branch: KITUI  
Account Number: NO.01025051742900
- 4 Name of Bank: NATIONAL BANK-INFRASTRUCTURE A/C  
Branch: KITUI  
Account Number: NO. 01022237667100

**(g) Independent Auditors**

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

**(g) Independent Auditors**

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

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**ST. MARY'S MIAMBANI SECONDARY SCHOOL**

**Annual Report and Financial Statements**

For the year ended 30th June 2023

**II 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:

	2022-2023	2021-2022	2020-2021
<b>b) Teacher Student ratio</b>			
The teacher to student ratio	1:12	1:17	1:19
Number of teachers recruited and posted to the school within the year	0	1	0
Number of teachers that were transferred/ retired during the period	0	0	0
Number of teachers employed by TSC	9	9	8
Number of teachers employed by BOM.	1	2	2
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
<b>SUBJECTS</b>	<b>NO.of Teachers</b>	<b>NO.of Teachers</b>	
MATHS	1	1	1
ENGLISH	1	1	1
KISWAHILI	1	1	1
CHEMISTRY	1	1	1
PHYSICS	1		0
BIOLOGY		0	0
HISTORY	1	0	0
CRE	1	0	1
AGRICULTURE	1	1	0
BUSINESS STUDIES	2	1	0
GEOGRAPHY	1	0	1
COMPUTER STUDIES	0	0	0
<b>c) Mean score in the 2023 KCSE:3.02</b>			
<b>performance of the school for each over the last three years</b>			
Number of students that have since transitioned to institutions of higher learning	3	8	7
Mean score	4.6	5.049	5.048
comment on improvement or otherwise as compared to the school's set score.			
<b>d) Number of Candidates in the 2023 KCSE:</b>			
Number of candidates sitting for KCSE over the last three years.	45	41	42
<b>e) Capacity of the school:</b>			
Number of students in the school	123	162	181
Dormitories	2	2	2
Dinning hall,	1	1	1
laboratories,	1	1	1
Toilets and	13	13	13
Land with legal ownership	4.5 ACRES	4.5 ACRES	4.5 ACERS
Other amenities.			

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

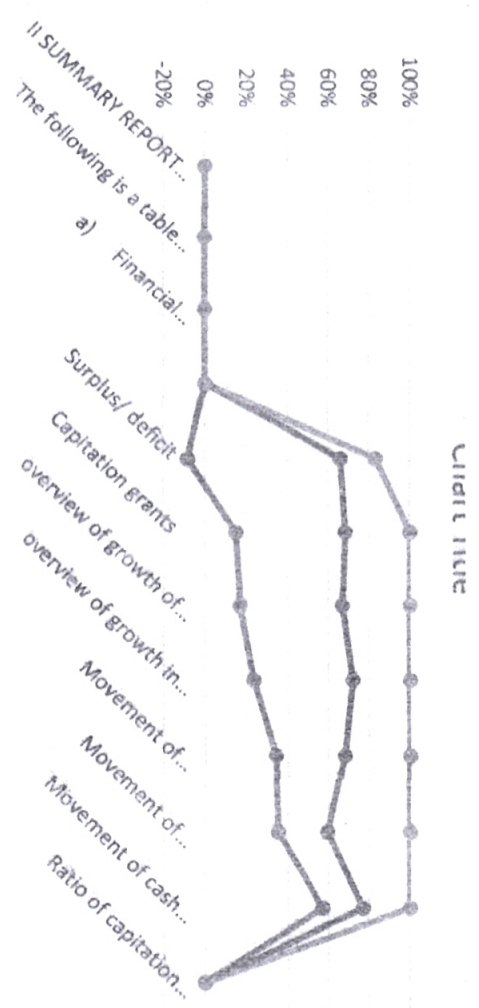
**II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

The following is a table summary report of the performance of the school

a) Financial performance:	2022-2023	2021-2022	2020-2021
Surplus/ deficit	(1,338,736.00)	12,004,534.00	2,786,798.07
Capitation grants	1,411,766.00	5,122,207.35	3,024,349.00
overview of growth of other income(s)	3,987,672.00	12,004,534.00	7,855,615.00
overview of growth in expenditure	6,738,173.00	14,104,360.00	8,093,165.93
Movement of debtors/Receivables	13,984,194.00	13,945,170.05	13,065,599.57
Movement of creditors /Payables	4,819,519.00	3,339,295.05	5,490,584.93
Movement of cash and bank balances	156,885.00	54,422.65	62,889.30
Ratio of capitation grant per student	1:9411.77	1:20821.97	1:24588.20

**GRAPH FOR SCHOOL FINANCIAL PERFORMANCE REPORT**

ST MARYS MIAMBANI SECONDARY SCHOOL



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

f) Development projects carried out by the school:

Project	Source of fund	Initial cost (Ksh)	Amount spent (Ksh)	Year	Expected Completion Time
N/A	N/A	N/A	N/A	N/A	N/A

Sign



ST. MARY'S SEC. SCHOOL-MIAMBANI  
P. O. Box 1420 - 90290, KITUI

Date: ..... Sign: .....

*for* School Principal

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

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**III. 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 of Kenya from time to time.

