

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 01 JUL 2026

DAY.

WEDNESDAY

REPORT

TABLED
BY:

HON. OWEN BANYA, M.P.

CLERK-AT
THE-TABLE:

CHRISTINE NDIRITU

OF

THE AUDITOR-GENERAL

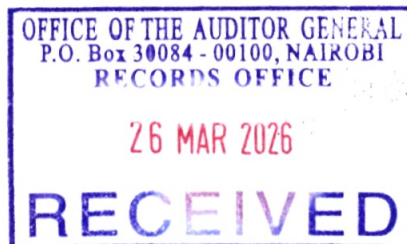
ON

PARLIAMENT
OF KENYA
LIBRARY

MARIAKANI SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

KILIFI COUNTY



MARIAKANI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

Transitional Financial Statements Prepared under the International Public Sector Accounting Standards (IPSAS)

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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.

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 915 number of students as at 30th June 2025. It has 16 streams and 32 teachers of which 17 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 Mohammed	Member	8th July,2022
		3 Members - Sponsor	
11	Benjamin Mae	Member	8th July,2022
12	Vincent Kai	Member	8th July,2022
13	Philia Pendo	Member	8th July,2022
14	Raphael Shanga	Member – Rep CEB	8th July,2022
15	Pauline Kuvuna Dzombo	Member Rep Teachers	8th July,2022
16	Terezia Zawadi Baya	Member Special Needs	8th July,2022
17	Vespus Chenja	Member - Community	8th July,2022
18	Abdulwahab Ziro Mae	Rep Students	

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 Wambani 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 Abdhala Teresia Zawadi Baya Suleiman Ngowa Philis Pendo Abdulkarim Mohammed	Member Member Member Member Member	1 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 Ruth Kukubo Charles M. Ndegwa	Member Member Member Member Member Member	1 out of 1
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, 20XX the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	NGOME J. MALIDZO	TSC No. 322324
2	Deputy Principal (Discipline)	RONALD MAINA KERU	TSC No. 574229
RO	Deputy Principal (Academics)	DORINE KWAMBOKA MAKORI	TSC No. 570944
4	School Bursar	RENALDA SEVERA WAKIO	ICPAK No. 24370156
5	Other (specify)		

(e) Schools contacts

Post Office Box: 34 - 80113
 Telephone: 0723381437
 E-mail: mari.seco@yahoo.com
 Website:
 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

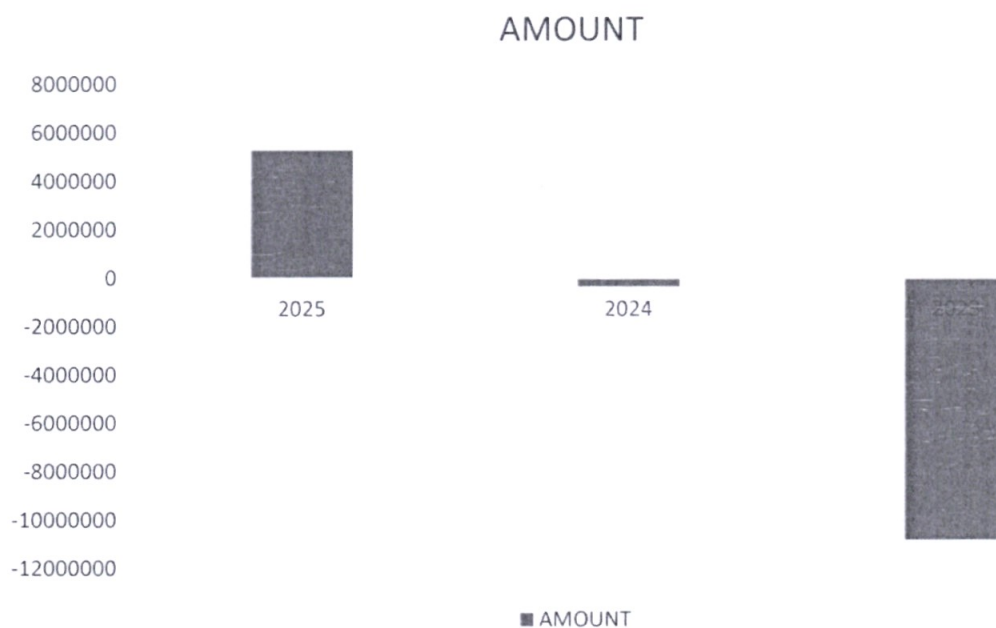
3. Summary Report of Performance of The School

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

a) Financial performance:

