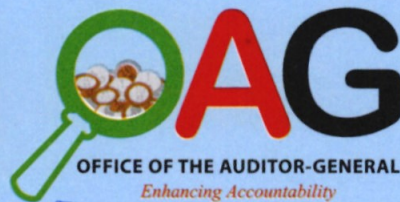


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

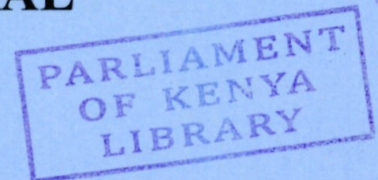
REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 JUL 2026	DAY: WEDNESDAY
TABLED BY:	HON. OKIEN BAYA, M.P.
CLERK-AT-THE-TABLE:	CHRISTINE NDIRITHI

THE AUDITOR-GENERAL

ON



MARIAKANI SECONDARY SCHOOL

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

KILIFI COUNTY



MARIKANI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

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

2. Key School Information and Management

(a) Background information

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

The school was registered in February 2010 under registration number GP/7730/09 and is currently categorized as a COUNTY public school established, owned or operated by the Government.

The school is a boarding school and had 1184 number of students as at 30th June 2024. It has 5 streams and 40 teachers of which 25 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Ramadhan Kimanthi	Chairman	8th July, 2022
2	Ngome Joshua Malidzo	Secretary - Principal	8th July, 2022
3	Raphael Bombo Ndeme	Member	8th July, 2022
4	Charles M. Ndegwa	Member	8th July, 2022
5	Khuzeima Abdallah	Member	8th July, 2022
6	Ruth Wambani Nyongesa	Member	8th July, 2022
7	Mwamure Thoya	Member	8th July, 2022
8	Suleiman Ngowa	Member	8th July, 2022
9	Lilian Senti	Member	8th July, 2022
10	Abdulkarim Mohamed	Member	8th July, 2022
11	Benjamin Mae	Member	8th July, 2022
12	Vincent Kai	Member	8th July, 2022
13	Philis Pendo	Member	8th July, 2022
14	Raphael Shanga	Member	8th July, 2022
15	Pauline Kuvuna Dzombo	Member	8th July, 2022
		3 Members - Sponsor	
16	Terezia Zawadi Baya	Member	8th July, 2022
17	Vespus Chenga	Member	8th July, 2022

Mariakani Secondary School

Annual Report and Financial Statements For the year ended 30th June 2024

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Ramadhan Kimanthi Fredrick Mwamure Raphael Bombo Ruth Kukubo Ngome J. Malidzo	BOM Chair P.A Chair B.O.M Member B.O.M Member B.O.M Secretary	3 out of 3
2	Audit Committee	Khuzeima Abdallah Teresia Zawadi Baya Suleiman Ngowa Philis Pendo Abdulkarim Mohammed	Member Member Member Member Member	0 out of 1
3	Finance,procurement and general purposes Committee	Ramadhan Kimanthi Vincent Kai Charles M. Ndegwa Khuzeima Abdallah Philis Pendo Renalda Wakio	Member Member Member Member Member Member	1 out of 1
4	Academic Committee	Fredrick Mwamure Pauline Dzombo Raphael Bombo Ramadhan Kimanthi	Member Member Member Member	1 out of 1

		Ruth Kukubo Charles M. Ndegwa	Member Member	
5	Development Committee			
6	Discipline and welfare Committee	Ruth Kukubo Fredrick Mwamure Raphael Bombo Vespus Chenja Ramadhan Kimanthi Teresia Zawadi	Member Member Member Member Member Member	3 out of 3
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	NGOME JOSHUA MALIDZO	TSC No. 322324
2	Deputy Principal	MATHEW KIMAMO WAITHAKA	TSC No. 375262
3	School Bursar	RENALDA SEVERA WAKIO	ICPAK No. 24370156
4			

(e) Schools contacts

Post Office Box: 34-80113
Telephone: 0723381437
E-mail: mari.seco@yahoo.com
Website: www.mariseco.co.ke
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

Name of Bank: Kenya Commercial Bank
Branch: Mariakani
Postal Address. 34-80113

(g) Independent Auditors

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

3. Summary Report of Performance of The School

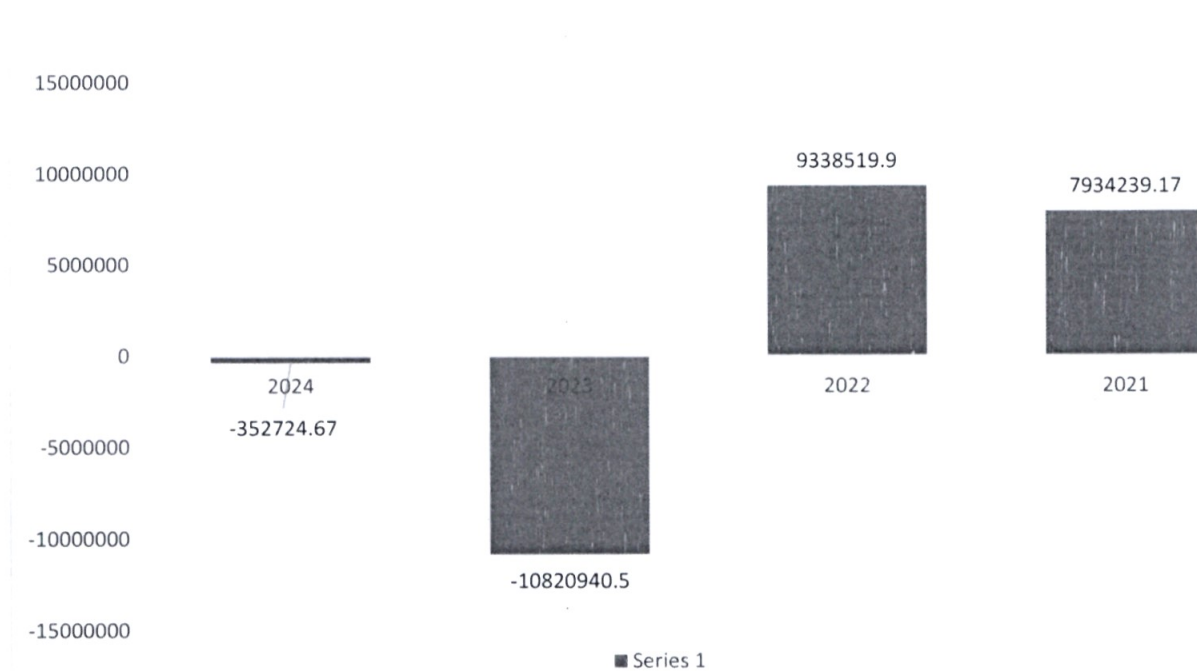
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

