

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 10 JUN 2025

DAY.  
TUESDAY

OF TABLED BY:	HON. NAOMI WAQO, DEPUTY CHIP WHIP.
CLERK-AT THE-TABLE:	PERPETUAL MUIGA.

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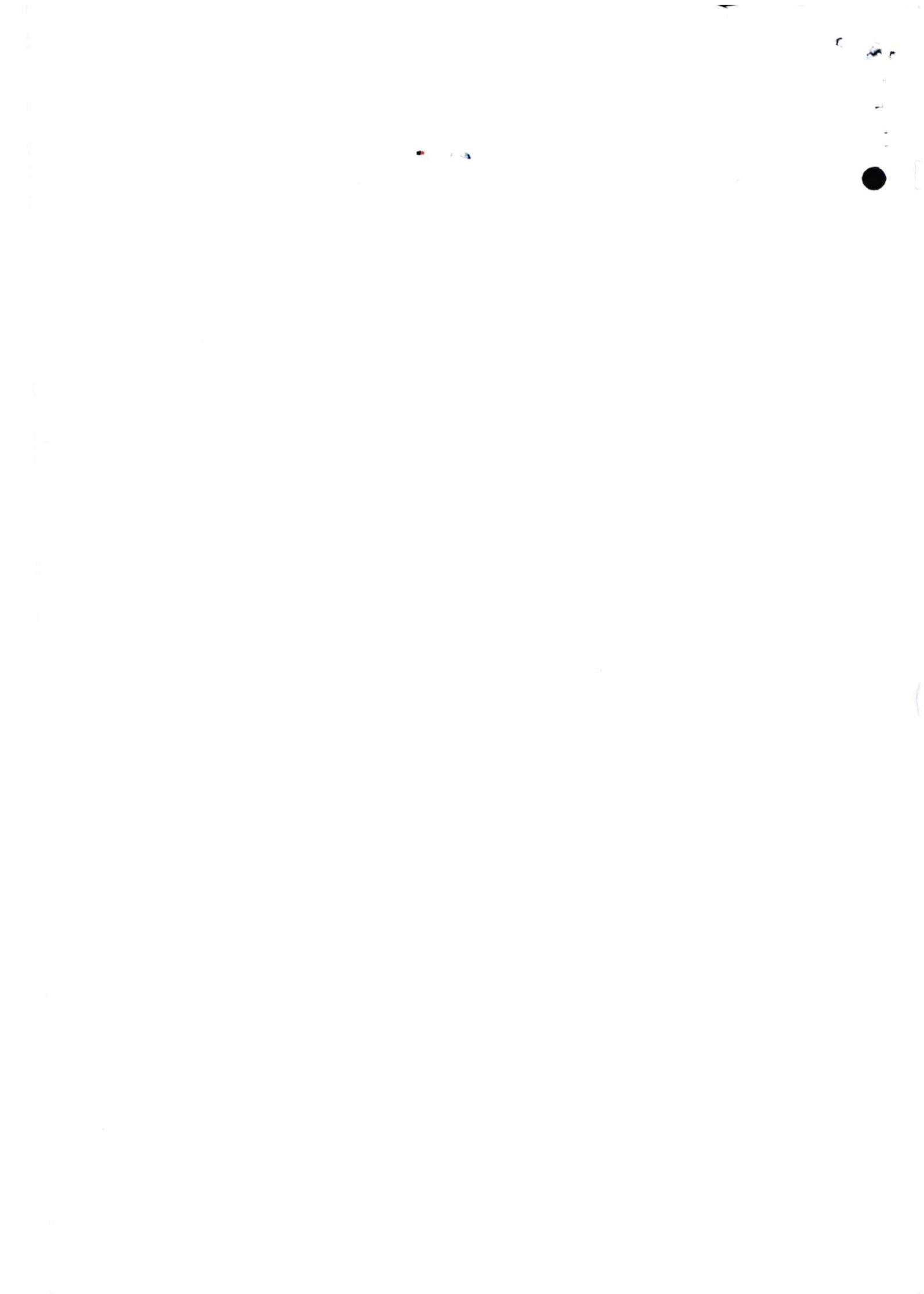
**THE AUDITOR-GENERAL**

**ON**

**ST. MARY'S GIRLS HIGH  
SCHOOL - IGOJI**

**FOR THE YEAR ENDED  
30 JUNE, 2024**

**MERU COUNTY**





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ST. MARY'S GIRLS' HIGH SCHOOL-IGOJI

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2024

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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 Girls’ High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms.**

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
P.A	Parents Association
RD	Refer to Drawer

**B. Definition of Key Terms**

**Comparative Year-** Means the prior period.

**2. Key School Information and Management**

**a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Meru County, Igoji Sub-County

The school started as an intermediate school and was reregistered in 2013 under registration number PU/S/3/340/13. It was reregistered again in May 2023 under registration number 12S00301556 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding girls' school and had 1842 students as at 30<sup>th</sup> June 2024. It has 10 for form 1, 8 streams for form 2, 9 streams for form 3 and 7 streams for form 4. It had 77 teachers of which 13 teachers were 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:

Board of Management members effective from February, 2022

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Mr. James Kimathi Mugambi	Chairman/Sponsor	1/2/2022
2	Mrs. Florence K. Igweta	Secretary- Principal	18/7/2023
3	Fr. Virgilio Kirimi	Members - Sponsor	19/3/2024
4	Dr. Caroline Kithinji	Member -Sponsor	1/2/2022
5	Ms. Virginia Kawira	Member - Rep. Parents	1/2/2022
6	Mr. James Wanjala	Member - Rep. Parents	1/2/2022
7	Ms. Nancy Ileri	Member - Re. Parent /P.A Chair	1/2/2022
8	Dr. Elijah Walubuka	Member - Rep CEB	1/2/2022
9	Mr. Murimi Philemon	Member - Rep Teachers	1/2/2022
10	Mr. Reuben Maingi	Member – Co-opted	23/3/2024
11	Ms. Evelyne Kendi	Member – Co-opted	23/3/2024
12	Mr. Ezechiel Mutegi	Member - Community	1/2/2022
13	Ms. Stella Kaburia	Member - Special groups	1/2/2022
14	Mr. Dennis Kaiser	Member - Special Needs	1/2/2022
15	Mr. Sarafin Mutwiri	Member - Community	1/2/2022
16	Joy Kananu	Student	14/7/2022

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**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**  
**Effective February 2022**