- *Surplus/ deficit*

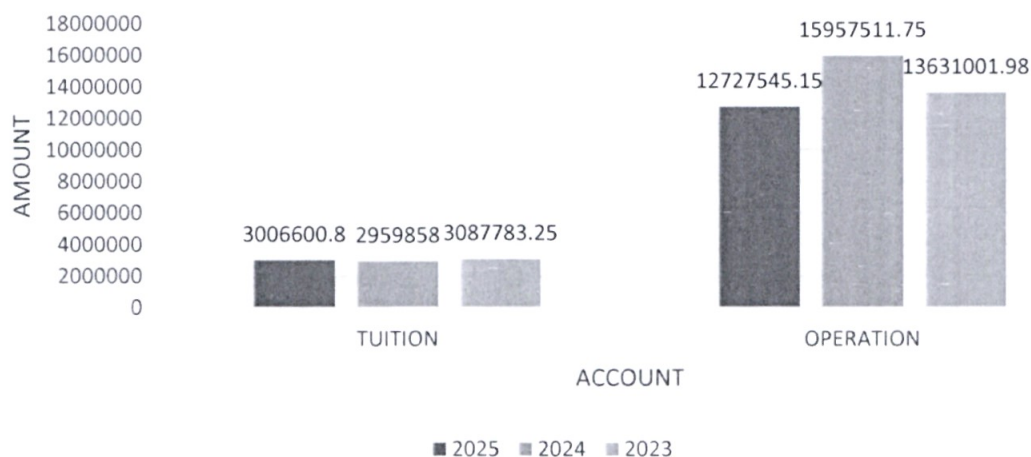
YEAR	DESCRIPTION	AMOUNT	PAGE REFERENCE
2025	SURPLUS	5,280,799.55	
2024	DEFICIT	352,724.67	
2023	DEFICIT	10,820,940.50	



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

ACCOUNT	2025	2024	2023
TUITION	3,006,600.80	2,959,858.60	3,087,783.25
OPERATION	12,727,545.15	15,957,511.75	13,631,001.98

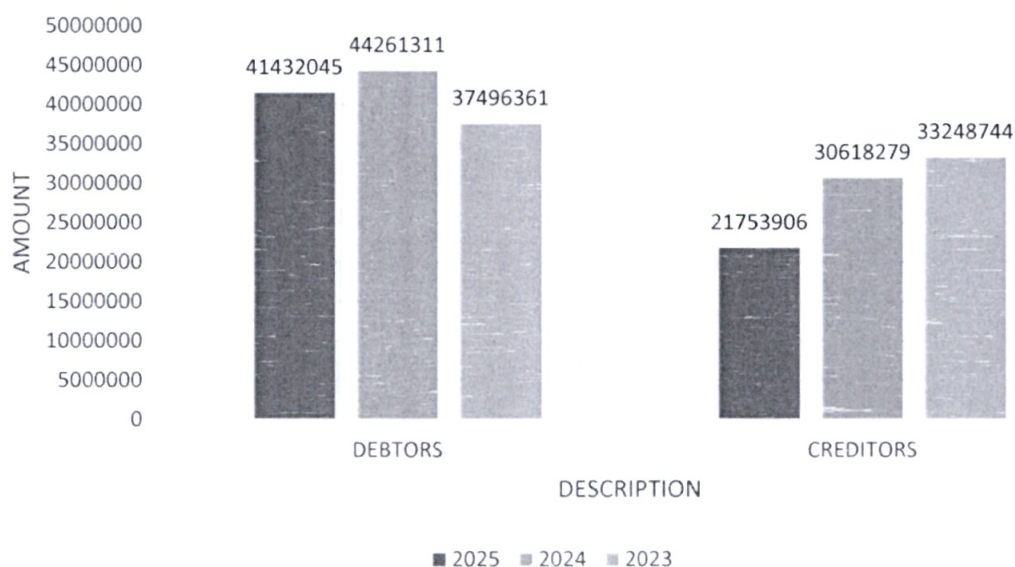
Capitation grants from the Ministry of Education for the last three years



- Movement of debtors and creditors

DESCRIPTION	2025	2024	2023
DEBTORS	41,432,045.00	44,261,311.00	37,496,361.00
CREDITORS	21,753,906.00	30,618,279.00	33,248,744.00