1. Surplus/Deficit

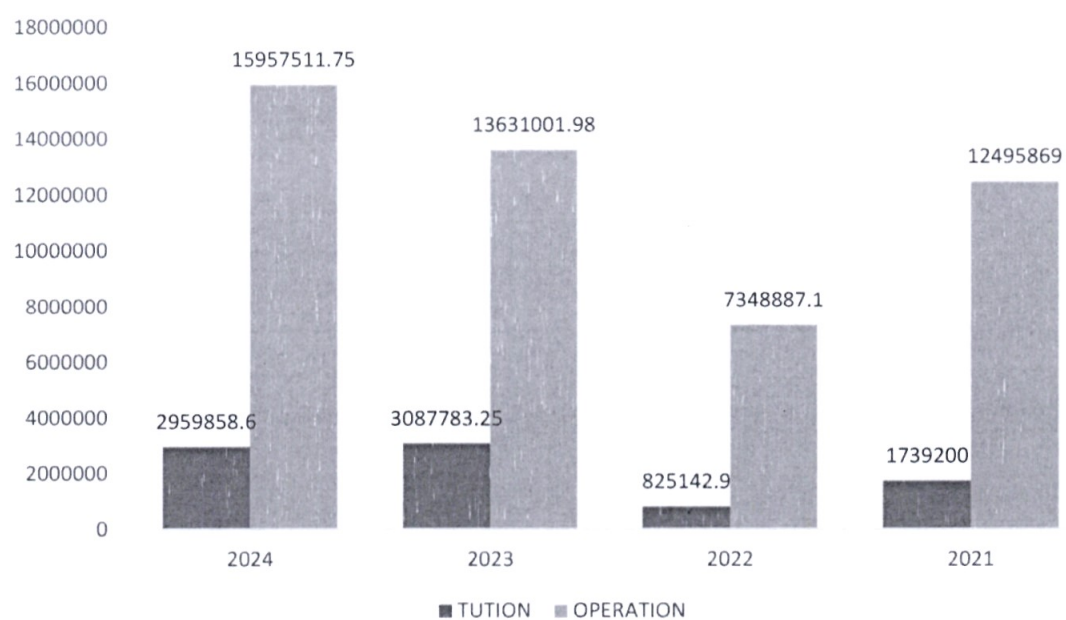
YEAR	DESCRIPTION	AMOUNT	PAGE REFERENCE
2024	DEFICIT	352,724.67	PAGE 1
2023	DEFICIT	10,820,940.50	PAGE 1
2022	SURPLUS	9,338,519.90	PAGE 1
2021	SURPLUS	7,934,239.17	PAGE 1

A graph of Surplus/Deficit against years



1. Capitation Grants from Ministry

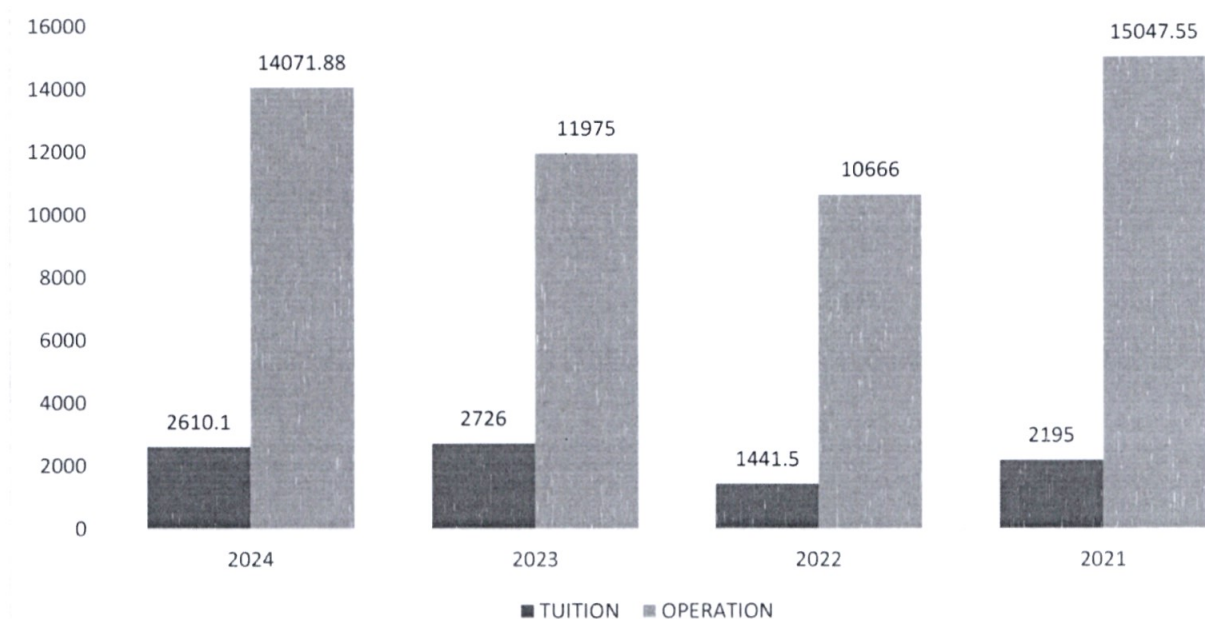
ACCOUNT	2024	2023	2022	2021
TUITION	2,959,858.60	3,087,783.25	825,142.90	1,739,200.00
OPERATION	15,957,511.75	13,631,001.98	7,348,887.10	12,495,869.00



2. Capitation Grant per student ratio

ACCOUNT	2024	2023	2022	2021
TUITION	1:2,610.10	1:2,726.00	1:1,441.50	1:2,195.00
OPERATION	1:14,071.88	1:11,975.00	1:10,666.00	1:15,047.55

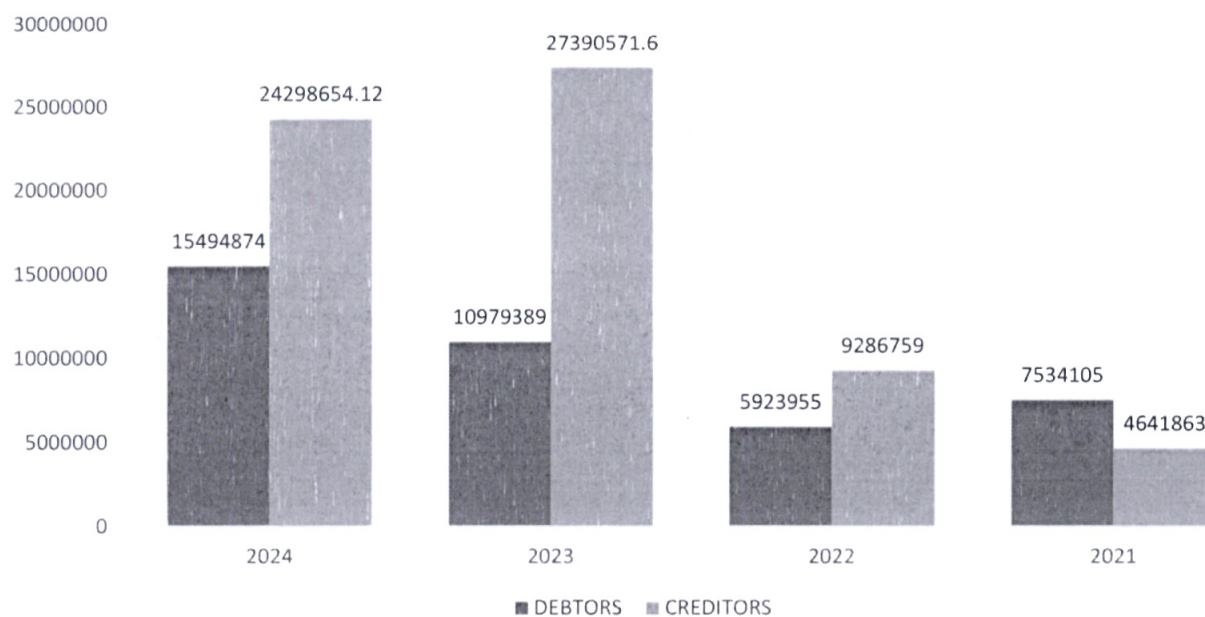
Capitation Grant per student ratio



1. Movement in Debtors and Creditors

DESCRIPTION	2024	2023	2022	2021
DEBTORS	15,494,874.00	10,979,389.00	5,923,955.00	7,534,105.00
CREDITORS	24,298,654.12	27,390,571.60	9,286,759.00	4,641,863.00