<b>Ref:</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
<b>1</b>	<b>Executive Committee</b>	Mr. James Kimathi	Chairman	1/1
		Mrs. Florence K. Igweta	Secretary	1/1
		Dr. Caroline Kithinji	V. Chair	1/1
		Fr. Virgilio Kirim	Member	1/1
<b>2</b>	<b>Audit Committee</b>	Ms. Virginia Miriti	Chairperson	No meeting held
		Mr. Sarafin Murungi	Secretary	
		Mr. Dennis Kaiser	Member	
<b>3</b>	<b>Finance, procurement and general purposes Committee</b>	Dr. Walubuka Elijah	Chairman	1/1
		Mrs. Florence K. Igweta	Secretary	1/1
		Ms. Stella Kaburia	Member	1/1
		Mr. James Wanjala	Member	1/1
<b>4</b>	<b>Academic Committee</b>	Mr. James Wanjala	Chairman	2/2
		Dr. Caroline Kithinji	Secretary	2/2
		Mrs. Florence K. Igweta	Member	2/2
		Mr. Murimi Philemon	Member	2/2

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5	<b>SIC Committee</b>	Dr. Walubuka Elijah	Chairman	4/4
		Mrs Loise Kimotho	Secretary/ Deputy	1/4
		Fr. Virgilio Kirimi	Member	0/4
		Mr. James Wanjala	Member	4/4
		Mrs. Florence K Igweta	Member	4/4
6	<b>Discipline and welfare Committee</b>	Ms Nancy Ileri	Chairperson	No meeting held
		Fr. Virgilio Kirimi	Secretary	
		Mr. Ezechiel Mutegi	Member	
7	<b>Tender opening Committee</b>	Dinah Maringa	Chairperson	1/1
		Samuel Muriuki	Secretary	1/1
		Jeremiah Mwangi	Member	1/1
		NelsonMugambi	Member	
8	<b>Evaluation Committee</b>	Simon Njue	Chairman	1/1
		Rosemary Mbae	Member	1/1
		Jeremiah Mwangi	Member	1/1
		Linet Were	Secretary	
		Gerald Muita	Member	1/1
		Morris Mutwiri	Member	

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**d) School Operation Management**

Ref:	Designation	Name	Identification
1	Principal	Florence K, Igweta	TSC No. 304892
2	Deputy Principal	Loise N. Kithinji	TSC No. 416549
3	School Bursar	Rosemary G. Mbae	BOM 062
4	Other (specify)		

**e) Schools contacts**

Post Office Box: 38-60402 - IGOJI  
 Telephone: 0731251190/0717425939  
 E-mail: [saintmarys.igoji@gmail.com](mailto:saintmarys.igoji@gmail.com)

**f) School Bankers**

The school operated 6 bank accounts in the following banks:

1. Name of Bank: KCB – School Fund Account  
 Branch: Nkubu  
 Account Number: 1158952783
2. Name of Bank: Cooperative– School Fund Account  
 Branch: Nkubu  
 Account Number: 01129057828900
3. Name of Bank: Equity Bank: – Operations Account  
 Branch: Nkubu  
 Account Number: 0370291768418
4. Name of Bank: Equity Bank: – Infrastructure Account  
 Branch: Nkubu  
 Account Number: 0370299898075
5. Name of Bank: Equity Bank: Tuition Account  
 Branch: Nkubu  
 Account Number: 0370291353424
6. Name of Bank: Capital Sacco Enterprise Account  
 Branch: Igoji Branch  
 Account Number: 100107719900
7. MPESA Pay Bill No. 188361 attached to Cooperative bank account no. 01129057828900

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

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- g) Independent Auditors**  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

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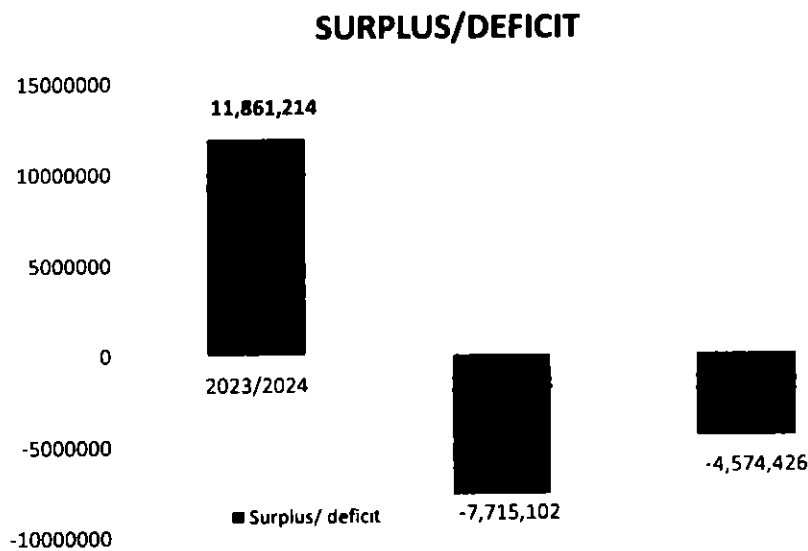
**3. Summary Report of Performance of The School**

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

**a) Financial performance:**

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

YEAR	2023/2024	2022/2023	2021/2022
Surplus/ deficit	11,861,214	-7,715,102	-4,574,426