Movement of debtors and creditors

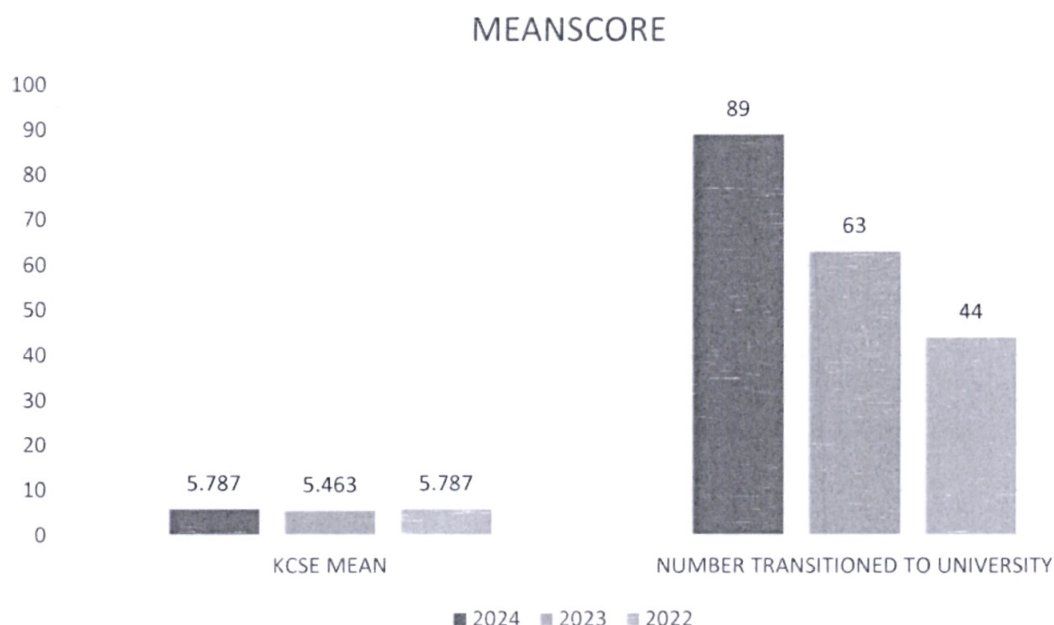


b) Teacher Student ratio:

S/NO	DESCRIPTION	
1	Teacher per student Ratio	1:61
2	Number of TSC Teachers recruited within the year	0
3	Teacher transferred/retired within the year	1
4	TSC Teachers employed	0
5	BOM Teachers Employed	17
6	Teacher Per Subject Ratio	1:152

c) The mean score in the 2024 KCSE:

DESCRIPTION	2024	2023	2022
KCSE Mean Score	5.787	5.463	5.787
Number of Students transitioned to Institute of Higher Learning	89	63	44



d) Number of Candidates in the 2024 KCSE:

DESCRIPTION	2024	2023	2022	2021
Number of students sitting for KCSE	263	231	183	200

e) The capacity of the school:

DESCRIPTION	2025	2024	2023	2022
Student/Laboratory Ratio	1:395	1:395	1/;362	1:346
Students/Toilet Ratio	1/59	1/59	1:108	1:104
Student/Dormitory Ratio	1/148	1/148	1:155	1:115

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
CCTV	M&I	100%	2,650,544.00	1,425,000.00	Complete
Dormitory Block	M&I	100%	11,348,619.41	356,956.00	Complete



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 transitional financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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



.....
Name: RAMADHAN KIMANTHI HAMAD

Designation: Chairman, School Board of Management

Date: 26/08/2025



.....
Name: NGOME JOSHUA MALIDZO

Designation: School Principal & Secretary to Board of Management

Date: 26/08/2025



.....
Name: RENALDA SEVERA WAKIO

Designation: Bursar/ Finance Officer

Date: 26/08/2025



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, 2025 – 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 transitional IPSAS financial statements of Mariakani Secondary School set out on pages 1 to 21, which comprise of the statement of assets

Report of the Auditor-General on Mariakani Secondary School for the year ended 30 June, 2025 – Kilifi County

and liabilities as at 30 June, 2025 and the statement of financial performance, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Mariakani Secondary School as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33 and comply with the Basic Education Act, (Cap. 211) 2013 and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported School Fund Income

The statement of financial performance and as disclosed in Note 4 and Note 5 to the financial statements reflects school fund income – parents' contributions and miscellaneous income of Kshs.41,500,741 and Kshs.15,128,158 respectively which were not supported with detailed ledger analysis indicating the source of the receipts, amount, student name, period of collection and payment method.

In the circumstances, the accuracy and completeness of school fund income – parents' contributions of Kshs.41,500,741 and miscellaneous incomes of Kshs.15,128,158 could not be confirmed.

2. Inaccuracies in Expenditure

The statement of financial performance reflects boarding and school fund expenditure of Kshs.53,656,230 which was not supported with ledgers indicating the transactions date, amount, payee and description of goods received or service rendered. Further, the statement reflects operations expense amount of Kshs.7,554,360 while the ledger reflects an amount of Kshs.9,502,241 resulting in an unexplained variance of Kshs.1,947,881. In addition, payments amounting to Kshs.3,277,000 were made without support documentations such as requisitions, local purchase orders, delivery notes and inspection reports.

