

REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

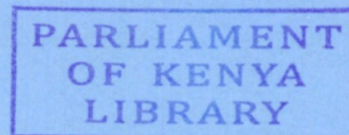
REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 16 JUN 2026	
DAY: <u>Tuesday</u>	
TABLED BY:	Ken. Naomi Kigogo CBS, MP (Deputy Majority Party Whip)
CLERK-AT THE-TABLE:	Lomale

OF

THE AUDITOR-GENERAL

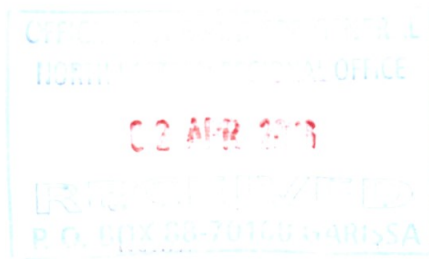
ON



IFTIN GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

GARISSA COUNTY



02 APR 2018



IFTIN GIRLS 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 GARISSA County, TOWNSHIP Sub-County.

The school was registered in 31/3/2006 under registration number GP/A/3691/2006 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day/boarding school and had 505 number of students as at 30th June 2025. It has 4 streams and 26 teachers of which 2 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	HUSSEIN DAHIR ABDI	Chairman	01/10/2022
2	ZEINAB KOSAR	Secretary - Principal	01/10/2022
3	HABON ADEN	Member	01/10/2022
4	AHMED HASSAN	Member	01/10/2022
5	MOHAMED BUUL	Member	01/10/2022
6	MOHAMED ABDI MATAN	Member	01/10/2022
7	OMAR TAWANE	Member	01/10/2022
8	ABDIRAHMAN SHEIKH	Member – Rep CEB	01/10/2022
9	AMINA KASSIM	Member Rep Teachers	01/10/2022
10		3 Members - Sponsor	
11	IDRIS IBRAHIM MAALIM	Member - Community	01/10/2022
12	FARHIYA OSMAN	Member Special Needs	01/10/2022
13	SUMEYA KAMIL	Rep Students	01/10/2022

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	Hussein Dahir Habon Aden Zeinab Kosar Mohamed buul Idris Ibrahim	Chairman V/ Chairperson Secretary Member member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
2	Audit Committee	Omar Tawane Mohamed Abdi Mohamed Buul Habon Aden	Member Member Member d/chairperson	1 out of 1 1 out of 1 1 out of 1 1 out of 1
3	Finance, procurement and general purposes Committee	Mohamed Buul Mohamed Abdi Farhiya Osman	Member Member member	1 out of 1 1 out of 1 1 out of 1
4	Academic Committee	Ahmed Hassan Amina Kassim Omar Tawane Abdirahman Sheikh Ajabo Abdullahi	Member Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
5	Development Committee	-	-	-
6	Discipline and welfare Committee	Omar Tawane Mohamed Buul Habon Aden	Member Member	3 out of 3 3 out of 3 3 out of 3

IFTIN GIRLS SECONDARY SCHOOL

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

			Member	
7	Adhoc Committee (if any during the year)			

IFTIN GIRLS SECONDARY SCHOOL
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(d) School operation Management

For the financial year ended 30th June, 2025 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	ZEINAB KOSAR	467842
2	Deputy Principal	AMINA KASSIM	497908
3	School Bursar	FOZIA HASSAN	26094215
4	Other (specify)		

(e) Schools contacts

Post Office Box: 852-70100 GARISSA
Telephone: 0113924138
E-mail: iftingirls@yahoo.com
Website:
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: : Kenya Commercial Bank
Branch: :Garissa
Account Number: :1206123354

Name of Bank: Kenya Commercial Bank
Branch : Garissa
Account Number : 1206123054

Name of Bank : Kenya Commercial Bank
Branch : Garissa
Account Number : 1233586106