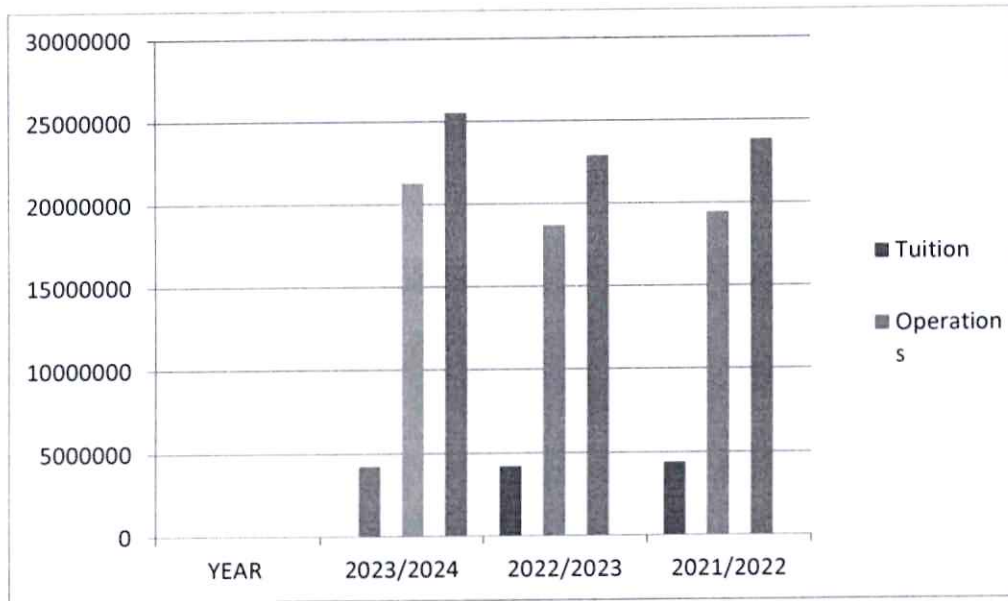


**The increase in Capitation is as a result of Government funding**

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

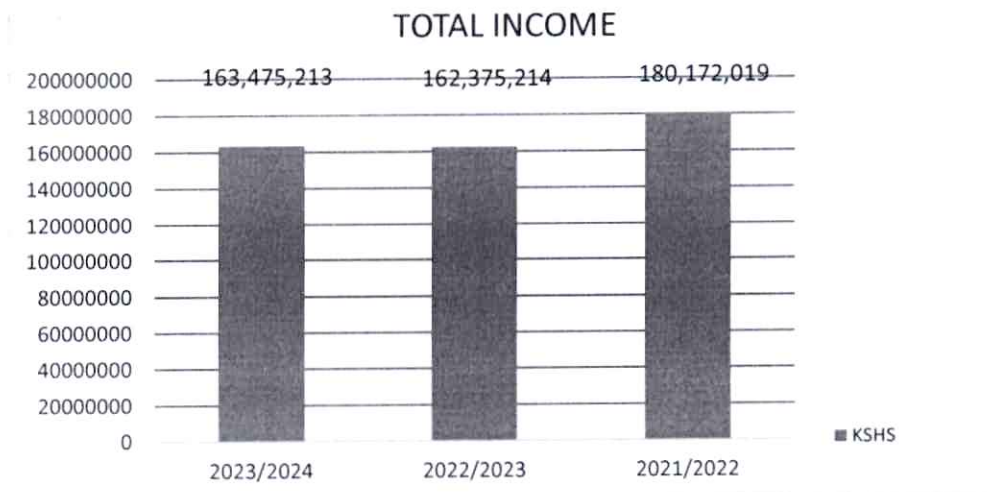
YEAR	2023/2024	2022/2023	2021/2022
Tuition account	4,229,218	4,192,309	4,395,751
Operations account	21,286,843	18,695,853	19,429,952
<b>Total</b>	<b>25,516,061</b>	<b>22,888,162</b>	<b>23,825,703</b>

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

YEAR	2023/2024	2022/2023	2021/2022
KSHS	163,475,213	162,375,214	180,172,019

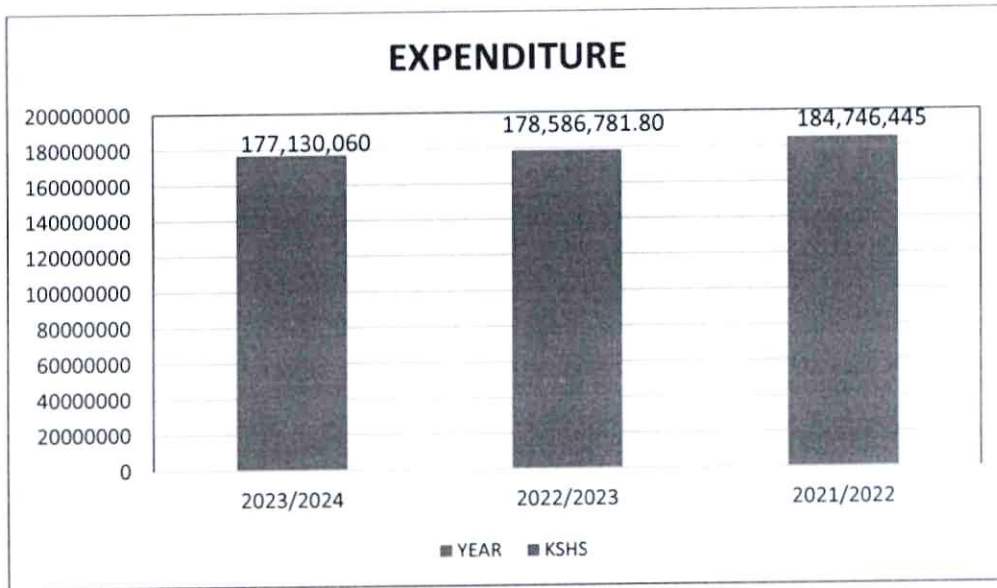


The trend shows slight increase in income growth. This is due to government funding(FSE)

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

YEAR	2023/2024	2022/2023	2021/2022
KSHS	177,130,060	178,586,781.80	184,746,445

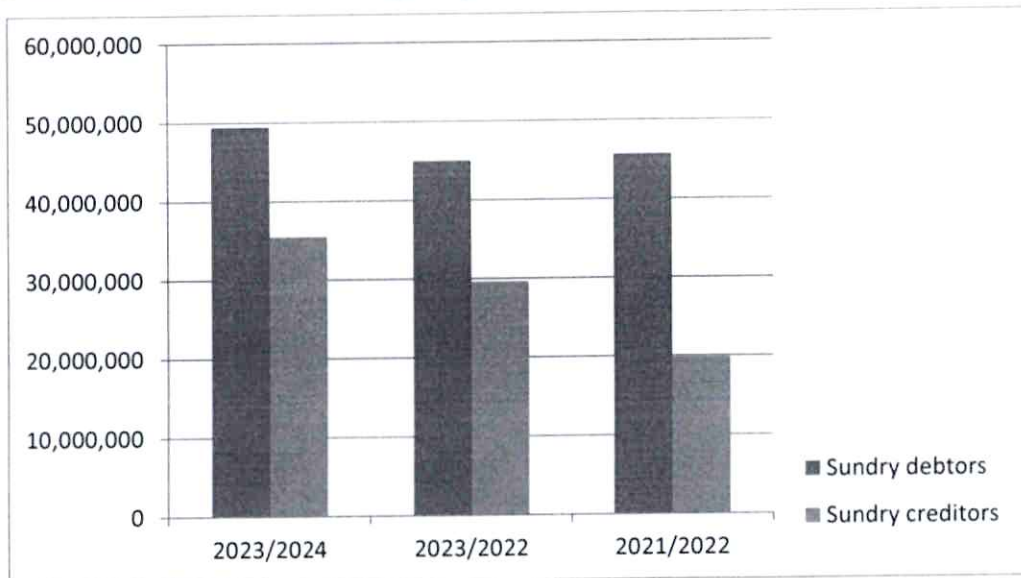
**St. Mary's Girls' High School-Igoji**  
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**- Movement of debtors and creditors of the school over the last three years**

YEAR	2023/2024	2023/2022	2021/2022
<b>Sundry debtors</b>	49,401,911	44,939,540	45,658,811
<b>Sundry creditors</b>	35,598,740	29,548,539	19,774,634

The increase in debtors' trend is occasioned by the government policy on not sending learners home for school fees. Increased creditors due to huge unpaid fees balances.