In the circumstances, the accuracy and completeness of total payments of Kshs.67,082,245 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.8,207,883 out of

which Kshs.6,617,844 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.1,590,038 was not supported with board of survey certificate and memorandum cashbook. Further, review of bank statements revealed cash withdrawals amounting to Kshs.15,803,849 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.8,207,883 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.41,432,045 which was not supported with ledgers.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.41,432,045 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.21,753,906 while the ledger reflects a balance of Kshs.17,712,091 resulting in an unexplained variance of Kshs.4,041,815. Included in the balance are trade creditors balances of Kshs.20,876,194 and prepaid fee balance of Kshs.877,712 which were not supported with receipts, invoices, local purchase orders or service orders, delivery notes and inspection and acceptance reports. Further, included in the trade creditors balance is Kshs.3,164,104 that has been outstanding for more than one year.

In the circumstances, the accuracy, completeness and occurrence of accounts payables balance of Kshs.21,753,906 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of 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

1. 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.48,148,465 resulting to under-funding of Kshs.14,180,535 or 22.7 %. Similarly, the School spent an amount of

Kshs.29,957,448 against actual receipts amounting to Kshs.48,148,465, resulting in an under-utilization of Kshs.18,191,017 or 37.7% against actual receipts.

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

2. Declining School Revenue

The statement of financial performance reflects total receipts of Kshs.72,363,045. However, school fund income - parents' contributions reduced from Kshs.59,650,172 in 2023 to Kshs.54,355,343 in 2024 and to Kshs.41,500,741 in 2025.

The continued decline in revenue may hinder the School's ability to meet operational and recurrent expenses on time, leading to delayed payments to suppliers and staff, reduced maintenance of facilities and learning resources, compromised quality of education and service delivery, and ultimately long-term financial instability of the School.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Significant Exemptions by PSASB in the Financial Reporting Template

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

Other Information

The Management is responsible for the Other Information set out on pages iii to xii 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 three years indicates fluctuating academic performance and consistently low transition rates of candidates to higher learning institutions. The school mean grade declined from 5.787 (C) in 2022 to 5.463 (C) in 2023, before slightly improving to 5.787 (C) in 2024, 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. Out of one hundred and eighty-three (183) candidates in 2022, only Forty-Four (44) students transitioned to higher institutions. In 2023, sixty-three (63) out of two hundred and thirty-one (231) candidates transitioned, while in 2024, only eighty-nine (89) out of two hundred and sixty-three (263) candidates achieved transition, 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. Under Funding of Capitation Grants

The statement of financial performance and as disclosed in Note 1 and Note 2 to the financial statements reflects government grants for tuition and operations of

Kshs.3,006,600 and Kshs.7,706,795 respectively. During the year under review, the School received Kshs.15,984.79 per student against the approved allocation of Kshs.22,244 resulting in underfunding of Kshs.6,259.21 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 7 March,2024 which provides that each student should be allocated Kshs.22,244 annually.

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

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

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects boarding and school fund expenditure of Kshs.53,656,230. Included in the expenditure is an amount of Kshs.1,723,120 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.1,723,120 could not be confirmed.

3. Delayed Transfer of Infrastructure Funds

The statement of financial performance and as disclosed in Note 3 to the financial statements reflects capitation grants for infrastructure amount of Kshs.5,020,750 which was transferred from operations account after twenty-seven (27) 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 financial performance reflects total expenditure amount of Kshs.67,082,245. However, during the year Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'. 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 financial performance and as disclosed in Note 6 to Note 9 to the financial statements reflects total expenditure of Kshs.67,082,245. Review of procurement processes revealed that goods worth Kshs.3,277,000 were procured without advertising while the use of direct procurement on goods amounting to Kshs.1,467,896 was not justified. Further, goods worth Kshs.4,034,981 were taken on charge without certification from inspection and acceptance committee 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.

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 financial performance and as disclosed in Note 1 and Note 2 to the financial statements reflects government grants for tuition and operations of Kshs.3,006,600 and Kshs.7,706,795 respectively. Analysis of National Education Management Information System (NEMIS) data for September 2024 reflected an enrolment of one thousand three hundred and eight (1,308) students while School enrolment data reflected one thousand two hundred and two (1,202) students resulting in unexplained variance of one hundred and six (106) students. In January 2025, NEMIS data reflected an enrolment of nine hundred and eighty-five (985) students while School enrolment data reflected nine hundred and twenty-six (926) students resulting in unexplained variance of fifty-nine (59) students. Further, in May 2025, NEMIS reported an enrolment of nine hundred and eighty-one (981) students while School enrolment

reflected nine hundred and four (904) students resulting in unexplained variance of seventy-seven (77) students.

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

2. 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 control mechanisms that could have impact on achievement of strategic objectives of the entity.

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

3. Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables of Kshs.41,432,045. Included in the balance is fees arrears amounting to Kshs.32,766,728 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 receivable balance.