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


The Board of Management of Nzakame sec 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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.

Name: **PATRICIA KOKI**  
Designation: **Chairman, School Board of Management**

Sign:   
Date: **28/5/2024**

Name: **PETER NJIRU**  
Designation: **Sr School Principal & Secretary to Board of Management**

Sign:  **ST. MARY'S SEC. SCHOOL-MIAMBANI**  
Date: **28/5/2024** **P. O. Box 1420 - 90200 KITUI**  
Date:.....Sign.....

Designation: **Accounts clerk/ Finance Officer**

Sign:  
Date:

# REPUBLIC OF KENYA

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



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON ST. MARY'S MIAMBANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - KITUI COUNTY**

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### PREAMBLE

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

- A. Report on the 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 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.
- C. Report on the 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.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review

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

#### **Adverse Opinion**

I have audited the accompanying financial statements of St. Mary's Miambani Secondary School - Kitui County set out on pages 9 to 27, which comprise of the statement of financial assets and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other

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

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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of St. Mary's Miambani Secondary School - Kitui County 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 do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

## **Basis for Adverse Opinion**

### **1. Inaccuracies in the Financial Statements**

#### **1.1 Inaccuracies in Receipts in the Statement of Receipts and Payments and Ledger**

Review of the financial statements reveals that the balances of various receipts accounts in the School fund account differ from the balances recorded in the ledger. The variances were not reconciled as detailed below:

	<b>Ledger Balance (Kshs)</b>	<b>Financial Statements Balance (Kshs)</b>	<b>Variance (Kshs)</b>
<b>Receipt</b>			
<b>Parents Contribution/Fees - School Fund Account</b>			
Fees on Boarding Equipment and Stores	1,589,818	2,774,969	(1,185,151)
Electricity and Water	170,167	158,582	11,585
Bus	44,000	-	44,000
<b>Total</b>	<b>1,803,985</b>	<b>2,933,551</b>	<b>(1,129,566)</b>

#### **1.2 Inaccuracies in Payments in the Financial Statements and Ledger Entries**

Review of the financial statements revealed that the balances for various payment accounts in the school fund account differ from the balances recorded in the ledger, as detailed below:

<b>Account</b>	<b>Note</b>	<b>Ledger (Kshs)</b>	<b>Financial Statements (Kshs)</b>	<b>Variance (Kshs)</b>
<b>Payment for Operations</b>				-
Other Votes	6	821,401	930,521	(109,120)
<b>Boarding and School Fund Payments</b>				
Personnel Emolument	7	596,700	980,946	(384,246)
Local Transport/Travel	7	324,300	214,300	110,000

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

Account	Note	Ledger (Kshs)	Financial Statements (Kshs)	Variance (Kshs)
Bus Loan	7	93,000	0	93,000
Administration Cost	7	747,665	758,705	(11,040)
Fee on Boarding Equipment and Stores	7	1,424,000	2,998,703	(1,574,703)
<b>Total</b>		<b>4,150,066</b>	<b>6,029,975</b>	<b>(1,869,969)</b>

### 1.3 Inconsistencies Between Balances Reflected in the Statement of Cash Flows and Notes to the Financial Statements

Review of the amounts reported in the statement of cash flows and those presented in Notes 3, 5, 6, and 7 of the financial statements revealed significant variances, and no adjustments were provided to support the variances as shown below:

Item	Statement of Cash Flows (Kshs)	Notes (3, 5, 6 and 7) (Kshs)	Variance (Kshs)
School Fund Income - Parents' Contributions	3,603,142	3,765,672	(162,530)
Payment for Tuition	234,240	147,040	87,200
Payment for Operation	1,078,952	1,188,072	(109,120)
Boarding and School Fund	3,603,142	5,403,061	(1,799,919)
<b>Total</b>	<b>8,519,476</b>	<b>10,503,845</b>	<b>(1,984,369)</b>

### 1.4 Inconsistencies between Balances Reflected in the Statements of Receipts and Payments and Statement of Budget versus Actual Amounts

The statement of budget versus actual amounts reflects a budget total receipt of Kshs.5,276,292 and total payment of Kshs.6,444,644. However, the statement of receipts and payments reflects a total receipt of Kshs.5,399,437 and total payment of Kshs.6,738,173 resulting to an explained variance of Kshs.123,145 for receipts and Kshs.293,529 for payments.

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

## 2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.156,885 and as disclosed in Note 8 and 9 to the financial statements. However, Management did not prepare monthly bank reconciliations for any of the bank accounts and no Board of Survey certificate was provided for audit to confirm the cash balances. Further, the cashbook for infrastructure account was not provided for audit.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.156,885 could not be confirmed.

### **3. Unsupported Boarding and School Fund Payments**

The statement of receipts and payments reflects expenditure of Kshs.5,403,061 as disclosed in Note 7 to the financial statements in respect of boarding and school fund payments. The balance includes expenditure of Kshs.2,062,780 on items that were not supported with ledger, receipts, invoices purchase orders, food inspection report for foods supplied confirming whether the goods met the specified standards and requirements and delivery notes.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.5,403,061 could not be confirmed.