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**b. Teacher Student ratio:**

- Teacher to student ratio=  $\frac{\text{No. of students}}{\text{No. of teacher}} = \frac{1831}{79} = 1:24$
- No. of teachers recruited within the year 6
- 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 0
- No. of teachers employed by TSC 65
- No. of teachers employed by BOM 14

No. of teachers per subject

Subject	ENG	KISW	MAT H	B I O	CHE M	PHY S	AGR I	B/ S	HIS T	CR E	COM P	GEO	MUS IC	FREN	H/SC
No. of TSC teachers	10	14	14	11	10	7	2	3	8	15	1	6	1	1	2
No. of BOM teachers	1	1	3	3	3	2	0	1	0	1	0	1	0	0	1
Surplus															
Shortage	0	1	2	0	0	1	0	1	0	0	0	1	0	0	0

**c. Mean score in the 2023 -2021 KCSE:** A drop in the mean score as well as the direct university entries.

YEAR	KCSE Mean Score	Set score	No. of students that have transitioned to institutions of higher learning	Comment
2023	8.8368	9.5	314	There was improvement owing to the great cooperation from all the stakeholders
2022	8.215	9.0	260	The girls panicked the last minute hence the slight drop
2021	8.5261	9.5	284	Decline due to limited revision and syllabus coverage due to Covid 19 epidemic disruptions

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**d. Number of Candidates in the 2020-2022 KCSE:**

<b>YEAR</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>No. of candidates</b>	337	307	306

**e. Capacity of the school:**


<b>Facility</b>	<b>Available</b>	<b>Capacity</b>	<b>No. of students /staff</b>	<b>Required</b>	<b>Comment</b>
Classrooms	37	1700	1831	2	inadequate
Science Laboratories	5	300	1831	4	inadequate
Computer lab	1	70	200	2 capacity of 50 each	inadequate
Dining hall	1	600	1831	1 capacity of 2000	inadequate
Dormitories	13	1800	1831	1 capacity of 500	inadequate
Modern library	1	100	1831	1:1831	inadequate
Pitches	4	8	1831	4	inadequate
School bus	1	62	1831	2	inadequate
Ablution block	2	1000	1831	2	inadequate
School van	1	14	1831	0	adequate
Student Bathrooms	40	1600	1831	10	inadequate
Staff washrooms	10	60	100	4	inadequate
Water tank storage	1	24000L	1831	1 of 50000L	inadequate
Departmental offices	8	16	24	4	inadequate
Boardroom	1	20	50	1	inadequate
Staffroom	4	60	80	1	inadequate
Staff houses	16	16	40	24	inadequate

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**b) Development Projects carried out by the School:**

<b>Projects</b>	<b>Source of funds</b>	<b>Status</b>	<b>Initial Cost (Kshs)</b>	<b>Amount Spent (Kshs)</b>	<b>Expected completion time</b>
Classroom	MIF	On-going	12,457,356	5,946,000	2025
Dormitory	Parent Association	Complete	26,841,031.20	25,653,990.20	

  
 .....  
**School Principal**


**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.

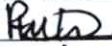
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of St. Mary's Girls High School Igoji 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, 2024 and of the school's financial position as at that date.

**Name:** Mr. James Kimathi Mugambi  
**Designation:** Chairman, School Board of Management  
**Sign:**   
**Date:** 16.4.25

**Name:** Mrs. Florence K Igweta  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:**   
**Date:** 16/4/2025

**Name:** Mrs Rosemary G. Mbae  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 16/4/25

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON ST. MARY'S GIRLS HIGH SCHOOL - IGOJI FOR THE YEAR ENDED 30 JUNE, 2024 – MERU COUNTY**

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### **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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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 Girls High School - Igoji - Meru County set out on pages 1 to 22, which comprise of the statement of Assets

and Liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and 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 Girls High School – Igoji – Meru County as at 30 June, 2024 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 Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Account Payables**

The statement of financial assets and liabilities reflects account payables balance of Kshs.35,598,740 as disclosed in Note 13 to the financial statements. However, a detailed ageing analysis of the trade and other payables detailing the suppliers' information, invoice details, ageing categories and reference numbers such as local purchase orders and local service orders were not provided for audit.

In the circumstances, the accuracy and completeness of account payables balance of Kshs.35,598,740 could not be confirmed.

#### **2. Unsupported House Rental Income**

The statement of receipts and payments reflects school fund income – other receipts amount of Kshs.9,373,606 which includes house rent amount of Kshs.506,982 as disclosed in Note 5 to the financial statements. However, signed rental house lease agreements and policy guidelines on the rates to be paid by the tenants of the housing units, were not provided for audit.

In the circumstances, the accuracy and completeness of school fund income – other receipts amount of Kshs.506,982 could not be confirmed.

#### **3. Unsupported Accounts Receivables**

The statement of assets and liabilities reflects accounts receivable balance of Kshs.49,401,912. However, the supporting schedules, detailed ageing analysis and issued invoices were not provided for audit review.

In addition, accounts receivable balance of Kshs.49,401,912 includes fees arrears balance of Kshs.49,060,424 as disclosed in Note 12 to the financial statements. Included in the latter balance are receivables amounting to Kshs.38,386,654 which had been outstanding for more than three (3) years. However, there was no policy on the

impairment of long outstanding fee arrears casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.49,401,912 could not be confirmed.

#### **4. Unsupported and Inaccurate Fixed Assets**

The statement of receipts and payments reflects payments for infrastructure amount of Kshs.12,458,334 which includes construction of classrooms amount of Kshs.12,457,356 as disclosed in Note 8 to the financial statements. However, the summary of fixed assets register discloses buildings and structures balance brought forward of Kshs.199,051,305 which included Nil additions to buildings and structures leading to unreconciled and unexplained variance of Kshs.12,457,356.

In addition, Annex 2 to the financial statements - summary of fixed assets register reflects assets historical cost balance brought forward of Kshs.402,805,969. Included in the fixed assets balance is Kshs.39,600,000 in respect to land. However, land ownership documents were not provided for audit. In addition, no explanation or disclosure was given on the method of depreciation and the rate used to depreciate the assets. Tagging of the assets for ease of identification was not done.

In the circumstances, the accuracy, completeness and ownership land balance of Kshs.39,600,000 could not be confirmed.

#### **5. Material Uncertainty Related to Sustainability of Service**

The statement of assets and liabilities reflects financial liabilities of Kshs.35,598,740 and financial assets of Kshs.70,502,827. Even though the financial liabilities did not exceed the financial assets, the financial assets included long outstanding receivables relating to the financial year 2022/2023 and earlier years amounting to Kshs.49,060,424 that has remained uncollected hence overstating the financial assets by the same amount, resulting to a negative working capital of Kshs.14,156,337 as at 30 June, 2024. The negative liquidity position was an indication of the existence of material uncertainty on the ability of the Institution to sustain service delivery.

The financial statements were, however, prepared on a going concern basis on the assumption that the school will continue to receive financial support from the Ministry of Education and its creditors. Management did not disclose the material uncertainty related to sustainability of service or measures taken to mitigate this.