In the circumstances, the existence of effective mechanisms for debt management 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.19,023,306. 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 grant 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 practices in the School 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 and Ministry of Environment, Climate Change and Forestry circular Ref: MEF/EMC/1/1 dated 23 August, 2024 that directed on the removal of asbestos roofing by Government agencies including offices, houses and learning institutions' premises as a means of providing a clean, safe, healthy and sustainable environment.

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

29 April, 2026

6. Statement of Financial Performance for the Year Ended 30th June 2025

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	3,006,600.80	2,959,858.60
Government grants for operations	2	7,706,795.15	11,987,071.75
Government Grants for infrastructure	3	5,020,750.00	3,970,440.00
School fund income- parents' contributions	4	41,500,741.00	54,355,343.00
Miscellaneous incomes	5	15,128,158.00	19,975,256.00
Total Revenue		72,363,044.95	93,247,969.35
Expenditure			
Tuition	6	4,089,469.00	1,761,378.12
Operations	7	7,554,359.70	11,662,495.65
Infrastructure	8	1,782,186.00	11,362,236.00
Boarding and school fund	9	53,656,230.70	68,814,584.25
Total Expenditure		67,082,245.40	93,600,694.02
Surplus/Deficit		5,280,799.55	(352,724.67)

The school financial statements were approved on _____ 2025 and signed by:

.....
Name: RAMADHAN K. HAMAD

Chair BOM

Date: 26/08/2025

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

Date: 26/08/2025

.....
Name: RENALDA SEVERA WAKIO

Bursar/ Finance Officer

Date: 26/08/2025



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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	6,617,844.85	8,827,585.30
Cash balances	11	1,590,037.80	134,603.80
Short term investments	12	-	-
Total cash and cash equivalent		8,207,882.65	8,962,189.10
Account's receivables	13	41,432,045.35	44,261,311.35
Total financial assets (a)		49,639,928.00	53,223,500.45
Financial liabilities			
Accounts payables	14	(21,753,906.48)	(30,618,278.80)
Total Financial Labilities (b)		(21,753,906.48)	(30,618,278.80)
Net financial assets (a-b)		27,886,021.52	22,605,221.65
Represented by			
Accumulated fund b/fwd	15	22,605,221.65	22,957,946.32
Surplus/deficit for the year		5,280,799.55	(352,724.67)
Net Assets		27,886,021.20	22,605,221.65

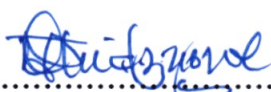
The school's financial statements were approved on _____ 2025 and signed by:



Name: RAMADHAN K.
HAMAD

Chair BOM

Date: 26/08/2025



Name: NGOME JOSHUA
MALIDZO
School Principal/ Secretary to
BOM

Date: 26/08/2025



Name: RENALDA SEVERA
WAKIO

Bursar/ Finance Officer

Date: 26/08/2025



8. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		3,006,600.80	2,959,858.60
Government grants for operations		12,727,545.15	15,957,511.75
Government grants for infrastructure		-	-
School fund income- parents contributions/ fees		32,643,067.00	38,732,040.00
Other income		26,439,599.00	28,101,809.00
Total receipts		7,816,811.95	85,751,219.35
Payments			
Cash outflows for tuition		3,902,293.00	2,632,622.00
Cash outflows for operations		9,134,788.00	12,682,445.65
Cash outflows Boarding/lunch and school fund payments		60,751,851.40	68,822,056.25
Total payments		73,788,932.40	84,137,123.90
Net cash inflow/outflow from operating activities		1,027,879.55	1,614,095.45
Cash flow from investing activities			
Acquisition of assets		(1,782,186.00)	(11,362,236.00)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(1,782,186.00)	(11,362,236.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(754,306.45)	(9,748,140.55)
Cash and cash equivalent at beginning of the FY		8,962,189.10	18,710,329.65
Cash and cash equivalent at end of the FY		8,207,882.65	8,962,189.10

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

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

The school's financial statements were approved on _____ 2025 and signed by:



.....
**Name: RAMADHAN K.
HAMAD**

Chair BOM

Date: 26/08/2025



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

Date: 26/08/2025



.....
**Name: RENALDA SEVERA
WAKIO**

Bursar/ Finance Officer

Date: 26/08/2025



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

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Receipts					
(1) <i>Capitation Grant on Tuition</i>					
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	3,006,600.80	92%
Exams And Assessment	92,880.00	-	92,880.00	-	-
(2) <i>Capitation Grant on Operations</i>					
Personnel Emoluments	3,200,000.00	-	3,200,000.00	3,128,638.26	97.77%
Repairs And Maintenance	6,000,000.00	-	6,000,000.00	3,686,750.00	61.45%
Local Transport / Travelling	645,000.00	-	645,000.00	-	-
Electricity And Water	2,925,000.00	-	2,925,000.00	2,945,279.09	100.6%
Medical	2,000,000.00	-	2,000,000.00	1,104,990.00	55.25%
Administration Costs	1,130,000.00	-	1,130,000.00	1,109,992.80	98.23%
Activity	1,500,000.00	-	1,500,000.00	728,655.00	48.58%
Gratuity	-	-	-	-	-
	-	-	-	-	-