### **4. Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects accounts receivable balance of Kshs.13,984,194. However, the balance was not supported with student fee statements, fee collection registers, student listing, billing records and correspondence with students and parents. In addition, significant accounting policies on accounts receivables as disclosed in Note 11 is silent on the treatment of student's fee balances which is a major source of income for the School.

In the circumstances, the accuracy and completeness of the receivables balance of Kshs.13,984,194 could not be confirmed.

### **5. Unsupported Accounts Payables**

The statement of financial assets and liabilities and as disclosed in Note 12 to the financial statements reflects accounts payable balance of Kshs.4,819,519. However, documents such as purchase orders, supplier invoices, delivery notes, goods received notes (GRNs), contracts and agreements to verify the authenticity and accuracy of the amounts recorded as payables were not provided for audit.

In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.4,819,519 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Mary's Miambani 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 adverse opinion.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of budget versus actual amounts reflects final revenue budget and actual on comparable basis of Kshs.11,402,560 and Kshs.5,276,292 respectively, resulting to an under-funding of Kshs.6,126,268 or 54% of the approved budget. However, the School spent a balance of Kshs.6,444,644 against actual receipts of Kshs.5,276,292 resulting to over-utilization of Kshs.1,168,352. In addition, the School's budget was not balanced.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Unresolved Prior Year Audit Matters**

In the audit report of the previous year, several issues were raised under Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

#### **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Late Submission of the Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 5 May, 2024 instead of the statutory deadline of 30 September 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the school's financial statements should be ready by 30 September, 2023 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

## **2. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

Review of the financial statements revealed non-compliance with the format prescribed by the Public Sector Accounting Standards Board (PSASB). The following anomalies were noted:

- i) The initial pages which includes the Key School information, summary report of performance of the School, statement of School's Management responsibility, report of independent auditors and table of contents were not paginated in Roman numerals (ii, iii, iv, etc.).
- ii) The pagination for the statement of receipts and payments, statement of financial assets and financial liabilities, and statement of cash flows was not reset to Arabic numerals (1, 2, 3, etc.) and continued in that manner for the remainder of the paper.
- iii) Acronyms of terms and page were not included.
- iv) The statement of receipt and payments did not include infrastructure grants and payment related to infrastructure and related notes to the financial statements.
- v) The statement of receipts and payments and statement of financial assets and financial liabilities was not signed by bursar or the financial officer.
- vi) The statement of cash flows presented in the financial statements lacked essential detail such as notes to the financial statements.
- vii) Some pages of the financial report do not have headers, while the headers on other pages do not include the title "Annual Report and Financial Statement" and "the year ended 30 June 2023". This inconsistency in the documentation layout can lead to confusion and misinterpretation of the information presented.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

## **3. Long Outstanding Trade Payables**

The statement of financial assets and liabilities and Note 12 to the financial statements reflects accounts payable balance of Kshs.4,819,519. Included in the balance is a total amount of Kshs.2,905,243, comprising of Kshs.1,519,837 for trade creditors outstanding for one year and Kshs.1,385,406 for a period over two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that the accounting officer of a procuring entity shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in the approved budget estimates.

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 boarding and school fund payments amount of Kshs.5,403,061 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.97,380 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, value for money transferred to KESSHA amounting to Kshs.97,380 could not be confirmed

#### **5. Use of Cash to Procure Goods, Works and Services**

During the year under review, the School used cash totalling Kshs.2,925,250 from the school fund and operations account to purchase goods and services instead of procuring using low value procurement method as prescribed by Section 107 of the Public Procurement and Asset Disposal Act, 2015. Further, it was not possible to confirm if the goods procured were taken on charge by the person responsible for the stores.

In the circumstances, the School may not have received value for money for the expenditure of Kshs.2,925,250 on goods and services.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The standard requires 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **1. Incomplete Payment Vouchers**

During the year under review, Review of several payment vouchers revealed lack of essential information such as the description of the transaction, payee's name, cheque number, and the authorization signature of a responsible official.

In the circumstances, lack of essential information on payment records may undermine the School's financial integrity and operational efficiency.

### **2. Weak Internal Controls**

During the year under review, Management did not establish disaster management and recovery policies and business continuity plan and IT continuity plan to ensure smooth running of its operations. In addition, the School did not develop financial policy and procedure manual to guide in the financial operations of the School.

In the circumstances, the ability to recovery vital information which could affect the smooth running of the School's operations could not be confirmed.

### **3. Lack of a School Improvement Plan**

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

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

### **4. Lack of Other Disclosures on Inventory**

Review of inventory on other disclosures section of the financial statements revealed that no closing balance was reflected under stock and inventory. Management also did not carry out stock take at stipulated intervals to establish the balance of stock at the end of the financial year.

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

### **5. Failure to Update Fixed Assets Register**

Annex 2 to the financial statements reflects summary of fixed assets register Kshs.Nil balance in respect of major fixed assets which includes 2.9 hectares of land, buildings and structures, equipment's and school bus. However, the parcels of were not supported by a title deed.