In the circumstances, the Institution may not be able to meet its obligations.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Mary's Girls' High School - Igoji 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.

My opinion is not modified in respect of this matter.

### **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.155,858,520 and Kshs.188,991,274 respectively, resulting to an over-funding of Kshs.33,132,754 or 17% of the budget. Further, the School spent an amount of Kshs.177,130,060 against actual receipts of Kshs.188,991,274, resulting to an under-utilization of Kshs.11,861,214 or 6% of actual receipts.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Other Matters**

In the audit report of the previous year, several issues were raised under the Report on 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 some issues or given any explanations for failure to implement the recommendations.

### **Other Information**

Management is responsible for the other information set out on page iii to xvi which comprise of the School's Information and Overall Performance, Statement of Performance against the School's Predetermined Objectives, Environmental and Sustainability Reporting and the Statement of School's Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the school's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit

or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. 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 Submit for Approval the Estimates of Revenue and Expenditure**

The budget for the financial year under review was prepared and approved by the Board of Management. However, Audit review revealed that the school Management failed to submit the estimates of revenue and expenditure for approval to the Cabinet Secretary of Education in the manner and format issued by the Cabinet Secretary, contrary to provisions of Section 16(2) of the Basic Education Act, 2013 which requires that the Board of Management may incur expenditure for the institution in accordance with estimates approved by the Cabinet Secretary, and any approved expenditure under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary.

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

#### **2. 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.147,349,106 which includes an amount of Kshs.1,572,680 transferred to Kenya Secondary School Heads Association (KESSHA) as disclosed in Note 9 to the financial statements. 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.1,572,680 could not be confirmed.

### **3. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure amount of Kshs.4,229,218, Kshs.17,007,643 and Kshs.4,279,200 respectively as disclosed in Notes 1, 2 and 3 to the financial statements.

Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year, NEMIS reflected one thousand, eight hundred and eighty (1,880) students while records from the County Director of Education reflected one thousand, eight hundred and forty-two (1,842) students resulting to an unexplained variance of thirty-eight (38) students. This was contrary to the Ministry of Education Circular Ref: MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, the accuracy and completeness of enrolment data and capitation grants could not be confirmed.

### **4. Long Outstanding Payables**

The statement of financial assets and financial liabilities and as disclosed in Note 13 to the financial statements reflects payables balance of Kshs.35,598,740. However, included in the balance are trade payables balance of Kshs.7,017,748 which had been outstanding for more than one (1) year. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates.

In the circumstances, Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

### **5. Excess Supply of Set Books**

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through the Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the institute distributed eight hundred and fifty-seven (857) set books (Parliament of Owls) to the school while only four hundred and thirty-seven (437) set of books were issued to the students, resulting in an unexplained underutilization of four-hundred and twenty (420) set books.

In the circumstances, value for money on the excess four hundred and twenty (420) set books could not be confirmed.

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

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of a Functional Internal Audit Department**

During the year under review, the institution had not established a functionally independent internal audit department to oversee its internal operations, contrary to Regulations 160(1) of the Public Finance Management Regulation, 2015. Further, the audit committee failed to hold any meetings during the year.

In the circumstances, the school did not benefit from the oversight role and advice from the audit committee and the internal audit function.

#### **2. Weak Controls in Inventory Management**

Note 16 of the financial statements under other important disclosure notes disclosed an inventory closing balance of Kshs.1,288,042. However, Management uses the manual stores ledger to manage inventories instead of setting up an inventory management system to be managed by head of procurement function.

In the circumstances, the school risks stock losses, pilferage and misappropriation, as inventory accountability is not documented.

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 the Board of Management**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 controls, risk management and governance.

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

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

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

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

#### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**


**05 May, 2025**

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

**6. Statement of Receipts and Payments For the Year Ended 30<sup>th</sup> June 2024**


Description of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	4,229,218	4,192,309
Capitation grants for operations	2	17,007,643	12,744,853
Government Grants for Infrastructure	3	4,279,200	5,951,000
School Fund Income- Parents' Contributions	4	154,101,607	105,524,270
School Fund Income- Other receipts	5	9,373,606	63,413,287
<b>TOTAL RECEIPTS</b>		<b>188,991,274</b>	<b>191,825,719</b>
<b>PAYMENTS</b>			
Payments for Tuition	6	4,987,357	9,090,959
Payments for operations	7	12,335,264	10,707,325
Payments for Infrastructure	8	12,458,334	5,866,400
Boarding and school fund payments	9	147,349,106	173,454,780
<b>TOTAL PAYMENTS</b>		<b>177,130,060</b>	<b>199,119,464</b>
<b>SURPLUS/DEFICIT</b>		<b>11,861,214</b>	<b>(7,293,745)</b>

The school financial statements were approved on 16/4 2025 and signed by:


  
 Name: Mr. James  
 Kimathi Mugambi

Chairman BOM

Date: 16/4/25

  
 Name: Mrs. Florence K  
 Igweta  
 School Principal/  
 Secretary to BOM

Date: 16/4/2025

  
 Name: Mrs Rosemary G.  
 Mbae

Bursar/ Finance Officer


Date: 16/4/25

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

**7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2024**


Description	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	10	21,022,327	7,627,544
Cash Balances	11	78,589	24,329
Short term Investment		-	-
<b>Total Cash and Cash Equivalents</b>		<b>21,100,916</b>	<b>7,651,873</b>
Account's receivables	12	<b>49,401,911</b>	<b>44,939,540</b>
<b>TOTAL FINANCIAL ASSETS</b>		<b>70,502,827</b>	<b>52,591,413</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	13	35,598,740	29,548,539
<b>NET FINANCIAL SSETS</b>		<b>34,904,087</b>	<b>23,042,874</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	14	23,042,873	30,336,619
Surplus/Deficit for the year		11,861,214	(7,293,745)
<b>NET FINANCIAL POSITION</b>		<b>34,904,087</b>	<b>23,042,874</b>

The school's financial statements were approved on 16/4 2025 and signed by:


  
 Name: Mr. James Kimathi  
 Mugambi

Chairman BOM

Date: 16.4.25

  
 Name: Mrs. Florence K. Igweta  
 School Principal/ Secretary to  
 BOM

Date: 16/4/2025

  
 Name: Mrs. Rosemary G.  
 Mbae  
 Bursar/ Finance Officer



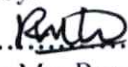
Date: 16/4/25

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

**8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2024**

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Capitation grants for tuition		4,229,218	4,192,309
Capitation grants for operations		17,007,643	13,202,176
Capitation grants for infrastructure		4,279,200	5,951,000
School fund income- Parents contributions/ fees		155,809,941	100,436,916
School fund income- other receipts		3,305,732	93,154,170
<b>Total receipts</b>		<b>192,065,032</b>	<b>216,936,571</b>
<b>Payments</b>			
Payments for Tuition		2,647,098	4,133,961
Payments for operations		13,049,824	10,977,642
Payments for Infrastructure		-	5,866,400
Boarding and school fund payments		149,538,791	192,759,137
<b>Total payments</b>		<b>165,284,613</b>	<b>213,737,140</b>
<b>Net cash flow from operating activities</b>		<b>19,396,021</b>	<b>3,199,430</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			
Acquisition of Assets		(5,946,978)	-
Proceeds from investments			
<b>Net cash flows from Investing Activities</b>		<b>(5,946,978)</b>	<b>-</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>13,449,043</b>	<b>3,199,430</b>
<b>Cash and cash equivalent at Beginning of the year</b>		<b>7,651,872</b>	<b>4,452,443</b>
<b>Cash and cash equivalent at End of the year</b>		<b>21,100,916</b>	<b>7,651,873</b>