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

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % 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	4,266,836.00	83.66%
Repairs And Maintenance	2,000,000.00	-	2,000,000.00	1,737,101.00	86.86%
Local Transport / Travelling	1,050,000.00	-	1,050,000.00	907,805.00	86.46%
Electricity And Water	4,900,000.00	-	4,900,000.00	4,197,477.00	85.66%
Medical	-	-	-	-	-
Administration Costs	1,850,000.00	-	1,850,000.00	1,595,240.00	86.23%
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	25,385,000.00	-	25,385,000.00	19,733,101.00	77.74%
5) Miscellaneous Income					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-

MARIAKANI SECONDARY SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	62,329,000.00		62,329,000.00	48,148,465.95	77.25%
(6) Expenditure For Tuition					
Textbooks	2,368,440.00	-	2,368,440.00	-	0%
Reference Materials	-	-	-	-	-
Exercise Books	882,360.00	-	882,360.00	-	0%
Laboratory Equipment	557,280.00	-	557,280.00	473,569.00	84.98%
Internal Exams	417,960.00	-	417,960.00	-	0%
Teaching / Learning Materials	325,080.00	-	325,080.00	476,600.00	146%
Chalks	-	-	-	-	-
Exams And Assessment	92,880.00	-	92,880.00	-	0%
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	-	-
(7) Expenditure For Operations					
Personnel Emoluments	3,200,000.00	-	3,200,000.00	1,938,351.00	60.57%
Repairs, Maintenance & Improvements	6,000,000.00	-	6,000,000.00	25,000.00	0.42%
Local Transport / Travelling	645,000.00	-	645,000.00	-	-

MARIAKANI SECONDARY SCHOOL

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

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Electricity, Water and Conservancy	2,925,000.00	-	2,925,000.00	2,132,616.00	72.91%
Medical	2,000,000.00	-	2,000,000.00	-	-
Administration Costs	1,130,000.00	-	1,130,000.00	642,702.00	56.88%
Activity Expenses	1,500,000.00	-	1,500,000.00	1,285,290.00	85.69%
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	5,100,000.00	-	5,100,000.00	5,341,599.00	104.7%
Repairs, Maintenance and Improvements	2,000,000.00	-	2,000,000.00	1,083,039.00	54.15%
Local Transport / Travelling	1,050,000.00	-	1,050,000.00	1,865,130.00	177.6%
Electricity, Water and Conservancy	4,900,000.00	-	4,900,000.00	3,940,646.00	80.42%
Medical Expenses	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs	1,850,000.00	-	1,850,000.00	1,203,116.70	65.03%
Activity	-	-	-	-	-
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	25,385,000.00	-	25,385,000.00	9,549,790.00	37.62%
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	29,957,448.70	48.06%

- i. Government disbursement is not 100% disbursed.
- ii. Underutilisation was brought by budgeting for more students and getting
- iii. Overutilization was brought by spending more in certain vote heads than budgeted.

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 Reporting

These financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and the International Public Sector Accounting Standards (IPSAS), as prescribed by the Public Sector Accounting Standards Board (PSASB). The school is currently within the transition period permitted under IPSAS 33 – First-time Adoption of Accrual Basis IPSAS and, accordingly, these financial statements are presented as transitional accrual financial statements.

During the year, and in line with the transitional exemptions allowed under IPSAS 33, the school applied partial recognition and measurement of assets and liabilities. The school recognized cash and cash equivalents, receivables, and validated payables.

The following IPSAS-required elements have not yet been fully recognized or measured and therefore remain transitional:

- Full valuation and impairment assessment of property, plant and equipment;
- Inventories and consumable stores;
- Provisions and contingent liabilities as required by IPSAS 19; and
- Full compliance with IPSAS 24 on budget reporting and the related narrative variance explanations.

The school is implementing a phased approach towards full IPSAS accrual compliance. Key activities underway include: undertaking full valuation and impairment assessment of property, plant and equipment and establishing complete inventories and consumable store records.

2. Recognition of revenue and expenditure

The school recognizes all revenue from various sources when earned and all expenses when incurred.

The capitation grants include recurrent and development grants. Recurrent capitation are recognised in the statement of financial performance while development grants are recognised in the statement of financial position after meeting the revenue recognition criteria. The conditional grants will be recognised as revenue upon fulfilment of the set conditions.