In the circumstances, the ownership and safe custody of the fixed 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 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 control 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease its 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**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi


26 November, 2024


**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30TH JUNE 2023**

**I. STATEMENT OF RECEIPTS AND PAYMENTS**

DESCRIPTION OF VOTE HEAD	Note	2022-2023 Kshs	2021-2022 Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	269,402	870,564
Capitation grants for operations/Infrastructure	2	1,142,364	4,251,643
School Fund Income- Parents' Contributions	3	3,765,672	11,108,610
School Fund Income- Other receipts	4	222,000	895,924
<b>TOTAL RECEIPTS</b>		<b>5,399,437</b>	<b>17,126,741</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	147,040	755,005
Payments for operator/s/Infrastructure	6	1,188,072	4,086,989
Boarding and school fund payments	7	5,403,061	9,262,366
<b>TOTAL PAYMENTS</b>		<b>6,738,173</b>	<b>14,104,360</b>
<b>SURPLUS/DEFICIT</b>		<b>(1,338,736)</b>	<b>3,022,381</b>
		<b>5,399,437</b>	<b>17,126,741</b>

The financial statements were approved on.....2024 and signed by:


Sign   
 Name **PATRICIA KOKI**  
 Chair BOM

Sign   
 Name **PETER NJIRU**  
 School principal

Date **28/6/2024**

(secretary to BOM)  
 Date **28/6/2024**

ST. MARY'S SEC. SCHOOL-MIAMDANI  
 P.O. Box 1420 - 90200 K/ITU

Sign   
 Name  
 Finance officer

Bursar  
 Date

Date:.....  
 Sign

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30TH JUNE 2023  
II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	156,781	26,975
Cash Balances	9	104	27,447
Short term Investment	10	-	-
<b>Total Cash and Cash Equivalents</b>		<b>156,885</b>	<b>54,422</b>
Accounts receivable	11	13,984,194	13,945,170
<b>TOTAL FINANCIAL ASSETS</b>		<b>14,141,079</b>	<b>13,999,592</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	12	4,819,519	3,339,296
<b>NET FINANCIAL ASSETS</b>		<b>9,321,560</b>	<b>10,660,296</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st Jan 2020	13	10,660,296	7,637,905
Surplus/Deficit for the year		(1,338,736)	3,022,381
<b>NET FINANCIAL POSITION</b>		<b>9,321,560</b>	<b>10,660,296</b>

The financial statements were approved on.....2024 and signed by:

Sign *[Signature]*

Name **PATRICIA WOKI**

for Chair Bomm

Sign *[Signature]*

Name **PETER NJIRO**

ST. MARY'S SEC. SCHOOL School principal

10

Sign

Name

Finance officer

Bursar

Date **28/5/2024**

Date

P. O. Box 1420 - 90200 (Secretary to Bomm)

**ST MARY'S MIAMBANI SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 30TH JUNE 2023  
STATEMENT OF CASH FLOW**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating activities</b>		
Capitation grants for tuition	269,402	870,564.05
Capitation grants for operations	1,142,363	4,251,643.30
School fund income- Parents contributions/ fees	3,607,031	9,503,507
School fund income- other receipts		895,924
<b>Total receipts</b>	<b>5,018,796</b>	<b>15,521,638.35</b>
<b>Payments</b>		
Payments for Tuition	234,240	870,480
Payments for operations	1,078,952	4,225,213
Boarding and school fund payments	3,603,142	10,434,412
	<b>4,916,334</b>	<b>15,530,105</b>
<b>Net cash flow from operating activities</b>	<b>102,462</b>	<b>(8,466.65)</b>
 <b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Assets		
Acquisition of Assets-Abolition block/classrooms		
Proceeds from investments		
<b>Net cash flows from Investing Activities</b>		
 <b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings/ loans		
Repayment of principal borrowings		
<b>Net cash flows from Financing Activities</b>		
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>102,462</b>	<b>(8,467)</b>
 <b>Cash and cash equivalent at BEGINNING of the year-1-7-2022</b>	<b>54,423</b>	<b>62,889</b>
<b>Cash and cash equivalent at END of the year- 30-6-2023</b>	<b>156,885</b>	<b>54,423</b>

ST MARYS MIAMBANI SECONDARY SCHOOL

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	f=d/c %
<b>RECEIPTS</b>					
<i>(1) CAPITATION GRANT ON TUITION</i>					
Textbooks and reference materials			0	-	
Exercise books				-	
Laboratory equipment				-	
Internal exams				-	
Teaching / learning materials	621,600		€21,600	269,402	43
Chalks				-	
Exams and assessment				-	
Teachers guides				-	
Reference/Library				-	
				-	
<i>(2) CAPITATION GRANT ON OPERATIONS/INFRASTRUCTURE</i>					-
Personnel emoluments				-	
Repairs and maintenance/Infrastructure	447,000.00		447,000	381,000	85
Local transport / travelling				-	
Electricity and water				-	
Medical	440,000.00		440,000	21,000	5
Other voteheads	1,738,000.00		1,738,000	687,639	40
Administration costs				-	
Activity	330,000.00		330,000	52,725	16