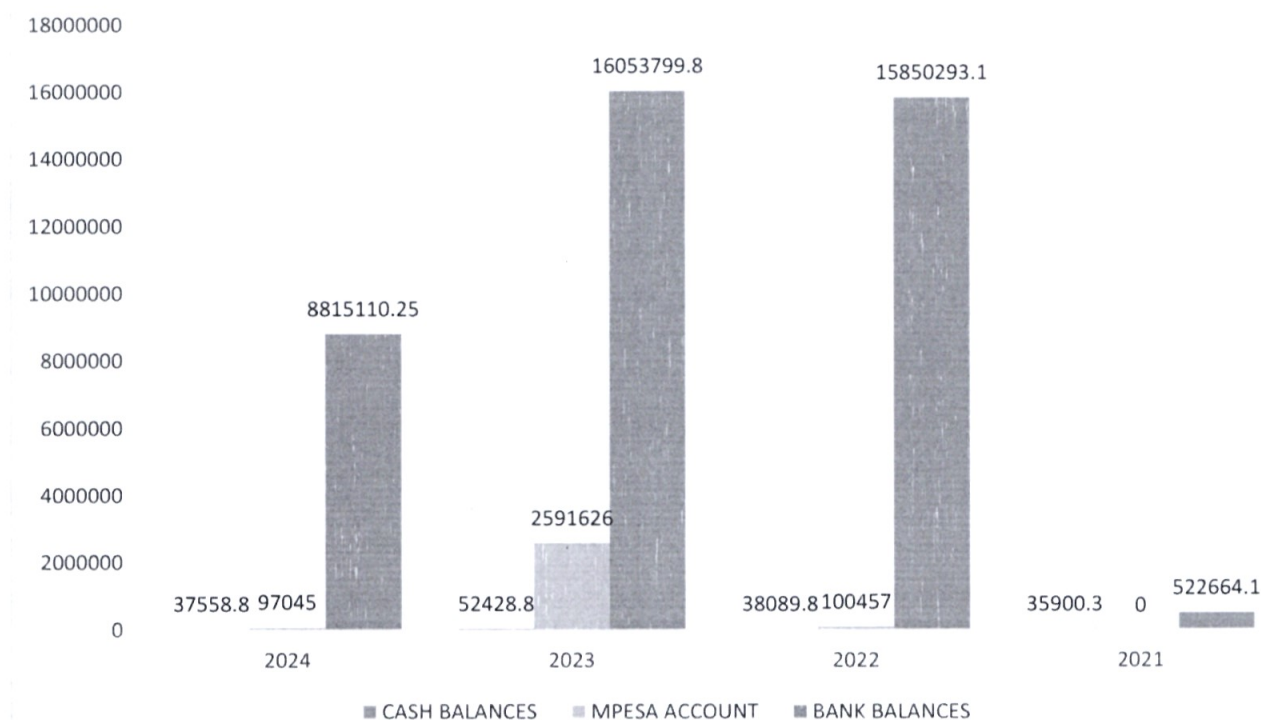
Movement in Debtors and Creditors



1. Movement in Cash and Bank Balances

DESCRIPTION	2024	2023	2022	2021
Cash balances	37,558.80	52,428.80	38,089.80	35,900.30
Mpesa Account	97,045.00	2,591,626.00	1,00,457.00	
Bank Balances	8,815,110.25	16,053,799.80	15,850,293.10	5,22,664.10

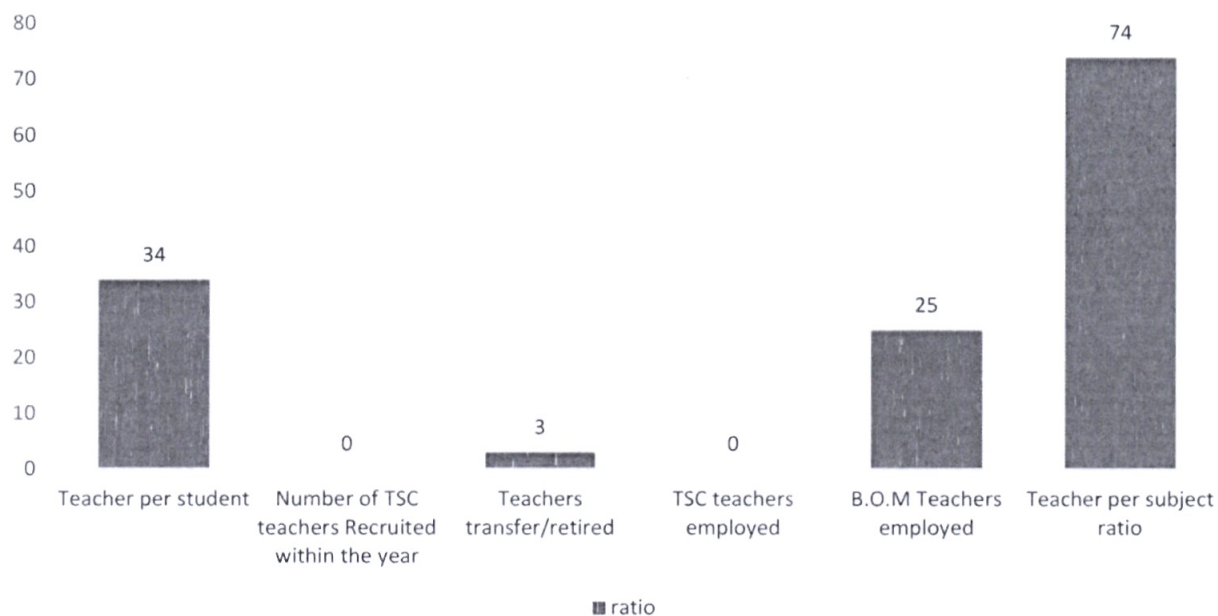
Movement in Cash and Bank Balances



b) Teacher Student ratio:

S/NO	DESCRIPTION	
1	Teacher per Student Ratio	1:34
2	Number of TSC Teachers recruited within the year	0
3	Teachers transferred/retired within the year	3
4	TSC Teachers employed	0
5	BOM Teachers Employed	25
6	Teacher Per Subject Ratio	1:74