Name of Bank : Kenya Commercial Bank
Branch Garissa
Account Number : 1183710070

2. MPESA Pay Bill No. 522123 attached to 36335k bank account

3. Summary Report of Performance of The School

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

a) Financial performance:

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

	<i>2023-2024</i>	<i>2022-2023</i>	<i>2024-2025</i>
<i>SURPLUS/DEFICIT</i>	<i>1,633,791</i>	<i>928,263</i>	<i>218,782</i>

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

	<i>2024-2025</i>	<i>2023-2024</i>	<i>2022-2023</i>
<i>OPERATION</i>	<i>5,945,250</i>	<i>7,775,570</i>	<i>7,979,036</i>
<i>TUITION</i>	<i>1,407,489</i>	<i>1,575,464</i>	<i>1,837,435</i>

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

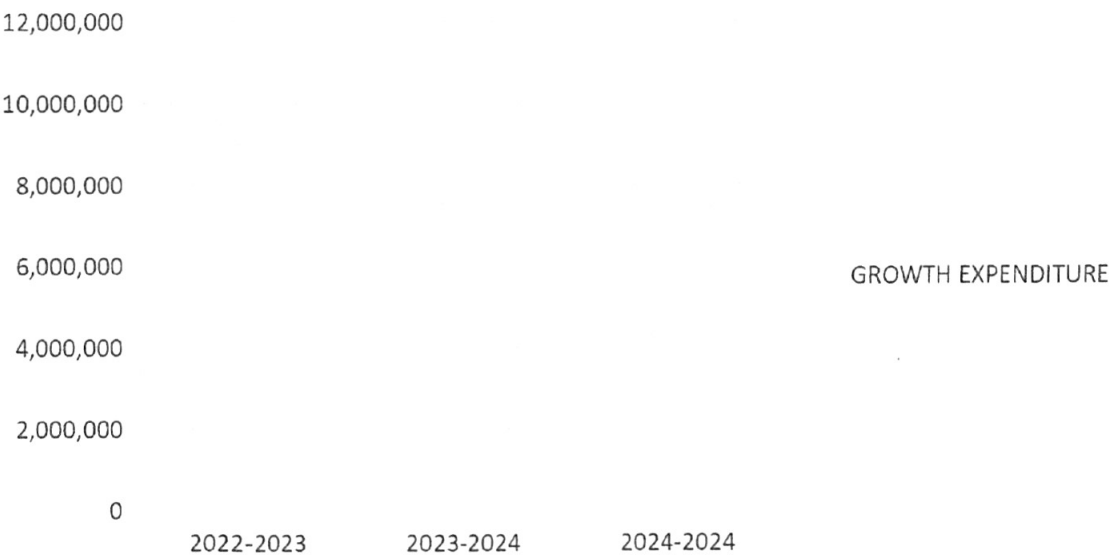
<i>2023-2024</i>	<i>2022-2023</i>	<i>2024-2025</i>
<i>20,046,677</i>	<i>16,630,654</i>	<i>16,174,389</i>