<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	1,021,680.00	-	1,021,680.00	370,771.00		36
Repairs and maintenance	447,000.00	-	447,000.00	130,400.00		29
Local transport / travelling	648,060.00	-	648,060.00	179,663.00		28
Electricity and water	581,540.00	-	581,540.00	158,582.00		27
Medical						
Administration costs	531,320.00	-	531,320.00	151,287.00		28
Activity						
SMASSE						
Fee on Boarding Equipment and Stores	4,596,360.00	-	4,596,360.00	2,651,824.00		58
<b>OTHER INCOMES</b>						
Rent income						
Bursary				222,000.00		
Income from Bus Hire						
sales bore hole water						
<b>TOTAL INCOME</b>	<b>11,402,560.00</b>	<b>-</b>	<b>11,402,560.00</b>	<b>5,276,292.35</b>		<b>46</b>
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / Learning materials	621,400.00	-	621,400.00	146,800.00		24
Chalks						
Exams (and assessment						
Reference/Library						
Administration Costs						
Bank Charges				240.00		
<b>PAYMENTS FOR OPERATIONS/INFRASTRUCTURE</b>						

Persona Emoluments								
Administration Cost								
Repairs and maintenance & improvements	447,000.00			447,000.00			1,28,509.00	29
Local transport / travelling								
Electricity and water								
Othervoteheads	1,738,000.00			1,738,000.00			930,521.00	54
Bank Charges							1,690.00	
Activity Expenses	330,000.00			330,000.00			62,900.00	19
Medical								
<b>BOARDING AND SCHOOL FUND</b>								
<b>PAYMENTS</b>								
Activity	330,000.00			330,000.00				
Hire of School bus								
Pocket Money								
Cautron Money								
Personnel emoluments	1,021,680.00			1,021,680.00			930,946.00	96
Service Gratuity								
Repairs and maintenance & Improvements	447,000.00			447,000.00			1,31,790.00	29
Local transport / travelling	648,060.00			648,060.00			214,300.00	33
Electricity and water	581,540.00			581,540.00			89,540.00	15
Administration costs	531,320.00			531,320.00			758,705.00	143
Lunch Programme								
Tender fees								
Fee on Boarding Equipment and Stores	4,596,360.00			4,596,360.00			2,998,703.00	65
Acquisition of Assets								
<b>TOTAL</b>	<b>11,292,360.00</b>			<b>11,292,360.00</b>			<b>6,414,644.00</b>	<b>57</b>

(14)

## **VIII. 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 imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

### **2. Recognition of receipts and payments**

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

### **3. In-kind contributions**

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

### **4. Cash and cash equivalents**

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. 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. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

**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 30<sup>th</sup> June 2023.

**SI MARY'S MIAMBANI SECONDARY SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 30TH JUNE 2023**

<b>I. NOTES TO THE FINANCIAL STATEMENTS</b>			
<b>1</b>	<b>CAPITATION GRANT FOR TUITION</b>		
		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
	Textbooks and reference materials		
	Exercise books		
	Laboratory equipment		
	Internal exams		
	Teaching / learning materials	269,401.50	870,564.05
	Chalks		
	Exams and assessment		
	Teachers guides		
	Reference/Library		
	<b>Total</b>	<b>269,401.50</b>	<b>870,564.05</b>
<b>2</b>	<b>CAPITATION GRANT FOR OPERATIONS &amp; INFRASTRUCTURE</b>		
		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
	Personnel emoluments	-	
	Repairs and maintenance/Infrastructure	381,000.00	1,747,000.00
	Local transport / travelling		
	Electricity and water		
	Medical	21,000.00	
	Administration costs		
	Activity	52,725.00	
	Other Voteheads	687,638.85	2,504,643.30
	Nhif		-
	Nssf	-	
	<b>Total</b>	<b>1,142,363.85</b>	<b>4,251,643.30</b>
<b>3</b>	<b>PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT</b>		
		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
	Fees on Boarding Equipment and Stores	2,774,969.00	8,500,518.00
	Personnel emoluments	370,771.00	1,020,212.00
	Repairs and maintenance	130,400.00	316,367.00
	Local transport / travelling	179,663.00	455,709.00
	Electricity and water	158,582.00	430,741.00
	Medical		-
	Administration costs	151,287.00	385,063.00
	Activity		
	Other Voteheads		
	<b>Total</b>	<b>3,765,672.00</b>	<b>11,108,610.00</b>

<b>4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT</b>			
		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
Pocket Money		-	
Caution Money		-	
Rent income			
Bus fund			325,000.00
Transfers			
Bursary		222,000.00	570,924.00
Income from Bus Hire			
Nhif			-
Nssf			-
Interest income			-
Damages fees			
School farm income			
Students Identity card			
<b>Total</b>		<b>222,000.00</b>	<b>895,924.00</b>
<b>5 PAYMENTS FOR TUITION</b>			
		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials			
Exercise books		-	
Laboratory equipment		-	
Internal exams		-	
Teaching / learning materials		146,800.00	754,405.00
Chalks		-	
Exams and assessment		-	
Teachers guides		-	
Administration Costs		-	
Bank Charges		240.00	600.00
<b>Total</b>		<b>147,040.00</b>	<b>755,005.00</b>