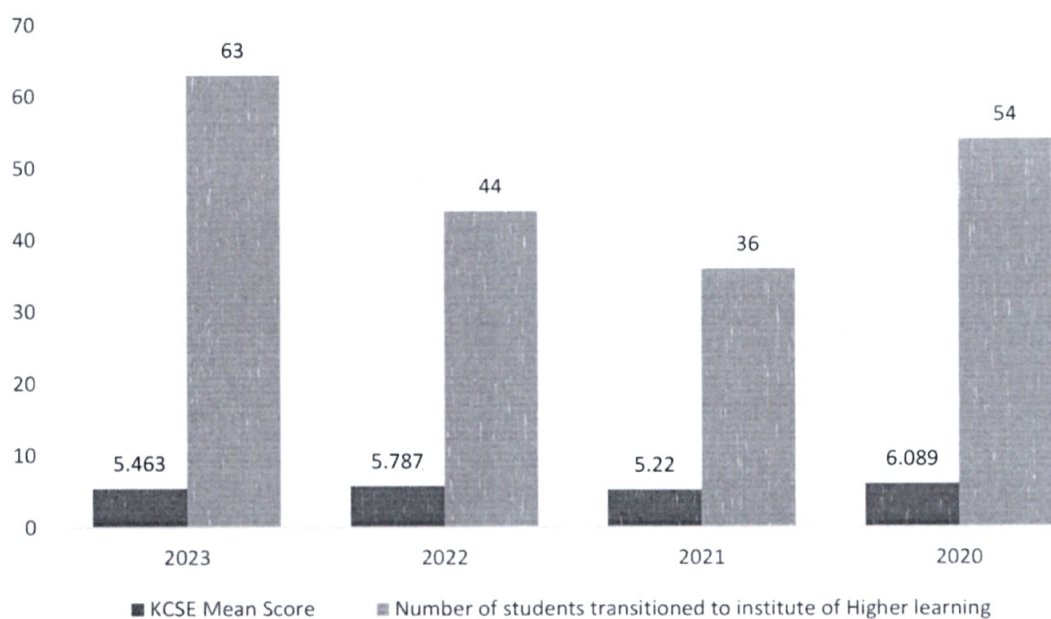
Teacher Student ratio:



a) The mean score in the 2023 KCSE:

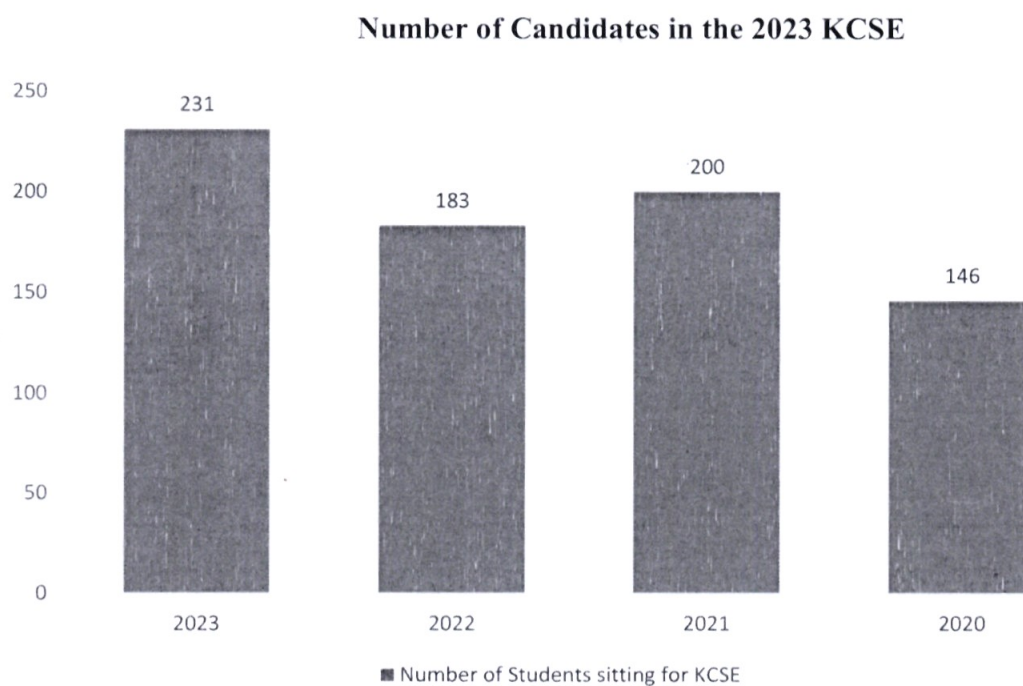
DESCRIPTION	2023	2022	2021	2020
KCSE Mean Score	5.463	5.787	5.220	6.0890
Number of students transitioned to Institute of Higher Learning	63	44	36	54

The mean score in the 2023 KCSE



b) Number of Candidates in the 2023 KCSE:

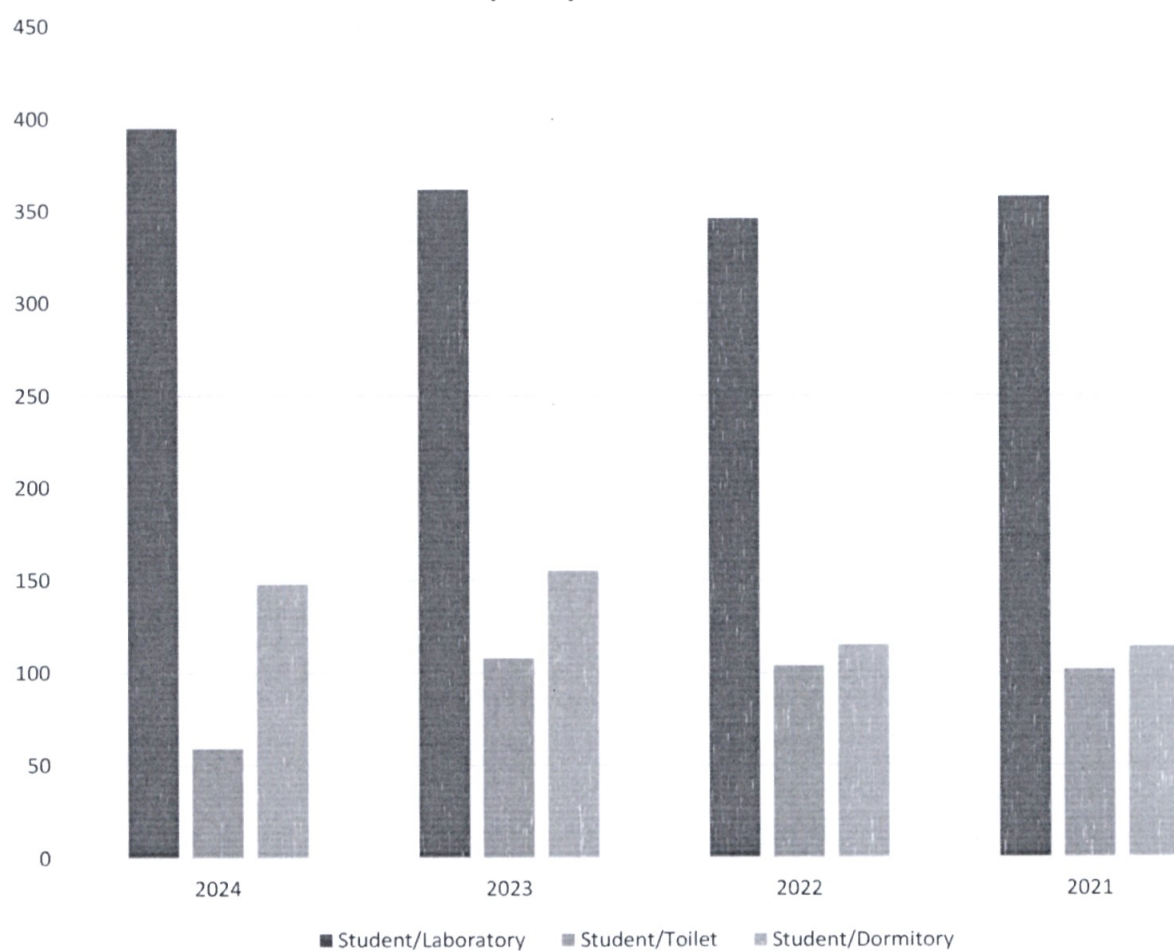
DESCRIPTION	2023	2022	2021	2020
Number of students sitting for KCSE	231	183	200	146



c) The capacity of the school:

DESCRIPTION	2024	2023	2022	2021
Student/Laboratory Ratio	1:395	1:362	1:346	1:358
Student/Toilet Ratio	1:59	1:108	1:104	1:102
Student/Dormitory Ratio	1:148	1:155	1:115	1:114

The capacity of the school



d) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
4 Door Modern Toilet	M&I	100% Complete	1,147,991.00	938,231.00	Completed
10 Door Ablution Block	M&I	100% Complete	1,745,079.10	946,333.00	Complete
Dormitory	M&I	100% Complete	11,348,619.41	8,152,285.00	Complete
CCTV	M&I	50% Complete	2,650,544.00	1,325,272.00	SEPTEMBER 2024



School Principal



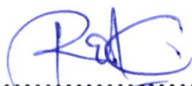
4. Statement of School Management Responsibility

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

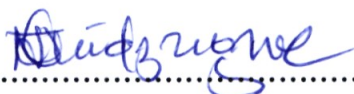
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.



.....
Name: RAMADHAN KIMANTHI HAMAD

Designation: Chairman, School Board of Management

Date: 30/09/2024



.....
Name: JOSHUA NGOME MALIDZO

Designation: School Principal & Secretary to Board of Management

Date: 30/09/2024



.....
Name: RENALDA SEVERA WAKIO

Designation: Bursar/ Finance Officer

Date: 30/09/2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MARIAKANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – KILIFI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Mariakani Secondary School set out on pages 1 to 24, which comprise of the statement of assets and liabilities as at

Report of the Auditor-General on Mariakani Secondary School for the year ended 30 June, 2024 – Kilifi County

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 Mariakani Secondary School as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported School Fund Income

The statement of receipts and payments reflects school fund income – parents' contributions of Kshs.54,355,343 and other receipts of Kshs.19,975,256 which were not supported with detailed ledger analysis indicating the source of receipts, amount, student name, period of collection and payment method.

In the circumstances, the accuracy and completeness of school fund income – parents' contributions amount of Kshs.54,355,343 and other receipts amount of Kshs.19,975,256 could not be confirmed.

2. Inaccuracies in Payments

The statement of receipts and payments reflects total payments of Kshs.93,600,694. The amount includes payments for operations of Kshs.11,662,495 and payments for boarding and school fund amount of Kshs.68,814,584 which were not supported with ledgers indicating the transactions date, amount, payee and description of goods received or service rendered. Further, the statement reflects payments for tuition amount of Kshs.1,761,378 while the ledger reflects an amount of Kshs.2,632,622 resulting in unexplained variance of Kshs.871,244. In addition, examination of sampled payments amounting to Kshs.2,903,105 revealed that they were not supported by requisitions, local purchase orders/service orders, delivery notes and inspection reports.

In the circumstances, the accuracy and completeness of total payments of Kshs.93,600,694 could not be confirmed.

3. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10 and Note 11 to the financial statements reflects cash and cash equivalents balance of Kshs.8,962,189 out of which Kshs.8,827,585 relates to bank balances held in nine (9) bank accounts. However, Management did not prepare bank reconciliation statements for five (5) bank accounts

and cash in hand balance of Kshs.134,603 was not supported with board of survey certificate and memorandum cashbook. Further, review of bank statements revealed cash withdrawals amounting to Kshs.19,200,915 made without authorizations by the principal, supporting imprest warrants, surrender documents or memorandum cashbooks.

In the circumstances, the accuracy and completeness of cash and cash equivalents of Kshs.8,962,189 could not be confirmed.

4. Unsupported Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.44,261,311 which was not supported with ledgers.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.44,261,311 could not be confirmed.

5. Unsupported Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.30,618,278 while the ledger reflects a balance of Kshs.24,298,654 resulting in unexplained variance of Kshs.6,319,624. Included in the balance are trade creditors of Kshs.29,365,066 and prepaid fee of Kshs.1,253,212 which were not supported with invoices, local purchase orders or local service orders, delivery notes and inspection and acceptance reports. Further, included in the trade creditors balance is Kshs.5,066,412 that has been outstanding for one year.

In the circumstances, the accuracy, completeness and occurrence of accounts payables balance of Kshs.30,618,278 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget of Kshs.62,329,000 and actual on comparable basis of Kshs.56,072,969 resulting in under-funding of Kshs.6,256,031 or 10 % of the budget. Similarly, the School spent an amount of Kshs.44,743,195 against actual receipts of Kshs.56,072,969, resulting in an under-utilization of Kshs.11,329,774 or 20% against actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

Declining Academic Performance and Low Transition Rate to Higher Learning Institutions

Review of the school's KCSE performance over the last four years indicates fluctuating academic performance and consistently low transition rates of candidates to higher learning institutions. The School mean grade declined from 6.0890 (C) in 2020 to 5.220 (C) in 2021 before slightly improving to 5.787 (C) in 2022 to 5.463 (C) in 2023, remaining below the level required for significant university qualification. Additionally, the number of candidates transitioning to higher learning institutions remained low relative to total candidature. In 2021, out of two hundred (200) candidates, only thirty-six (36) students transitioned to higher learning institutions. In 2022, out of one hundred and eighty-three (183) candidates, Forty-Four (44) students transitioned to higher institutions. In 2023, sixty-three (63) out of two hundred and thirty-one (231) candidates transitioned, indicating limited progression despite slight performance improvement.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflects boarding and school fund payments of Kshs.68,814,584. Included in the payment is an amount of Kshs.930,900 transferred to Kenya Secondary School Heads Association (KESSHA) a welfare organization which is not defined in Government Funding system. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside the Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.930,900 could not be confirmed.

2. Under Funding of Capitation Grants

The statement of receipts and payments and as disclosed in Note 1 and Note 2 to the financial statements reflects government grants for tuition and government grants for operations of Kshs.2,959,858 and Kshs.11,987,071 respectively. During the year under review, the School received an allocation of Kshs.13,911 per student against the approved allocation of Kshs.22,244 resulting in underfunding of Kshs.8,333 per student. This was contrary to Ministry of Education Circular Ref No. MOE.HQS/3/10/18 Vol.II/(33) on guidelines on implementation of free day secondary education for 2024 dated 07 March, 2024 which provides that each student should be allocated Kshs.22,244 annually.

In the circumstances, the under-funding of the School may have affected service delivery to the public.

3. Delays in Transfer of Infrastructure Funds

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects government grants for operations of Kshs.11,987,071. Review of bank statements revealed Kshs.1,197,000 earmarked for infrastructure development was received in the operations account in 27 March, 2024 and transferred to the infrastructure account on 18 May, 2024 resulting in a delay of 52 days. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

4. Failure to Prepare Annual Procurement Plan

The statement of receipts and payments reflects total payments amount of Kshs.93,600,694. During the year, Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process. In addition, Management had not made training arrangements to capacity build the existing personnel in the stores.