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

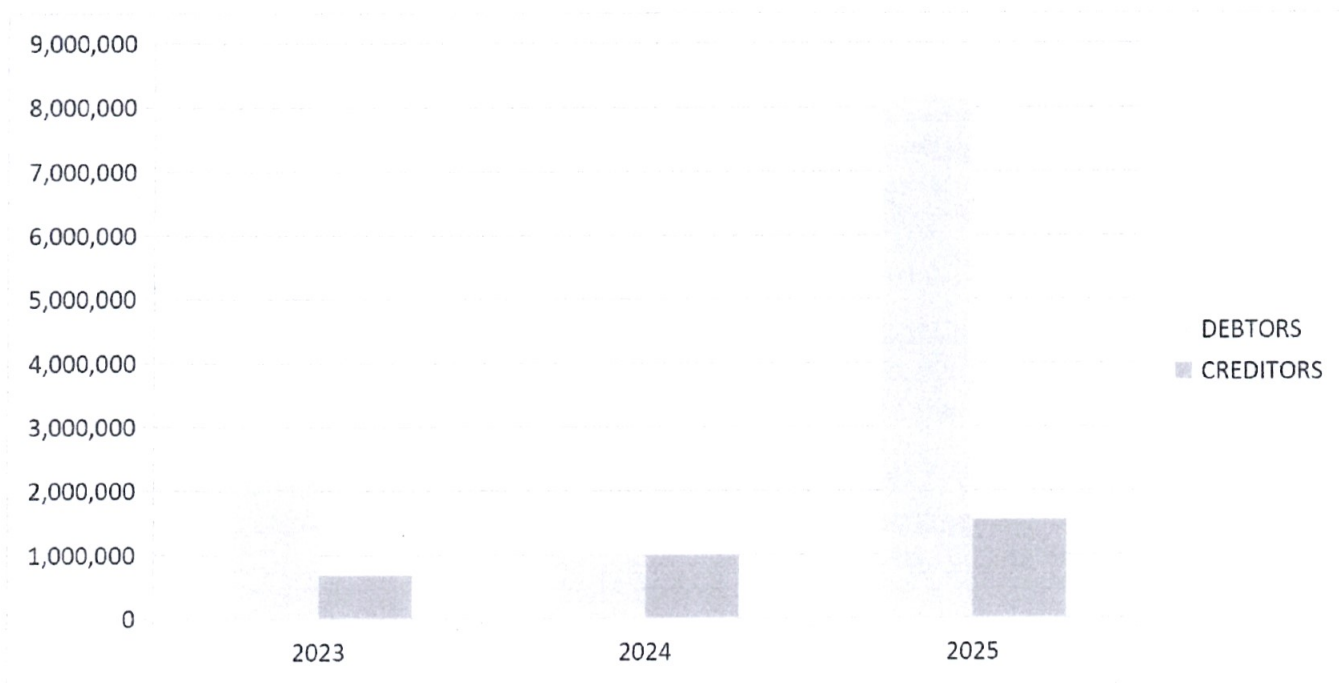
<i>2023-2024</i>	<i>2022-2023</i>	<i>2024-2025</i>
<i>8,241,179</i>	<i>10,977,729</i>	<i>8,769,311</i>

GROWTH EXPENDITURE



- Movement of debtors and creditors of the school over the last three years

YEAR	DEBTORS	CREDITORS
2023	2,211,900	688,400
2024	987,300	993,685
2025	8,217,551	1,547,675



b) Teacher Student ratio: 1:45

	<i>POSTED</i>	<i>RECRUITED</i>	<i>TRANFER</i>
2025	0	0	1
2023	0	3	2
2024	0	1	0

c) The mean score in the 2025 KCSE:

<i>YEARS</i>	<i>NO OF STUDENTS</i>	<i>MEAN SCORE</i>
2025	101	C+
2023	43	C-
2024	100	C-

d) Number of Candidates in the 2025 KCSE:

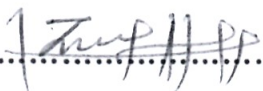
<i>YEARS</i>	<i>NO OF STUDENTS</i>
<i>2025</i>	<i>101</i>
<i>2023</i>	<i>43</i>
<i>2024</i>	<i>100</i>

e) The capacity of the school:

			<i>STUDENT</i>
<i>1</i>	<i>Dinning Hall</i>	<i>1</i>	<i>505</i>
<i>2</i>	<i>Laboratories</i>	<i>3</i>	<i>505</i>
<i>3</i>	<i>Toilets</i>	<i>48</i>	<i>505</i>

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
PERIMETER WALL	M.I	COMPLETED	2,832,730	2,832,730	COMPLETED

.....