6	PAYMENTS FOR OPERATIONS/INFRASTRUCTURE		
		2022-2023	2021-2022
		Kshs	Kshs
	Personal Emoluments	-	
	Service Gratuity	-	
	Administration Cost		
	Repairs and maintenance & improvements	128,509.00	721,226.00
	Local transport / travelling		
	Electricity and water		
	Activity Expenses	62,900.00	
	Nhif	18,500.00	
	Nssf	45,952.00	19,930.00
	Bank Charges	1,690.00	3,990.00
	Acquisition of Assets(Abulution block/classrooms)		
	Transfers		
	Union dues-mwisco		22,980.00
	Medical and Insurance		
	Other Voteheads	930,521.00	3,318,863.00
	<b>TOTAL</b>	<b>1,188,072.00</b>	<b>4,086,989.00</b>
7	<b>BOARDING AND SCHOOL FUND PAYMENTS</b>		
		2022-2023	2021-2022
		Kshs	Kshs
	Activity		
	Hire of School bus	-	-
	Pocket Money	-	-
	Caution Money	-	-
	Personnel emoluments	980,946.00	1,042,878.00
	Service Gratuity	-	-
	Repairs and maintenance & Improvements	131,790.00	788,115.00
	Local transport / travelling	214,300.00	483,600.00
	Electricity and water	89,540.00	420,824.00
	Bus loan		396,632.00
	Bursary	222,000.00	570,924.00
	Administration costs	758,705.00	1,367,867.00
	Lunch Programme		-
	Bank Charges	7,077.00	10,218.00
	Tender fees		
	Fee on Boarding Equipment and Stores	2,998,703.00	3,585,543.00
	Transfer to operations		
	Bus fund		595,765.00
	Nhif		
	Nssf		-
	Acquisition of Assets		
	Damages	-	
	Student Identity cards	-	
	Other Voteheads	-	

<b>TOTAL</b>		<b>5,403,061.00</b>	<b>9,262,366.00</b>
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*Expenses on income generating activities\*\* should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2022-2023	2021-2022
		Kshs	Kshs
Tuition Account		37,710.05	2,548.55
Operations Account		91,366.95	27,955.10
School Fund Account/Boarding		27,704.10	(3,528.90)
Savings Account-Coop			
Income generating activities Account			-
Infrastructure Account			
<b>Total</b>		<b>156,781.10</b>	<b>26,974.75</b>

**9 CASH IN HAND**

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	104.00	27,447.00
<b>Total</b>	<b>104.00</b>	<b>27,447.00</b>

**10 SHORT TERM INVESTMENTS**

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**11 ACCOUNTS RECEIVABLE**

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears	13,984,194.00	13,945,170.05
Other non-fees receivables		-
Salary advances		

<b>Total</b>			<b>13,984,194.00</b>	<b>13,945,170.05</b>
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[Include an ageing of the fees / non fees arrears below]

Description	2022-2023		2021-2022	
	Kshs	%	Kshs	%
Fees arrears for the current year	1,236,849.00	9%	3,966,537	28%
Fees arrears for the previous year	2,768,712.00	20%	2,793,402	20%
Fees arrears for prior periods (over two years)	2,793,402.00	20%		
Fees arrears for prior periods (over three years)	7,185,231.00	51%	7,185,231	51%
<b>Total</b>	<b>13,984,194.00</b>		<b>13,945,170</b>	

**12 ACCOUNTS PAYABLE**

Description	2022-2023		2021-2022	
	Kshs	Kshs	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,819,519.00		3,216,151.00	
Prepaid fees			123,145.00	
Caution money				
<b>Total</b>	<b>4,819,519.00</b>		<b>3,339,296.00</b>	

[Include an ageing of the creditor's arrears below]

Description	2022-2023		2021-2022	
	Kshs	%	Kshs	%
Trade creditors for current year	1,914,276.00	38%	1,830,745	57%
Trade creditors for the previous year	1,519,837.00	32%	1,385,406	43%
Trade creditors for prior periods (over two years)	1,385,406.00	29%		
<b>Total</b>	<b>4,819,519.00</b>	<b>99%</b>	<b>3,216,151</b>	<b>100%</b>

**13 FUND BALANCE BROUGHT FORWARD**

Description	2022-2023	2021-2022
	Kshs	Kshs

Cash balances		20,974.73		20,974.73
Short Term Investments	9	104.00		27,447.00
Receivables	10	-		-
Payables	11	13,984,194.00		13,945,170.05
	12	4,819,519.00		3,339,296.00
<b>Total</b>		<b>9,321,560.10</b>		<b>10,660,295.80</b>

**14 Other important disclosure notes**  
Non-current Liabilities Summary

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank loan(s)		-		-
Outstanding Leases		-		-
Hire purchase		-		-
Gratuity and leave provision		-		-
<b>Total</b>		<b>-</b>		<b>-</b>

**15 Biological assets**

Description	Numbers	2022-2023		2021-2022	
		Kshs		Kshs	
Cattle					
Mature blue gum					
Trees					
Coffee or tea plantation					
Poultry					
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**16 Borrowings**