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

5. Irregular Procurement of Goods and Services

The statement of receipts and payments reflects total payments amount of Kshs.93,600,694. Review of procurement processes revealed that goods worth Kshs.4,639,370 were procured without advertising, were taken on charge without certification from inspection and acceptance committee, use of direct procurement on goods amounting to Kshs.1,286,397, without justification and failure to raise professional opinions. This was contrary to Section 44(1) and (2)(g) of the Public Procurement and Asset Disposal Act, 2015 which states that an accounting officer of a public entity shall ensure the procurement and asset disposal process of the public entity comply with the Act.

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

6. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 3 January, 2025, instead of the statutory deadline of 30 September, 2024. This was contrary to Section 47(1) of the Public Audit Act, 2015 with states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Failure to Reconcile Students Enrolment Data

The statement of receipts and payments and as disclosed in Note 1 to the financial statements reflects capitation grants for tuition of Kshs.2,959,858 and operations amount of Kshs.11,987,071. Analysis of National Education Management Information System (NEMIS) data of September 2023 revealed an enrolment of one thousand two hundred and one (1,201) students while School enrolment data reflected one thousand and eighty-seven (1,087) students resulting in an unexplained variance of one hundred and fourteen (114) students. In January 2024, NEMIS data reflected an enrolment of one thousand one hundred and ninety-seven (1,197) students while School enrolment reflected one thousand two hundred and eight (1,208) students resulting in an unexplained variance of eleven (11) students. Further, in May 2024, NEMIS data reflected an enrolment of one thousand two hundred and thirteen (1,213) students while School enrolment reflected one thousand two hundred and two (1,202) students resulting in an unexplained variance of eleven (11) students.

In the circumstances, the existence of effective measures in the reconciliation of NEMIS and School enrolment data could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.44,261,311. Included in the balance is fees arrears amounting to Kshs.28,766,437 which has been outstanding for over one year. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

3. Failure to Conduct Internal Audit

During the year under review, the Internal Audit Unit in the Ministry of Education did not conduct an Internal Audit and risk assessment of Mariakani Secondary School, contrary to Section 73(3)(b) of the Public Finance Management Act, 2012 which requires that Internal Auditor shall conduct Internal Audit which includes risk based, value for money and systems audits aimed at strengthening internal controls mechanisms that could have impact on achievement of strategic objectives of the entity.

In the circumstances, the effectiveness of internal control could not be confirmed.

4. Failure to Maintain Fixed Assets Register

Annex 2 to the financial statements reflects summary of fixed assets register with a balance of Kshs.18,005,160. However, management did not maintain an asset register indicating the purchase price of the asset, tag number, location and status of the assets.

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

5. Failure to Prepare School Improvement Plan

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

In the circumstances, the effectiveness of overall governance and strategic directions of the School could not be confirmed.

6. Weaknesses in The Management of Board Affairs

Review of the School's governance arrangements revealed the board of management did not make declarations of conflict of interest nor were the minutes of meetings signed by the chair and secretary to the board.

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

7. Lack of an Approved Risk Management Policy

During the year under review, Management operated without a documented risk management policy. As such, there was no framework in place to identify, assess, prioritize, monitor and control or mitigate any risks. This was contrary to paragraph 2.3 of the Ministry of Education operation manual for utilization of learner capitation grants and

other school fund June 2020 which provides that a School should have a risk management framework.

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

8. Use of Manual Systems

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

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

9. Buildings with Asbestos Roofing

Physical verification of the school's infrastructure conducted on 11 March, 2026 revealed one (1) physics laboratory and car park with asbestos roofing. This is contrary to the fourth schedule of the Environmental Management and Coordination (Waste Management) Regulations, 2006 which classifies materials containing asbestos as hazardous and potentially carcinogenic.

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

10. Weakness in-Textbooks Management

Review of the School's textbook management system for learning materials received from the Kenya Institute of Curriculum Development (KICD) revealed significant control deficiencies. The School's issuance registers were incomplete and failed to capture essential bibliographic details such as the full title, publisher, and edition of textbooks issued to students, making it difficult to accurately track and reconcile books issued against the School's master inventory. In addition, verification of issuance records for three sampled classes for the year 2024 established a shortfall of 109 textbooks, which had been reported as lost but were neither recovered nor replaced as at March 2026. Further review noted the absence of a formal recovery policy or documented management actions to enforce accountability for the loss of these learning-materials.

In the circumstances, the weak textbook management controls and inadequate record keeping may result in loss or misappropriation of learning materials.

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

Responsibilities of the Management and Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

28 April, 2026

6. Statement of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,959,858.60	3,087,873.25
Government grants for operations	2	11,987,071.75	9,076,001.96
Government Grants for infrastructure	3	3,970,440.00	4,555,000.00
School fund income- parents' contributions	4	54,355,343.00	59,650,172.00
Miscellaneous incomes	5	19,975,256.00	5,776,856.00
Total Receipts		93,247,969.35	82,143,313.21
Payments			
Tuition	6	1,761,378.12	5438,490.40
Operations	7	11,662,495.65	10,464,036.50
Infrastructure	8	11,362,236.00	4,235,336.51
Boarding and school fund	9	68,814,584.25	72,826,390.30
Total Payments		93,600,694.02	92,964,253.71
Surplus/Deficit		(352,724.67)	(10,820,940.50)

The school financial statements were approved on _____ 2024 and signed by:


 Name: RAMADHAN K. HAMAD

Chair BOM

Date: 30/09/2024


 Name: NGOME JOSHUA MALIDZO
 School Principal/ Secretary to BOM

Date: 30/09/2024


 Name: RENALDA SEVERA WAKIO

Bursar/ Finance Officer

Date: 30/09/2024



Mariakani Secondary School

Annual Report and Financial Statements For the year ended 30th June 2024

7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	8,827,585.30	16,066,274.85
Cash balances	11	134,603.80	2,644,054.80
Short term investments	12	-	-
Total cash and cash equivalent		8,962,189.10	18,710,329.65
Account's receivables	13	44,261,311.35	37,496,361.35
Total financial assets (a)		53,223,500.45	56,206,691.00
Financial liabilities			
Accounts payables	14	(30,618,278.80)	(33,248,744.68)
Total Financial Liabilities (b)			
Net financial assets (a-b)		22,605,221.65	22,957,946.32
Represented by			
Accumulated fund b/fwd	15	22,957,946.32	33,778,886.82
Surplus/deficit for the year		(352,724.67)	(10,820,940.50)
Net Assets		22,605,221.65	22,957,946.32

The school's financial statements were approved on _____ 2024 and signed by:


 Name: RAMADHAN
 KIMANTHI HAMAD

Chair BOM
 Date: 30/09/2024


 Name: NGOME JOSHUA
 MALIDZO
 School Principal/ Secretary to
 BOM




 Name: RENALDA SEVERA
 WAKIO

Bursar/ Finance Officer
 Date: 30/09/2024

Mariakani Secondary School

Annual Report and Financial Statements For the year ended 30th June 2024

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,959,858.60	3,087,783.25
Government grants for operations		15,957,511.75	13,631,001.96
Government grants for infrastructure		-	-
School fund income- parents contributions/ fees		38,732,040.00	46,669,447.00
Other income		28,101,809.00	12,928,102.00
Total receipts		85,751,219.35	76,316,334.21
Payments			
Cash outflows for tuition		2,632,622.00	2,614,795.20
Cash outflows for operations		12,682,445.65	9,153,761.50
Cash outflows Boarding/lunch and school fund payments		68,822,056.25	58,502,906.30
Total payments		84,137,123.90	70,271,463.00
Net cash inflow/outflow from operating activities		1,614,095.45	6,044,871.21
Cash flow from investing activities			
Acquisition of assets		(11,362,236.00)	(4,235,336.51)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(9,748,140.55)	1,809,534.70
Cash and cash equivalent at beginning of the FY		18,710,329.65	16,900,794.95
Cash and cash equivalent at end of the FY		8,962,189.10	18,710,329.65