 School Principal

PRINCIPAL
 IFTIN GIRLS SECONDARY SCHOOL
 P.O. BOX 852 - 70100
 01000A

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 Iftin Girls Secondary School accepts responsibility for the school's 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: MUUSEIN DAIIR
Designation: Chairman, School Board of Management
Date: 26/3/2026

.....
Name: ZURAB KASAI
Designation: School Principal & Secretary to Board of Management
Date: 26/03/2026

.....
Name: FIDA HASSAN
Designation: Bursar/ Finance Officer
Date: 26/3/26

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 IFTIN GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – GARISSA 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 Iftin Girls Secondary School set out on pages 1 to 19, which comprise of the statement of assets 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 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 transitional IPSAS financial statements present fairly, in all material respects, the financial position of Iftin Girls 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, 2013, 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. Inaccuracies in the Statement of Budgeted Versus Actual Amounts

The statement of cash flows reflects total actual receipts and payments of Kshs.14,443,063 and Kshs.15,401,617 respectively. However, the statement of budgeted versus actual amounts reflects total actual receipts and payments of Kshs.14,738,054 and Kshs.11,401,438 respectively, resulting in variances of Kshs.294,991 and Kshs.4,000,179 in receipts and payments respectively.

In the circumstances, the accuracy of the amounts reflected in the statement of budgeted versus actual amounts could not be confirmed.

2. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.8,217,551 as disclosed in Note 11 to the financial statements. However, movement schedule reconciling the opening balance to the closing balance was not provided for audit review. In addition, review of records revealed that receivables amounting to Kshs.5,749,251 have been outstanding for more than one (1) year, including amounts due from former students.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.8,217,551 cannot be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.21,647,200 and Kshs.14,738,054 respectively, resulting in underfunding of Kshs.6,909,146 or 32% of the budget. However, the School spent an amount of Kshs.11,401,438 against actual receipts of Kshs.14,738,054 resulting in an under-utilization of Kshs.3,336,616 or 23% of the actual receipts.

The underfunding and under-utilization affected the implementation of the planned activities and may have negatively affected the operations of 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 Matter

Significant Exemptions by Public Sector Accounting Standards Board (PSASB) in the Financial Reporting Template

The financial statements have been prepared using the financial year 2024/2025 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 page iii to xiii which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information

is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of financial performance reflects operations payments amount of Kshs.7,941,031 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.158,192 transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding System and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.158,192 could not be confirmed.

2. Capitation Underfunding from Ministry of Education

The statement of financial performance reflects capitation grants for tuition and operations amount of Kshs.1,407,489 and Kshs.5,945,250 respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year under review, the approved capitation rate per student was Kshs.22,244 which, based on recorded student enrollment, should have translated to total capitation funding of Kshs.12,567,860. However, the School received a total of Kshs.7,352,739 while Kshs.761,910 was retained by the Ministry for Strengthening of Mathematics and Sciences in Secondary Schools (SMASSE) and other co-curricular activities resulting in an under-funding of Kshs.4,453,211.

In the circumstances, the School was underfunded contrary to the Government Policy on Free Day Secondary Education which may have impacted negatively on the planned learning outcomes.

3. Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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

4. Non-Deduction of Capacity Building Levy

The statement of financial performance reflects total expenditure of Kshs.15,955,607 which includes an amount of Kshs.2,393,800 in respect of procurement contracts signed with the School's suppliers. Review of payments for goods and services revealed that Management did not deduct the public procurement capacity building levy of 0.03% on the contracts. This was contrary to the Public Procurement Capacity Building Levy Order, 2023 which requires Public Procurement Capacity Building Levy be deducted at 0.03% on all contracts between the supplier and a procuring entity.

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

5. Non-Compliance with the Law on Ethnic Diversity in Employment

Review of the payroll revealed that the School had thirteen (13) employees engaged by the Board or Management. However, nine (9) or 69% of the employees were from the dominant ethnic community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment should have more than one third of its staff from the same ethnic group.

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

6. Non-Compliance with the Law on Employment of Persons with Disabilities

Review of the School's human resource records indicated that the School had a total of thirteen (13) employees. However, none of the employees represented persons with disability. This was contrary to Section 4(f) of the Persons with Disabilities Act, 2025 which provides that the National Government shall promote the inclusion and integration of persons with disability in the public service and put in place measures to ensure that at least five per centum of the employment positions are filled by persons with disability.