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 financial performance both as revenue and as expenditure in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	3,006,600.80	2,959,858.60
Others (specify) *	-	-
Total	3,006,600.80	2,959,858.60

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	3,151,878.26	3,455,958.99
Repairs And Maintenance	-	718,660.75
Local Transport / Travelling	-	-
Electricity And Water	1,611,279.09	3,118,407.76
Medical	1,104,990.00	988,725.00
Administration Costs	1,109,992.80	1,167,292.13
Activity	728,655.00	961,587.87
Other Vote Heads (CBC Classroom)	-	1,576,440.00
Total	7,706,795.15	11,987,071.75

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2024-2025	2024
	Kshs	Kshs
Maintenance & Improvement	5,020,750.00	3,970,440.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
Total	5,020,750.00	3,970,440.00

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	4,990,293.00	6,324,713.00
Repairs and maintenance	1,959,124.00	2,491,041.00
Local transport / travelling	1,026,745.00	1,308,425.00
Electricity and water	4,796,795.00	6,101,672.00
Medical	424,952.00	426,525.00
Administration costs	1,809,485.00	2,310,539.00
Activity	244,325.00	309,925.00
Fee on Boarding Equipment and stores	26,249,022.00	35,082,503.00
PA Levies*	-	-
Others (specify)	-	-
Total	41,500,741.00	54,355,343.00

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Rent Income	-	-
Income From School Canteen	1,140,190.00	2,025,600.00
Dorm Damages	-	3,722,935.00
Income From Tender Fees	46,000.00	34,000.00
Income From Bus Hire	-	-
PA Activities	13,941,968.00	14,192,721.00
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	15,128,158.00	19,975,256.00

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	405,000.00	270,000.00
Textbooks	2,314,104.00	1,135,683.12
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	1,369,900.00	355,230.00
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	465.00	465.00
Others (<i>specify</i>)	-	-
Total	4,089,469.00	1,761,378.12

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	1,938,351.00	3,934,374.00
Service Gratuity	-	-
Administration Cost	1,678,302.70	2,857,049.65
Repairs And Maintenance & Improvements	83,500.00	338,646.00
Local Transport / Travelling	-	-
Electricity And Water	2,268,916.00	2,328,917.00
Medical	-	178,290.00
Activity Expenses	1,585,290.00	516,730.00
Insurance Cost	-	-
Others (CBC Classroom)	-	1,508,490.00
Total	7,554,359.70	11,662,495.65

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
4 Door Modern Toilet		938,231.00
10 Door Ablution Block		946,333.00
Dormitory	356,956.00	8,152,285.00
Bank Charges	230.00	115.00
CCTV	1,425,000.00	1,325,272.00
Total	1,782,186.00	11,362,236.00

9. Boarding and School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	10,782,095.00	9,651,985.00
Service Gratuity	-	-
Repairs And Maintenance & Improvements	1,083,039.00	1,630,120.00
Local Transport / Travelling	1,865,130.00	2,917,175.00
Electricity And Water	4,290,646.00	4,401,180.00
Medical Expenses	524,680.00	617,165.00
Administration Costs	1,203,116.70	1,822,788.25
Activity	1,723,120.00	930,900.00
Tender Fees	34,000.00	26,000.00
Expenses On Income Generating Activities**	1,310,738.00	1,561,907.00
Fee On Boarding Equipment and Stores	22,712,416.00	38,298,151.00
School Bus Accident Levy	8,127,250.00	5,231,245.00
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	53,656,230.70	68,814,584.25
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10. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1107816076	35,450.95	931,143.15
Operations Account	"	1107816777	558,392.29	2,486,385.84
School Fund Account/Boarding	"	1107798108	68,701.07	14,349.77
Savings Account	"		12,475.05	12,475.05
Parent Association Development Account	"	1107570715	-	-
Income Generating Activities Account	"		-	-
Equity Bank	"	1060281066426	900,834.00	1,979,804.00
Infrastructural Account	"	1280693088	5,041,491.49	3,402,927.49
Gratuity Account	"	1280693355	500.00	500.00
Total			6,617,844.85	8,827,585.30

11. Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	1,590,037.80	134,603.80
Total	1,590,037.80	134,603.80

12. Short Term Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

13. Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	41,432,045.35	44,261,311.35
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	41,432,045.35	44,261,311.35

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Less than 1 year	8,665,317.00	20.90%	15,494,874.00	35%
Between 1- 2 years	15,494,874.00	37.40%	10,979,389.00	24.8%
Between 2-3 years	17,271,854.35	41.70%	17,787,048.35	40.2%
Over 3 years	-	%	-	%
Total (should tie to note 12 a)	41,432,045.35	100%	44,261,311.35	100%

14. Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	20,876,194.48	29,365,066.80
Prepaid Fees	877,712.00	1,253,212.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	21,753,906.48	30,618,278.80