The school's financial statements were approved on 16/4 2025 and signed by:



  
 Name: Mr. James Kimathi Mugambi      Name: Mrs. Florence K Igweta      Name: Mrs Rosemary G. Mbae

Chairman BOM

Date: 16.4.25

School Principal/ Secretary to BOM

Date: 16/4/2025

Bursar/ Finance Officer

Date: 16/4/25

St. Mary's Girls' High School-Igoji  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024

9. Statement of Budgeted Versus Actual Amounts for the Year Ended 30<sup>th</sup> June 2024

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
<b>(1) CAPITATION GRANT ON TUITION</b>		-	-		
MOE TUITION	8,080,560	-	8,080,560	4,229,218	
Teaching/learning materials	-	-	-	-	
<b>Total</b>	<b>8,080,560</b>	<b>-</b>	<b>8,080,560</b>	<b>4,229,218</b>	
<b>(2) CAPITATION GRANT ON OPERATIONS</b>		-			
Personnel emoluments	4,036,800	-	4,036,800	4,629,298	87%
Repairs and maintenance	10,440,000	-	10,440,000	2,068,000	20%
Local transport / travelling	3,619,200	-	3,619,200	886,571	24%
Electricity and water	3,480,000	-	3,480,000	2,567,005	74%
Administration costs	6,090,000	-	6,090,000	3,017,168	50%
Activity	2,610,000		2,610,000	1,305,861	50%
Medical	0	-	0	1,745,700	
SMASSE	348,000	-	348,000		
CBC Classroom	-	-	-	788,040	
<b>Total</b>	<b>30,624,000</b>	<b>-</b>	<b>30,624,000</b>	<b>17,007,643</b>	
<b>(3) CAPITATION GRANT ON INFRASTRUCTURE</b>					
Repairs and maintenance	-	-	-	4,279,200	100%
<b>Total</b>				<b>4,279,200</b>	
<b>(4) FEES CHARGED ON PARENTS</b>		-	-		
Personnel emoluments	11,995,560	-	11,995,560	10,801,060	90%
Repairs and maintenance	3,480,000	-	3,480,000	4,357,879	125%
Local transport / travelling	3,480,000	-	3,480,000	2,939,778	84%

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity and water	8,910,540	-	8,910,540	10,097,374	113%
Administration costs	4,377,840	-	4,377,840	4,814,120	110%
Boarding Equipment & stores	64,809,900		64,809,900	67,291,959	104%
Activity	2,745,720	-	2,745,720	1,929,373	70%
Property and Student Insurance	1,844,400	-	1,844,400	2,897,522	100%
Academic Programme	-	-	-	19,928,912	
PA-project	15,510,000	-	15,510,000	16,534,827	107%
student ID	-	-	-	146,972	
Uniform	-	-	-	11,436,631	
Medical				925,200	
<b>Total</b>	<b>117,153,960</b>		<b>117,153,960</b>	<b>154,101,607</b>	
<b>(5) OTHER INCOME</b>			-		
Bus Hire	-	-	-	49,000	
Tender	-	-	-	37,000	
House rent	-	-	-	506,982	
Damages	-		-	90,288	
SMASSE	-	-	-	559,000	161%
Home science	-	-	-	365,282	
School Farm	-		-	1,055,154	
Bakery	-		-	6,710,900	
<b>Total</b>	<b>-</b>		<b>-</b>	<b>9,373,606</b>	
<b>TOTAL INCOME</b>	<b>155,858,520</b>	<b>-</b>	<b>155,858,520</b>	<b>188,991,274</b>	<b>151%</b>
<b>EXPENDITURE FOR TUITION</b>					

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

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
Exams and assessments	8,080,560		8,080,560	463,465	100%
Exercise books	-			981,750	100%
Laboratory equipment and apparatus	-			1,904,969	100%
Teaching/learning materials	-			1,636,195	100%
Bank charges	-			978	100%
<b>Total</b>	<b>8,080,560</b>	<b>-</b>	<b>8,080,560</b>	<b>4,987,357</b>	
<b>PAYMENTS FOR OPERATIONS</b>					
Personal Emoluments	4,036,800		4,036,800	6,784,789	168%
Repairs and maintenance					
Administration Cost	6,090,000		6,090,000	2,030,011	33%
Local transport / travelling	3,619,200		3,619,200	747,918	21%
Electricity and water	3,480,000		3,480,000	1,959,206	56%
Activity Expenses	2,610,000		2,610,000	25,000	1%
CBC Classroom	-			788,220	
Bank Charges	-			120	0%
	<b>19,836,000</b>		<b>19,836,000</b>	<b>12,335,264</b>	
<b>Infrastructure Project</b>					
	10,440,000		10,440,000	12,458,334	100%
	<b>10,440,000</b>	<b>-</b>	<b>10,440,000</b>	<b>12,458,334</b>	
<b>BOARDING AND SCHOOL FUND PAYMENTS</b>					
Personnel emoluments	11,995,560		11,995,560	10,178,795	85%
Repairs and maintenance	3,480,000		3,480,000	6,005,016	173%
Local transport / travelling	3,480,000		3,480,000	4,311,346	124%

**St. Mary's Girls' High School-Igoji**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity and water	8,910,540		8,910,540	3,792,189	43%
Medical	-		-	193,900	
Administration costs	4,377,840		4,377,840	5,893,098	135%
Boarding Equipment & stores	64,809,900		64,809,900	61,881,225	95%
Activity	2,745,720		2,745,720	4,601,520	168%
Academic Programme	-	-	-	19,928,912	
Uniform	-	-	-	11,380,978	
SMASSE	348,000		348,000	482,898	139%
Student & Property Insurance	1,844,400	-	1,844,400	648,729	35%
PA Project	15,510,000	-	15,510,000	11,301,549	73%
Student ID	-	-	-	115,000	
Home Science	-		-	120,592	
House Rent	-		-	20,560	
Bakery	-	-	-	5,250,696	
School farm	-	-	-	1,242,103	
<b>Total</b>	<b>117,501,960</b>		<b>117,501,960</b>	<b>147,349,106</b>	
<b>Total Expenditure</b>	<b>155,858,520</b>		<b>155,858,520</b>	<b>177,130,060</b>	