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

7. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects operations grants of Kshs.5,945,250 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.2,393,800 in respect of infrastructure grants which were supposed to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.830,750 was transferred more than 15 days after receipt. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which requires infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account within fifteen days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Unit and Audit Committee

During the year under review, the School did not have an Audit Committee and an Internal Audit Unit. This was contrary to Section 73(1)(a) of the Public Finance Management Act, 2012, provides that every National Government entity shall ensure that it has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. Further, Regulation 174(1) of the Public Finance Management (National Government) Regulations, 2015, requires each National Government entity to establish an audit committee.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 of the financial statements reflects summary of fixed assets register with undisclosed balances which includes land. However, land ownership documents were

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

Auditor-General's Responsibilities for the Audit

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

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

13 May, 2026

not provided for audit. In addition, the fixed assets register maintained was not updated and did not include details of the assets and the values. Further, assets were not tagged for easy of identification.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

3. Weaknesses in Management of Textbooks

The School did not have an approved policy, processes, or procedures for the management of textbooks. The School relies on a manual textbook inventory system, which is poorly maintained and incomplete. As a result, it was not possible to accurately determine the number of textbooks held and their current status. In addition, the textbook store did not have adequate shelving facilities.

In the circumstances, the existence of effective measures in the management of textbooks could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards 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.

IFTIN GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

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

Description Of Vote Head	Note	Period Ending 30 June 2025
		Kshs
Revenue		
Government grants for tuition	1	1,407,489
Government grants for operations	2	5,945,250
Government Grants for infrastructure	3	2,393,800
School fund income- parents' contributions	4	6,427,850
Total Revenue		16,174,389
Expenditure		
Tuition	5	828,280
Operations	6	7,941,031
Infrastructure	7	2,832,730
Boarding and school fund	8	4,353,566
Total Expenditure		15,955,607
Surplus/Deficit		218,782

The school financial statements were approved on 26/3 2025 and signed by:

Name: HUSSEIN DATTA

Chair BOM

Date: 26/3/26

Name: Zehab Kassar
School Principal/ Secretary to BOM

Date: 26/03/26

Name: Fadia Hassa
Bursar/ Finance Officer

Date: 26/3/26

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

Description	Note	Period Ending June 30, 2025	Opening Statement 1 July 2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	9	2,735,951	3,694,505
Cash balances	10	-	-
Total cash and cash equivalent		2,735,951	3,694,505
Account's receivables	11	8,217,551	6,486,225
Total financial assets (a)		10,953,502	10,180,730
Financial liabilities			
Accounts payables	12	1,547,675	993,685
Total Financial Liabilities (b)		1,547,675	993,685
Net financial assets (a-b)		9,405,827	9,187,045
Represented by			
Accumulated fund b/fwd	13	9,187,045	7,553,254
Surplus/deficit for the year		218,782	1,633,791
Net Assets		9,405,827	9,187,045

The school's financial statements were approved on 26/3 2025 and signed by:

Name: HUSSEIN DATHIL

Chair BOM

Date: 26/3/26

Name: Zenab Kasa
School Principal/ Secretary to BOM

Date: 26/03/26

Name: Fadia Hassan

Bursar/ Finance Officer

Date: 26/3/26

IFTIN GIRLS SECONDARY SCHOOL

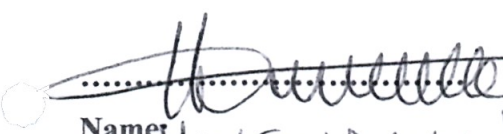
Annual Report and Financial Statements For the year ended 30th June 20258. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	Period Ending 30 June 2025
		Kshs
Cash from Operating Activities		
Receipts		
Government grants for tuition	1	1,407,489
Government grants for operations	2	5,945,250
Government grants for infrastructure	3	2,393,800
School fund income- parents contributions/ fees	4	4,696,524
Total receipts		14,443,063
Payments		
Cash outflows for tuition	5	884,980
Cash outflows for operations	6	7,309,791
Cash outflows Boarding/lunch and school fund payments	7	4,374,116
Total payments		12,568,887
Net cash inflow/outflow from operating activities		1,874,176
Cash flow from investing activities		
Construction of toilets		(2,832,730)
Proceeds from sale of Assets		-
Proceeds from investments		-
Purchase of investments		-
Net cash inflow/outflows from investing activities		(2,832,730)
Cash flow from Financing activities		
Proceeds from borrowings/ loans		-
Repayment of principal borrowings		-
Net cash inflow/outflow from financing activities		(958,554)
Net increase/decrease in cash and cash equivalents		(958,554)
Cash and cash equivalent at beginning of the FY		3,694,505
Cash and cash equivalent at end of the FY		2,735,951

The school's financial statements were approved on 26/3 2025 and signed by:

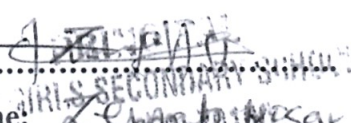
IFTIN GIRLS SECONDARY SCHOOL

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

Name: 

Chair BOM

Date: 26/3/2026

Name: 

School Principal/ Secretary to
BOM

Date: 26/03/26

Name: 

Bursar/ Finance Officer

Date: 26/3/26

9. Statement Of Budgeted Versus Actual Amounts 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
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	2,486,400	-	2,486,400	1,407,489	57%
<i>(2) Capitation Grant on Operations</i>					
Repairs And Maintenance	3,000,000	-	3,000,000	1,725,000	58%
Other Vote heads	6,790,800	-	6,790,800	3,373,455	50%
Activity	370,000	-	370,000	342,705	93%
Medical	-	-	-	504,090	-
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	-	-	-	-	-
<i>(4) Fees Charged on Parts</i>					
Lunch programme	9,000,000	-	9,000,000	6,427,850	71%
<i>5) Miscellaneous Income</i>					
Income From Any Other Investment	-	-	-	-	-
Total Income	21,647,200	-	21,647,200	14,738,054	88%
<i>(6) Expenditure For Tuition</i>					
Teaching / Learning Materials	2,486,400	-	2,486,000	828,279	33%

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
<i>(7) Expenditure For Operations</i>					
Repairs, Maintenance & Improvements	-	-	-	-	-
Other vote Heads	6,790,800	-	6,790,800	5,764,217	85%
Activity Expenses	370,000	-	370,000	251,592	68%
Medical	-	-	-	200,222	-
<i>(8) Expenditure For infrastructure</i>					
Repair of classrooms (floors)	3,000,000	-	3,000,000	2,832,730	94%
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Lunch Programme	9,000,000	-	9,000,000	4,353,566	58%
Totals	21,647,200	-	21,647,200	11,401,438	53%

]

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**Statement of Compliance**

The financial statements have been prepared in accordance with the PFM Act and International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore, these first year financial statements are transitional financial statements. These 1st years financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the entity has taken advantage of the transition provisions outlined in IPSAS 33: Inventories, depreciation and non-financial assets other than non- financial assets purchased during the year 2024/25.

The school is implementing a phased IPSAS Accrual adoption plan as follows;

- FY 2025/2026(year 2) update the assets register and valuation of non-financial assets and other liabilities, recognise inventories.
- FY 2026/2027(year 3) complete recognition and valuation of all non- financial assets, provisions and prepare fully IPSAS accrual Financial Statement.