Description	2022-2023		2021-2022	
	KShs		KShs	
<b>a) Borrowings</b>				
Borrowing at beginning of the year		-		-
Borrowings during the year		-		-
Repayments of during the year		-		-
<b>Balance at end of the year</b>		<b>-</b>		<b>-</b>

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<b>Total</b>			<b>13,984,194.00</b>	<b>13,945,170.05</b>
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[[Include an ageing of the fees / non fees arrears below]]

Description	2022-2023		2021-2022	
	Kshs	%	Kshs	%
Fees arrears for the current year	1,236,849.00	9%	3,966,537	28%
Fees arrears for the previous year	2,768,712.00	20%	2,793,402	20%
Fees arrears for prior periods (over two years)	2,793,402.00	20%		
Fees arrears for prior periods (over three years)	7,185,231.00	51%	7,185,231	51%
<b>Total</b>	<b>13,984,194.00</b>		<b>13,945,170</b>	

**12 ACCOUNTS PAYABLE**

Description	2022-2023		2021-2022	
	Kshs	Kshs	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,819,519.00		3,216,151.00	
Prepaid fees			123,145.00	
Caution money				
<b>Total</b>	<b>4,819,519.00</b>		<b>3,339,296.00</b>	

[[Include an ageing of the creditor's arrears below]]

Description	2022-2023		2021-2022	
	Kshs	%	Kshs	%
Trade creditors for current year	1,914,276.00	38%	1,830,745	57%
Trade creditors for the previous year	1,519,837.00	32%	1,385,406	43%
Trade creditors for prior periods (over two years)	1,385,406.00	29%		
<b>Total</b>	<b>4,819,519.00</b>	99%	<b>3,216,151</b>	100%

**13 FUND BALANCE BROUGHT FORWARD**

Description	2022-2023		2021-2022	
	Kshs	Kshs	Kshs	Kshs

Bank balances	8	156,781.10	26,974.75
Current balances	9	104.00	27,447.00
Short term Investments	10	-	-
Receivables	11	13,984,194.00	13,945,170.05
Payables	12	4,819,519.00	3,339,296.00
Total		9,321,560.10	10,660,295.80

14 Other important disclosure notes  
Non-current Liabilities Summary

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle			
Mature blue gum			
Trees			
Coffee or tea plantation			
Poultry			
Total		-	-

16 Borrowings

Description	2022-2023	2021-2022
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

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17	1	Stock/ Inventory	2022-2023	2021-2022
		Description	KShs	KShs
		<b>Stock/Inventory</b>		
		Stock/ inventory at beginning of the year		-
		Stock/ inventory purchased during the year		-
		Stock/ inventory issued during the year		-
		<b>Balance at end of the year</b>	-	-

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**ST MARY'S MIAMBANI SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the year ended 30th June 2023**

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

	Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance 2022	comments
		a	b	c	d=a-c		
		Kshs	Kshs	Kshs	Kshs	Kshs	
	<b>Construction of buildings</b>						
		-			-	-	
	<b>Sub-Total</b>	-			-	-	
	<b>Supply of goods</b>						
1	Basel ltd	1,265,000.00	2023		1,265,000.00		
2	Stephen Kitonga Mutemi	119,340.00	2023		119,340.00		
3	Mengi General Supplies	387,070.00	2023		387,070.00		
4	Nancy Kavili	21,750.00	2023		21,750.00		
5	Kwa Joshua	10,020.00	2023		10,020.00		
6	BOM Workers Salaries	384,246.00	2023		384,246.00		
	<b>OPERATION ACCOUNT</b>						
7	Judy Syengo	87,274.00	2023		87,274.00		
8	Kitheka Munyao	21,846.00	2023		21,846.00		
	<b>TUITION ACCOUNT</b>						
9	Fedrock	4,800.00	2023		4,800.00		
	<b>Sub-Total</b>	<b>2,301,346.00</b>			<b>710,000.00</b>		
	<b>Supply of services</b>						
	<b>Sub-Total</b>				-		
	<b>Grand Total</b>			-	-		

**ST MARY'S MIAMBANI SECONDARY SCHOOL**

**Annual Report and Financial Statements**

**For the year ended 30th June 2023**

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**18 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.

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

**ST MARY'S MIAMBANI SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30th June 2023**

**ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased	Location	Units	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land 1		MIAMBANI	2.9 HACTERES				2.9H
Land 2			-				-
Buildings and structures			35				35.00
Motor vehicles-School bus		"	1				1.00
Office equipment, furniture and fittings		"	280				280.00
ICT Equipment, and Other ICT Assets		"	12				12.00
Tools and apparatus		"	156				156.00
Textbooks		"	4,563				4,563.00
Other Machinery and Equipment		"	3				3.00
Heritage and cultural assets		"	-				-
Intangible assets- software		"	-				-
<b>Total</b>							-