The school's financial statements were approved on _____ 2024 and signed by:



.....
Name: RAMADHAN
KIMANTHI HAMAD

Chair BOM

Date: 30/09/2024



.....
Name: JOSHUA NGOME
MALIDZO
School Principal/ Secretary to
BOM

Date: 30/09/2024



.....
Name: RENALDA SEVERA
WAKIO

Bursar/ Finance Officer

Date: 30/09/2024

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th 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
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	2,368,440.00	-	2,368,440.00	-	-
Exercise Books	882,360.00	-	882,360.00	-	-
Laboratory Equipment	557,280.00	-	557,280.00	-	-
Internal Exams	417,960.00	-	417,960.00	-	-
Teaching / Learning Materials	325,080.00	-	325,080.00	2,959,858.60	91%
Exams And Assessment	92,880.00	-	92,880.00	-	-
(2) Capitation Grant on Operations					
Personnel Emoluments	3,200,000.00	-	3,200,000.00	3,455,958.99	107%
Repairs And Maintenance	6,000,000.00	-	6,000,000.00	4,689,100.00	78.15%
Local Transport / Travelling	645,000.00	-	645,000.00	-	-
Electricity And Water	2,925,000.00	-	2,925,000.00	3,118,407.76	106.6%
Medical	2,000,000.00	-	2,000,000.00	988,725.00	49.4%
Administration Costs	1,130,000.00	-	1,130,000.00	1,167,292.13	103.3%
Activity	1,500,000.00	-	1,500,000.00	961,587.87	64.1%
Gratuity	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
	-	-	-	-	-
3) FDSE for infrastructure					
Maintenance &Improvement MoE	-	-	-	-	-
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
(4) Fees Charged on Parents					
Personnel Emoluments	5,100,000.00	-	5,100,000.00	4,978,223.00	97.6%
Repairs And Maintenance	2,000,000.00	-	2,000,000.00	2,121,581.00	106.1%
Local Transport / Travelling	1,050,000.00	-	1,050,000.00	1,107,064.00	105.4%
Electricity And Water	4,900,000.00	-	4,900,000.00	4,998,437.00	102%
Medical	-	-	-	-	-
Administration Costs	1,850,000.00	-	1,850,000.00	1,936,413.00	104.67%
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	25,385,000.00	-	25,385,000.00	23,590,322.00	92.9%
5) Miscellaneous Income					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	62,329,000.00		62,329,000.00	56,072,969.75	
(6) Expenditure For Tuition					
Textbooks	-	-	-	-	-
Reference Materials	2,368,440.00	-	2,368,440.00	-	0%
Exercise Books	882,360.00	-	882,360.00	-	0%
Laboratory Equipment	557,280.00	-	557,280.00	-	0%
Internal Exams	417,960.00	-	417,960.00	-	0%
Teaching / Learning Materials	325,080.00	-	325,080.00	116,730.00	35.9%
Chalks	-	-	-	-	-
Exams And Assessment	92,880.00	-	92,880.00	-	0%
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	465.00	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(7) Expenditure For Operations					
Personnel Emoluments	3,200,000.00	-	3,200,000.00	2,935,347.00	91.7%
Repairs, Maintenance & Improvements	6,000,000.00	-	6,000,000.00	338,646.00	5.64%
Local Transport / Travelling	645,000.00	-	645,000.00	0	0%
Electricity, Water and Conservancy	2,925,000.00	-	2,925,000.00	1,554,917.00	53.16%
Medical	2,000,000.00	-	2,000,000.00	178,290.00	8.91%
Administration Costs	1,130,000.00	-	1,130,000.00	1,325,828.65	117.3%
Activity Expenses	1,500,000.00	-	1,500,000.00	121,100.00	8.07%
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	5,100,000.00	-	5,100,000.00	9,630,685.00	188.8%
Repairs, Maintenance and Improvements	2,000,000.00	-	2,000,000.00	1,630,120.00	81.5%
Local Transport / Travelling	1,050,000.00	-	1,050,000.00	2,917,175.00	277.8%
Electricity, Water and Conservancy	4,900,000.00	-	4,900,000.00	3,848,108.00	78.5%
Medical Expenses	-	-	-	-	-
Administration Costs	1,850,000.00	-	1,850,000.00	1,822,788.25	98.5%
Activity	-	-	-	-	-
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	25,385,000.00	-	25,385,000.00	18,422,996.00	72.75%
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
Totals	62,329,000.00	-	62,329,000.00	44,743,195.90	-

- i. *Government disbursement is not 100% disbursed.*
- ii. *Underutilization was brought about budgeting for more students and getting less numbers.*

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.

Mariakani Secondary School

Annual Report and Financial Statements For the year ended 30th June 2024

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To the Financial Statements**1 Government Grants for Tuition**

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	2,959,858.60	3,087,783.25
Others (specify)*	-	-
Total	2,959,858.60	3,087,783.25

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	3,455,958.99	3,805,112.11
Repairs And Maintenance	718,660.00	0
Local Transport / Travelling		-
Electricity And Water	3,118,407.76	3,377,697.93
Medical	988,725.00	111,600.00
Administration Costs	1,167,292.13	1,365,016.42
Activity	961,587.87	416,575.50
Other Vote Heads (CBC Classroom)	1,576,440.00	-
Total	11,987,071.75	9,076,001.96

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	3,970,440.00	4,555,000.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-

Description	2023-2024	2022-2023
	Kshs	Kshs
Other (specify)(NGCDF and County govt.	-	-
Total	3,970,440.00	4,555,000.00

4 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	6,324,713.00	6,717,115.00
Repairs and maintenance	2,491,041.00	2,657,173.00
Local transport / travelling	1,308,425.00	1,448,328.00
Electricity and water	6,101,672.00	6,191,767.00
Medical	426,525.00	35,163.00
Administration costs	2,310,539.00	2,435,361.00
Activity	309,925.00	455,563.00
Fee on Boarding Equipment and stores	35,082,503.00	39,709,700.00
PA Levies*	-	-
Others (specify)	-	-
Total	54,355,343.00	59,650,172.00

5 Miscellaneous Incomes

Description	2023-2024	2022-2023
	Kshs	Kshs
Rent Income	-	-
Income From School Canteen	2,025,600.00	1,010,750.00
Dorm Damages	3,722,935.00	-
Income From Tender Fees	34,000.00	44,000.00
School Bus Accident Levy/PA Activities	14,192,721.00	4,722,106.00
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	19,975,256.00	5,776,856.00

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books	270,000.00	650,000.00
Textbooks	-	62,000.00
Reference materials	-	-
Laboratory Equipment	1,135,683.12	1,898,796.00
Teaching / Learning Materials	355,230.00	2,825,163.80
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	465.00	2,530.00
Others (<i>specify</i>)	-	-
Total	1,761,378.12	5,438,490.40