## **10. Significant Accounting Policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

### **1. Statement of compliance and basis of preparation**

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

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

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

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

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

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

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

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

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

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2024

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**11. Notes to the Financial Statements**

**1 Government Grants for Tuition**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Teaching/learning materials	-	4,192,309
MOE TUITION	4,229,218	
<b>Total</b>	<b>4,229,218</b>	<b>4,192,309</b>

**2 Government Grants for Operations**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	4,629,298	4,499,553
Repairs and maintenance	2,068,000	-
Local transport / travelling	886,571	1,885,651
Electricity and water	2,567,005	2,772,786
Activity	1,305,861	570,300
Medical	1,745,700	304,100
Administration costs	3,017,168	2,712,463
CBC Classroom	788,040	-
<b>Total</b>	<b>17,007,643</b>	<b>12,744,853</b>

**3 Government Grants for Infrastructure**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Infrastructure Grant	4,279,200	5,951,000
Transition infrastructure grants		-
Administration Block		-
Economic stimulus grants		-
<b>Total</b>	<b>4,279,200</b>	<b>5,951,000</b>

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**4 School Fund Income - Parents Contribution/Fees**

Description	2023-2024	Restated 2022-2023	Audited 2022 - 2023
	Kshs	Kshs	
Personnel emoluments	10,801,060	12,875,375	12,392,629
Repairs and maintenance	4,357,879	4,641,313	4,485,311
Local transport / travelling	2,939,778	4,740,576	4,614,979
Electricity and water	10,097,374	10,355,213	10,002,235
Medical	925,200	667,529	637,545
Administration costs	4,814,120	5,395,404	5,209,877
Boarding Equipment and Stores	67,291,959	62,934,834	59,212,358
Property and Student insurance	1,929,373	1,390,983	1,328,973
Activity	2,897,522	2,523,043	2,443,009
Uniform	11,436,631	-	
PA-project	16,534,827		
Academic Programme	19,928,912		
Student ID	146,972		
<b>Total</b>	<b>154,101,607</b>	<b>105,524,270</b>	<b>100,326,916</b>

**5 Miscellaneous Incomes**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bus Hire	49,000	105,000
Tender	37,000	157,000
Academic Programme	-	23,781,777
House rent	506,982	55,000
Damages	90,288	17,360
Uniform	-	8,380,316
SMASSE	559,000	1,253,700
Home science	365,282	94,938
PA-project	-	20,551,813
student ID	-	114,489
School Farm	1,055,154	2,888,882
Bakery	6,710,900	6,013,012
<b>Total</b>	<b>9,373,606</b>	<b>63,413,287</b>

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Notes to the Financial Statements (continued)

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Text books	-	-
Exercise books	981,750	3,161,650
Laboratory equipment and apparatus	1,904,969	4,060,780
Teaching/learning materials	1,636,195	1,867,569
Internal exams	-	-
Bank charges	978	960
Exams and Assessments	463,465	-
<b>Total</b>	<b>4,987,357</b>	<b>9,090,959</b>

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personal Emoluments	6,784,789	3,403,712
Administration Cost	2,030,011	3,108,932
Local transport / travelling	747,918	506,017
Electricity and water	1,959,206	3,454,874
Activity Expenses	25,000	132,895
CBC Classroom	788,220	-
Medical	-	100,895
Bank Charges	120	-
<b>TOTAL</b>	<b>12,335,264</b>	<b>10,707,325</b>

8 Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Construction of classrooms	12,457,356	5,866,400
Construction of Laboratory	-	-
Bank Charges	978	-
<b>Total</b>	<b>12,458,334</b>	<b>5,866,400</b>

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**Notes to the Financial Statements (continued)**

**9 Boarding and School Fund**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	10,178,795	12,616,258
Repairs and maintenance	6,005,016	4,200,206
Local transport / travelling	4,311,346	5,681,242
Electricity and water	3,792,189	6,002,617
Medical	193,900	317,800
Administration costs	5,893,098	8,960,520
Boarding Equipment and Stores	61,881,225	64,095,647
Activity	4,601,520	4,918,822
Student & Property Insurance	648,729	451,739
SMASSE	482,898	1,253,700
PA Project	11,301,549	25,503,569
Academic Programme	19,928,912	22,355,289
Uniform	11,380,978	8,309,507
Home Science	120,592	
Student ID	115,000	125,264
House Rent	20,560	
School Farm	1,242,103	1,996,282
Bakery	5,250,696	6,666,318
	<b>147,349,106</b>	<b>173,454,780</b>

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**Notes to the Financial Statements (continued)**

**10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	370291353424	1,644,813	62,693
Operations Account	Active	0370291768418	6,256,727	2,298,908
School Fund Account/Boarding-KCB	Active	1158952783	11,063,974	2,509,370
School Fund Account/Boarding-COOP	Active	1129057828900	1,802,173	848,910
Parent Association Development Account	Active	Pay bill-188361		
Income Generating Activities Account	Active	100107719900	254,050	239,294
Infrastructural Account	Active	370299898075	591	1,668,369
<b>Total</b>			<b>21,022,327</b>	<b>7,627,544</b>

**11 Cash In Hand**

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins		
School Fund account	78,589	24,329
<b>Total</b>	<b>78,589</b>	<b>24,329</b>

**12 Accounts Receivable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees arrears	49,060,424	44,555,852
Other non-fees receivables	213,962	213,962
Salary advances	34,126	34,126
RD Cheques	93,400	135,600
<b>Total</b>	<b>49,401,912</b>	<b>44,939,540</b>

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**Notes to the Financial Statements (continued)**

**12 b Ageing Analysis of Accounts Receivable**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less Than 1 year	10,319,029	15%	6,552,886	15%
Between 1-2 years	354,741	0%	-	2%
Between 2-3 years	-	1%	347,864	2%
Over 3 Years	38,386,654	84%	37,655,102	82%

**13 Accounts Payable**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade creditors (See ageing below and appendix 1)	25,697,895		21,747,567	
Prepaid fees	8,904,164		6,661,812	
Pocket Money	282,128		424,607	
Trip	714,553		714,553	
<b>Total</b>	<b>35,598,740</b>		<b>29,548,539</b>	

**14a. Ageing Analysis of Accounts Payable**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
		% of the total		% of the total
Trade creditors for 1 year and less	18,680,147	73%	19,460,513	89%
Between 1-2 years	4,730,694	18%	375,344	2%
Between 2-3 years	2,287,054	9%	1,911,710	9%
Over 3 Years	-	0%	-	0%
<b>Total</b>	<b>25,697,895</b>	<b>100%</b>	<b>21,747,567</b>	<b>100%</b>