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

ST MARYS MIAMBANI SECONDARY SCHOOL  
SCHOOL MAIN FUND ACCOUNT TRIAL BALANCE  
AS AT 30.06.2023

ADJUSTMENTS

ST MARYS MIAMBANI SECONDARY SCHOOL  
SCHOOL MAIN FUND ACCOUNT INCORPORATED TRIAL BALANCE  
AS AT 30.06.2023

VOTEHEAD	APPROVED ESTIMATES	DR Kshs.	CR Kshs.	DEBIT Kshs.	CREDIT Kshs.	VOTEHEAD	APPROVED ESTIMATES	DR Kshs.	CR Kshs.
Cash opening balance-1-7-20212			27,447.00			Cash opening balance-1-7-2022			27,447.00
Bank opening balance1-7-2022		3528.90				Bank opening balance1-7-2022		3528.90	
BES	4,596,360	1,582,593	1,414,975	1,416,110	1,236,849	BES	4,596,360	2,998,703	2,651,824
RMI	447,000	131,790	130,400			RMI	447,000	131,790	130,400
EWC	581,540	89,540	158,582			EWC	581,540	89,540	158,582
LTT	648,060	214,300	179,663			LTT	648,060	214,300	179,663
Activity	330,000					Activity	330,000		
Admin Costs	531,320	758,705	151,287			Admin Costs	531,320	758,705	151,287
Personal emolumnt	1,021,580	596,700	370,771	384,246		Personal emolument	1,021,680	980,946	370,771
Hire of school bus						Hire of school bus			
Fees Arrears			1,197,825			Fees Arrears			1,197,825
Bursary		222,000	222,000			Bursary		222,000	222,000
Sundry debtors				1,236,849		Sundry debtors		1236849	
Bank charges		7,077				Bank charges		7,077	
Sundry Creditors		218,908			1,800,356	Sundry Creditors		218,908	1,800,356
Cash balance-30-6-2023		104				Cash balance-30-6-2023		104	
Bank balance-30-6-2023		27,704.10				Bank balance-30-6-2023		27,704.10	
	8155960	3,852,950.00	3,852,950.00	3,037,205.00	3,037,205.00		8155960	6,890,155.00	6,890,155.00

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ST. MARY'S MIAMBANI SECONDARY SCHOOL  
 TUITION ACCOUNT TRIAL BALANCE AS AT 30.06.2023

ST. MARY'S MIAMBANI SECONDARY SCHOOL  
 TUITION ACCOUNT INCORPORATED TRIAL BALANCE  
 AS AT 30.06.2023

VOTEHEAD	TUITION ACCOUNT TRIAL BALANCE AS AT 30.06.2023			ADJUSTMENTS		VOTEHEAD	TUITION ACCOUNT INCORPORATED TRIAL BALANCE AS AT 30.06.2023		
	CAPITATION GRANT Kshs.	DEBIT Kshs.	CREDIT Kshs.	DEBIT Kshs.	CREDIT Kshs.		CAPITATION GRANT Kshs.	DEBIT Kshs.	CREDIT Kshs.
Opening bank balance 01-7-2022			2,548.55			Opening bank balance 01-7-2023			2,548.55
Tuition /Learning materials	621,400	142,000	269,401.50	4,800.00		Tuition /Learning materials	621,400	146,800	269,401.50
Sundry Creditors		92,000			4,800	Sundry Creditors		92,000	4,800
Bank charges		240				Bank charges		240	
Bank balance		37,710.05				Bank balance-30-6-2023		37,710.05	
<b>TOTAL</b>		<b>271,950.05</b>	<b>271,950.05</b>	<b>4,800.00</b>	<b>4,800.00</b>			<b>276,750.05</b>	<b>276,750.05</b>

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ST. MARY'S MIAMBANI SECONDARY SCHOOL  
 OPERATIONS ACCOUNT TRIAL BALANCE AS AT 30.06.2023

ADJUSTMENTS

ST. MARY'S MIAMBANI SECONDARY SCHOOL  
 OPERATIONS ACCOUNT INCORPORATED TRIAL BALANCE  
 AS AT 30.06.2023

VOTEHEAD	CAPITATION Kshs.	DR Kshs.	CR Kshs.	DEBIT Kshs.	CREDIT Kshs.	VOTEHEAD	CAPITATION Kshs.	DR Kshs.	CR Kshs.
Cash						Cash			
Bank Balance 01-7-2022			27,955.10			Bank Balance 01-7-2022			27,955.10
Repair & maintenance	447,000	128,509	381,000			Repair & maintenance	447,000	128,509	381,000
Personal enrolment						Personal enrolment			
Activity	330,000	62,900	52,725			Activity	330,000	62,900	52,725
Other voteheads	1,738,000	821,401	687,638.85	109,120		Other voteheads	1,738,000	930,521	687,638.85
Medical and insurance	440,000		21,000			Medical and insurance	44,000		21,000
Nhif		18,500				Nhif		18,500	
Nssf		45,952				Nssf		45,952	
Sundry creditors					109,120	Sundry creditors			109,120
Bank charges		1,690				Bank charges		1,690	
Bank balance-30-6-2021		91,366.95				Bank balance-30-6-2021		91,366.95	
Cash balance-30-6-2021						Cash balance-30-6-2021			
<b>TOTALS</b>	<b>2,955,000</b>	<b>1,170,318.95</b>	<b>1,170,318.10</b>	<b>172,727.00</b>	<b>172,727.00</b>	<b>TOTALS</b>	<b>2,559,000</b>	<b>1,343,045.95</b>	<b>1,343,045.95</b>