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	3,934,374.00	4,344,599.50
Service Gratuity	-	-
Administration Cost	2,857,049.65	2,079,677.00
Repairs And Maintenance & Improvements	338,646.00	312,000.00
Local Transport / Travelling	-	-
Electricity And Water	2,328,917.00	2,259,015.15
Medical	178,290.00	1,468,745.00
Activity Expenses	516,730.00	-
Insurance Cost	-	-
Others (CBC Classroom)	1,508,490.00	-
Total	11,662,495.65	10,464,036.50

8 Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
4 Door Modern Toilet	938,231.00	209,760.00
10 Door Ablution Block	946,333.00	798,746.10
Dormitory	8,152,285.00	3,223,334.41
Bank Charges	115.00	3,475.00
CCTV	1,325,272.00	
Total	11,362,236.00	4,235,336.51

9 Boarding And School Fund

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	9,651,985.00	6,775,145.00
Service Gratuity	-	-
Repairs And Maintenance & Improvements	1,630,120.00	4,353,562.00
Local Transport / Travelling	2,917,175.00	2,521,636.00
Electricity And Water	4,401,180.00	3,590,620.00
Medical Expenses	617,165.00	238,337.00
Administration Costs	1,822,788.25	1,523,690.30
Activity	930,900.00	3,624,380.00
Tender Fees	26,000.00	26,000.00
Expenses On Income Generating Activities-canteen	1,561,907.00	1,455,764.00
Fee On Boarding Equipment and Stores	38,298,151.00	47,227,256.00
School Bus Accident Levy	5,231,245.00	1,500,000.00
Insurance Cost (<i>Life Property</i>)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
PA expenses	-	-
Others (Dorm Damages)	1,725,968.00	-
Total	68,814,584.25	72,826,390.30

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account		1107816076	931,143.15	603,906.55
Operations Account		1107816777	2,486,385.84	1,557,559.74
School Fund Account/Boarding		1107798108	14,349.77	495,646.02
Savings Account			12,475.05	12,475.05
Parent Association Development Account		1105870715	-	-
Income Generating Activities Account			-	-
Infrastructural Account		1280693088	3,402,927.49	12,371,163.49
Equity Bank		1060281066426	1,979,804.00	1,025,024.00
Gratuity Account		1280693355	500.00	500.00
Total			8,827,585.30	16,066,274.85

11 Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	134,603.80	2,644,054.80
Total	134,603.80	2,644,054.80

12 Short Term Investments

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

13 Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	44,261,311.35	37,486,361.35
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	10,000.00
Rent arrears (list/schedule attached)	-	-
Total	44,261,311.35	37,496,361.35

13 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2024	% of the total	2023	% of the total
Less than 1 year	15,494,874.00	35%	10,979,389.00	29.3%
Between 1- 2 years	10,979,389.00	24.8%	6,923,955.00	15.8%
Between 2-3 years	17,787,048.35	40.2%	19,583,017.35	52.2%
Over 3 years	-	%	-	%
Total (should tie to note 13 a)	44,261,311.35	%	37,486,361.35	%

14 Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	29,365,066.80	31,2637,29.68
Prepaid Fees	1,253,212.00	1,982,615.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	2,400.00
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	30,618,278.80	33,248,744.68

14a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2024	% of the total	2023	% of the total
Less than 1 year	24,298,654.12	82.7%	27,390,571.60	%
Between 1- 2 years	5,066,412.68	17.3%	3,873,158.08	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (should tie to note 14)	29,365,066.80	%	31,263,729.68	%

15 Fund Balance Brought Forward

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Balances	8,827,585.30	16,066,274.85
Cash Balances	134,603.80	2,644,054.80
Short Term Investments	-	-
Receivables	44,261,311.35	37,496,361.35
Payables	(30,618,278.80)	(33,248,744.68)
Total	22,605,221.65	22,957,946.32

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		1,880	1,370
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		1,880	1,370

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	2,396,180.00	1,389,600.00
Lab consumables	70,050,559.00	75,059,500.00
Farm produce	-	-
Medication	280,350.00	260,245.00
Construction Materials	90,820,440.00	95,567,993.00
Others (Book store)	78,220,390.00	75,318,562.00
	241,767,919.00	247,595,900.00

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

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20 Progress On Follow Up of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Measure to ensure that fees arrears are recovered to enable the school maximise its revenue	To engage respective class teachers in fees collection through communicating with parents and follow up on the same	Resolved	



Sign and Date: 30/09/2024
Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. Dura Discoveries - Firewood		1 st July, 2023		288,000.00	360,000.00	
5. Top Mariakani Stationery – Stationeries		1 st July, 2023			797,780.00	
6. Darussalam Wholesalers - Foodstuffs		1 st July, 2023		16,907,980.00	13,726,900.00	
7. Makidy Traders		1 st July, 2023		54,000.00	56,000.00	
8. Hilkath Ventures		1 st July, 2023		955,000.00	278,500.00	
9. Sky Point Technology Ltd – Tonners and Catridges		1 st July, 2023		417,000.00	389,000.00	

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
10. Calmax Ventures					31,900.00	
11. Friendship Enterprises		1 st July, 2023		130,950.00	1,9348,50.00	
12. Nelkatz Enterprises		1 st July, 2023		920,630.00	2,279,395.00	
13. Sham Hardware Ltd		1 st July, 2023			628,910.00	
14. Rehema Charo					26,000.00	
15. Friendship Enterprises – Prefects Uniforms		1 st July, 2023		715,150.00	694,800.00	
16. Gendaxy Supplies Ltd		1 st July, 2023		38,900.00	312,000.00	
17. Gentrade Supplies		1 st July, 2023		973,343.12	1,898,796.00	
18. Ayam Book Centre		1 st July, 2023		389,500.00	1,479,550.00	
19. Stage View Pharmacy		1 st July, 2023		11,800.00	65,080.00	
20. Bonstech Computers		1 st July, 2023		119,000.00	783,960.00	
21. Granlab Digital Fixers Ltd		1 st July, 2023		387,540.00		
22. Burhani Traders				287,000.00		
23. Danso Glass Mart Ltd				124,184.00		
24. Giltoc Tech Enterprises				345,800.00		
Sub-Total						
Supply Of Services						

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
25. Kemwach Enterprises		1 st July, 2023		38,000.00	102,600.00	
26. Arasan Traders				150,000.00	150,000.00	
27. Bora bora Hardware				150,650.00	301,320.00	
28. Nasky Technologies				661,250.00	661,250.00	
29. Albyz Enterprises Limited				1,504,000.00	1,504,000.00	
30. Kansbag Limited				170,250.00	170,250.00	
31. Celcom Africa				20,000.00	20,000.00	
32. Benedict Ogolio				18,000.00	18,000.00	
33. Metrowise Investments				650,720.00	650,720.00	
34. The County Luxury Comfort Hotels				1,002,240.00	1,207,500.00	
35. Kalmar Marketing Services Ltd					337,050.00	
36. Wesma Power & Filtration Limited				28,072.00		
37. Mariakani Community Health Care				164,565.00		
38. Gentrade Supplies (previous bal)				1,741,542.68		
Sub-Total						
Grand Total				29,365,066.80	31,263,729.60	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings	3,668,400.00	556,800.00		4,225,200.00
Textbooks				
ICT Equipment	483,000.00	470,960.00		953,960.00
Tools And Apparatus	10,268,000.00			10,268,000.00
Other Machinery and Equipment	1,821,000.00			1,821,000.00
Heritage And Cultural Assets	252,000.00			252,000.00
Intangible Assets- Soft Ware	485,000.00			485,000.00
Total	16,977,400.00	1,027,760.00		18,005,160.00

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