St. Mary's Girls' High School-Igoji  
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Notes to the Financial Statements (continued)

14 b. Fund Balance Brought Forward

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank balances	7,627,544	4,338,827
Cash balances	24,329	113,616
Receivables	44,939,540	45,658,811
Payables	29,548,539	19,774,634
<b>Total</b>	<b>23,042,873</b>	<b>30,336,619</b>

Other important disclosure notes

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

15. Biological assets

Description	Numbers 2022-2023	Numbers 2023-2024	2022-2023	2023-2024
			Kshs	Kshs
Cattle	4	6	200,000	250,000
Trees	449	949	449,000	499,000
pigs	35	30	321,000	281,000
Banana Plantation	-	300	-	60,000
Poultry	300	0	90,000	-
<b>Total</b>			<b>1,060,000</b>	<b>1,090,000</b>

16. Stock/ Inventory

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	228,400	408,710
Lab consumables	150,100	84,250
Farm produce	-	-
Medication		31,200
Construction Materials	-	-
Others (General stores)	909,542	593,030
<b>Total</b>	<b>1,288,042</b>	<b>1,117,190</b>

**St. Mary's Girls' High School-Igoji**  
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**16. 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)
1	<b>Inaccuracies in the Financial Statements</b>	The variance of Kshs.5,197,354.00 has been well explained	Resolved	N/A
2	<b>Inaccuracy in Capitation Grants for Operations</b>	The variance of Kshs.3,500 is house rent recovery from salary payment and has since been corrected.	Resolved	N/A
3	<b>Failure to maintain separate cash books.</b>	The school had maintained one cashbook for two boarding accounts. The management has noted the advice from the Audit team and is now operating a separate cash book for each account.	Resolved	N/A
4	<b>Long outstanding and unsupported account receivables</b>	The management has continued to prepare schedules detailing debtors due from past students and continuing students.	On going	
5	<b>Late Submission of Financial Statements for Audit</b>	Financial Statement for the ear 2023/2024 were submitted in time	Resolved	N/A
6	<b>Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)</b>	The Ministry recognizes Kenya Secondary Schools Heads Association (KESSHA) as a key stakeholder in management of education. The Association has been carrying out the role of coordination of co-curricular activities.	Not Resolved	

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
7	<b>Irregularities in the Procurement of Goods and Services</b>	The school has put in place inspection and acceptance committee.	Resolved	N/A
8	<b>Failure to transfer infrastructure Funds</b>	<b>Failure to Transfer Infrastructure Funds from Operations Bank Account to the Infrastructure Bank Account.</b>  The total amount transferred to infrastructure account i.e Kshs.5,951,000 was as a result of different students enrolment .The school followed the ministry guidelines by applying the rates given by ministry to the number of students	Resolved	N/A
9	<b>Long Outstanding Accounts Payables</b>	The main source of revenue for the school was fee charged to students. The huge fees balances had constrained the management in meeting the school's obligations as and when they fall due. Strategic efforts are being employed to curb the runaway debtors. This will avail adequate resources to pay off debts.	On going	
10	<b>Lack of an Information Technology (IT) and Service Continuity and Disaster Recovery Plan</b>	The school has developed these policies and they are in place.	Resolved	N/A

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
11	<b>Failure of Audit committee to hold meetings</b>	The Audit committee was dully constituted and the management commits to ensure that it executes its mandate.	Resolved	N/A
12	<b>Failure to Maintain Comprehensive Fixed Asset Register</b>	The managements came up with fixed asset register which is comprehensive, updated every time there is an additional asset or disposal of the asset and undertake to ensure date purchased and location are duly filled. Tagging of assets with unique code numbers is ongoing and management is committed to ensure it has been done comprehensively. The school undertakes to do proper assets valuation by engaging professional asset valuares	Ongoing	

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1. Mecos Designs & Construction CO LTD ( Classroom Block)	12,457,356	1/ 1/ 2024	5,946,000	6,511,356		
2. Mecos Designs & Construction CO LTD ( Dorm Construction)	14,756,872.80	1/ 7 /2023	13,569,831.80	1,187,041		
	<b>27,214,229</b>		<b>19,515,832</b>	<b>7,698,397</b>		
<b>Sub-Total</b>						
<b>Supply of Goods</b>						
3. Fourth Lugard Traders Ltd	1,919,550	1/7/2023	522,950	1,396,600		
4. Markaa Holdings LTD	2,363,000	1/7/2023		2,363,000		
5. Judy Kagwiria	592,075	1/7/2023		592,705		
6. Silveria Karea	225,600	1/7/2023		225,600		
7. Immaju Investments	216,000	1/7/2023		216,000		
8. Elake Materials LTD	217,150	1/7/2023	150,150	67,000		
9. Dabuem Suppliers LTD	376,630	1/7/2023		376,630		
10. Sayen Investments LTD	290,081	1/7/2023		290,081		
11. Riskam Enterprises	1,804,000	1/7/2023	1,056,000	748,000		

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
12. Julius Gitonga	610,000	1/7/2023	610,000	610,000		
13. Hewa Net	150,000	1/7/2023	125,000	25,000		
14. Justin Electrical Services	496,175	1/7 / 2024	259,100	237,075		
15. Desikam Enterprises	879,412	1 /7/ 2024	212,500	669,970		
16. Go Promotions	100,000			100,000		
17. Daniel Nayoli	100,000			100,000		
18. Julius Kithinji	637,800			637,800		
<b>Sub-Total</b>	<b>6,077,468</b>		<b>2,567,600</b>	<b>8,655,461</b>		
<b>Supply Of Services</b>						
19. Dabuem Suppliers	1,904,969	1/7/2023	309,455	1,595,514		
20. Gewen Enterprises	1,070,480	1/7/2023	339,705	730,775		
21.						
<b>Sub-Total</b>	<b>3,318,624</b>		<b>649,160</b>	<b>2,326,289</b>		
<b>Grand Total</b>	<b>36,267,146</b>		<b>22,732,592</b>	<b>18,680,147</b>		

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**Annex 2 – Summary of Fixed Assets Register**

<b>Asset Class</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2023</b>	<b>Additions during the year (Kshs)</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2024</b>
Land 1	39,600,000		39,600,000
Buildings And Structures	160,453,879	0	199051305
Motor Vehicles	12,667,374	0	12667374
Office Equipment, Furniture And Fittings	15,704,846	2,519,395	18,224,241
ICT Equipment, And Other ICT Assets	6,668,028	385000	7,053,028
Tools And Apparatus	5,191,475	200,000	5,391,475
Textbooks	112,089,155		23,316,491
Other Machinery And Equipment	6,858,907		6,858,907
Heritage And Cultural Assets	382,750		382,750
Intangible Assets- Soft Ware	1,564,234		1,487,734
<b>Total</b>	<b>361,180,648</b>	<b>3,104,395</b>	<b>402,805,969</b>