14a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2025	% of the total	2024	% of the total
Less than 1 year	17,712,090.68	84.80%	24,298,654.12	82.70%
Between 1- 2 years	3,164,103.80	15.20%	5,066,412.68	17.30%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (should tie to note 14)	20,876,194.48	%	29,365,066.80	100%

15. Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	6,617,844.85	8,827,585.30
Cash Balances	1,590,037.80	134,603.80
Short Term Investments	-	-
Receivables	41,432,045.35	44,261,311.35
Payables	(21,753,906.48)	(30,618,278.80)
Total	27,886,021.52	22,605,221.65

Other important disclosure notes

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

16. Non-current Liabilities Summary

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

17. Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		2,310	1,880
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		2,310	1,880

18. Borrowings

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

Other important disclosure notes

19. Stock/ Inventory

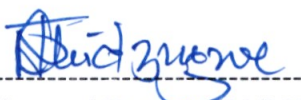
Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	2,199,785.00	2,396,180.00
Lab consumables	65,310,355.00	70,050,559.00
Farm produce	-	-
Medication	250,680.00	280,350.00
Construction Materials	85,235,580.00	90,820,440.00
Others (Book Store)	73,840,930.00	78,220,390.00
	226,837,330.00	241,767,919.00

(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)

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)
	Measures to ensure that fees arrears are collected in time to maximise the schools income.	To appoint a PA Member of class representatives to communicate to parents on fees payment matters.	Resolved	



Sign and Date: 26/08/2025
Principal



21. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2025	Outstanding Balance Comparative 2024	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		1 st July, 2024		114,000.00	288,000.00	
5. Darulsalaam Wholesalers		1 st July, 2024		10,000,080.00	16,907,980.00	
6. Makidy General Trades		1 st July, 2024		116,000.00	54,000.00	
7. Hilkath Ventures		1 st July, 2024		185,000.00	955,000.00	
8. Sky Point Technologies Ltd		1 st July, 2024			417,000.00	
9. Friendship Enterprises		1 st July, 2024		650,600.00	846,100.00	
10. Nelkatz Enterprises		1 st July, 2024		700,000.00	920,630.00	
11. Gendaxy Supplies Ltd		1 st July, 2024		378,530.00	38,900.00	
12. Gentrade Supplies Ltd		1 st July, 2024		826,614.68	973,343.12	

MARIAKANI SECONDARY SCHOOL

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

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2025	Outstanding Balance Comparative 2024	Comments
13. Ayam Book Centre		1 st July, 2024		1,020,300.00	389,500.00	
14. Stage View Pharmacy		1 st July, 2024		11,800.00	122,820.00	
15. Bonstech Computers Ltd		1 st July, 2024		119,000.00	336,500.00	
16. Granlab Digital Fixers Ltd		1 st July, 2024		780,200.00	387,540.00	
17. Msenangu Butchery		1 st July, 2024		1,058,491.00		
18. David M. Ndung'u		1 st July, 2024		474,785.00		
19. Pisdom Supplies				749,600.00		
20. County Comfort Hotels				50,000.00	1,002,240.00	
Sub-Total						
Supply Of Services						
21. Kemwach Enterprises		1 st July, 2024		39,000.00	38,000.00	
22. Mariakani Community Healthcare				45,570.00	164,565.00	
23. Kakangu Enterprise				112,000.00		
24. Top Mariakani Stationers				50,000.00	175,000.00	
25. Nasky Technologies					661,250.00	
26. Sham Hardware Ltd				101,600.00	101,600.00	
27. Burhani Traders					287,000.00	
28. Danso Glass Mart Ltd					124,184.00	
29. Giltoc Tech Enterprises					345,800.00	

MARIAKANI SECONDARY SCHOOL

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

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2025	Outstanding Balance Comparative 2024	Comments
30. Arasan Traders				150,000.00	150,000.00	
31. Bora Bora Hardware					150,650.00	
32. Albys Enterprises Limited				1,504,000.00	1,504,000.00	
33. Kansbag Limited				170,250.00	170,250.00	
34. Celcom Investments				20,000.00	20,000.00	
35. Benedict Ogolio				18,000.00	18,000.00	
36. Metrowise Investments				650,720.00	650,720.00	
37. Wesma Power & Filtration Limited					28,072.00	
38. Gentrade Supplies (previous Bal)				780,053.80	1,741,542.68	
Sub-Total						
Grand Total				20,876,194.48	29,365,066.80	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings	4,225,200.00	130,000.00	-	4,355,200.00
Textbooks				
ICT Equipment	953,960.00	85,000.00	-	1,038,960.00
Tools And Apparatus	10,268,000.00	803,146.00	-	11,071,146.00
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	18,005,160.00	1,018,146.00		19,023,306.00

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