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, statement of cash flow). Under an accrual basis, revenues are recognized when rights to assets are earned or levied rather than when cash is received, and expenses are recognized when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

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 (accrual 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
	Kshs
Reference Materials	-
Exercise Books	-
Laboratory Equipment	-
Internal Exams	-
Teaching / Learning Materials	1,407,489
Others (<i>specify</i>) *	-
Total	1,407,489

2 Government Grants for Operations

Description	2024-2025
	Kshs
Personnel Emoluments	-
Repairs And Maintenance	1,725,000
Local Transport / Travelling	-
Electricity And Water	-
Medical	504,900
Administration Costs	-
Activity	342,705
Other Vote Heads	3,373,455
Total	5,945,250

3 Government Grants for infrastructure

Description	2024-2025
	Kshs
Maintenance & Improvement	2,393,800
Transition infrastructure grants	-
Administration Block	-
Economic stimulus grants	-
Other (<i>specify</i>) (NGCDF and County govt.	-
Total	2,393,800

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025
	Kshs
Lunch	6,427,850
Repairs and maintenance	-
Local transport / travelling	-
Electricity and water	-
Medical	-
Administration costs	-
Activity	-
Fee on Boarding Equipment and stores	-
PA Levies*	-
Others (specify)	-
Total	6,427,850

5 Tuition

Description	2024-2025
	Kshs
Exercise Books	-
Textbooks	-
Reference materials	-
Laboratory Equipment	-
Teaching / Learning Materials	828,280
Exams And Assessment	-
Teachers Guides	-
Bank Charges	-
Others (<i>specify</i>)	-
Total	828,280

6 Operations

Description	2024-2025
	Kshs
Personnel Emoluments	-
Service Gratuity	-
Administration Cost	-
Repairs And Maintenance & Improvements	1,725,000
Local Transport / Travelling	-
Electricity And Water	-
Medical	200,222
Activity Expenses	251,592
Insurance Cost	-
Others vote heads	5,764,217
Total	7,941,031

7 Infrastructure

Description	2024-2025
	Kshs
Renovations of classroom floors	2,832,730
Construction of laboratory	-
Construction of dormitory	-
Purchase of furniture	-
Purchase of equipment	-
Purchase of apparatus	-
Drilling of boreholes	-
Others (specify)	-
Total	2,832,730

8 Boarding And School Fund

Description	2024-2025
	Kshs
Personnel Emoluments	-
Service Gratuity	-
Repairs And Maintenance & Improvements	-
Local Transport / Travelling	-
Electricity And Water	-
Medical Expenses	-
Administration Costs	-
Lunch Programme	4,353,566
Bank Charges	-
Expenses On Income Generating Activities**	-
Fee On Boarding Equipment and Stores	-
Rent Expenses	-
Insurance Cost (<i>Life Property</i>)	-
Loan Principal Repayment	-
Loan Interest Repayment	-
Acquisition Of Assets	-
PA expenses	-
Others (specify)	-
Total	4,353,566

9. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1206123095	620,531	98,022
Operations Account	Active	1206123354	430,037	1,794,578
School Fund Account/Boarding	Active	1183710070	397,036	74,628
Infrastructural Account	Active	1233586106	2,735,951	1,727,277
Total			2,735,951	3,694,505

10. Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	0.00	0.00
Total	0.00	0.00

11. Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	8,217,551	6,486,225
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	8,217,551	6,486,225

11 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	<i>Kshs</i>		<i>Kshs</i>	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,468,300	30%	987,300	15%
Between 1- 2 years	250,326	3%	2,008,200	31%
Between 2-3 years	2,008,200	24%	898,664	14%
Over 3 years	3,490,725	43%	2,592,061	40%
Total (should tie to note 13 a)	8,217,551	100%	6,486,225	100%

12. Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,547,675	993,685
Prepaid Fees	-	-
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	1,547,675	993,685

12 a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,547,675	100%	995,685	100%
Between 1- 2 years	-	0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (should tie to note 14)	1,547,675	100%	995,685	100%

13. Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	3,694,505	2,539,029
Cash Balances	-	-
Short Term Investments	-	-
Receivables	6,486,225	5,702,625
Payables	993,685	688,400
Total	9,187,045	7,553,254

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.

14. Non-current Liabilities Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	0.00	0.00

15. Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees	100	-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		0.00	0.00

16. 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	0.00	0.00

Other important disclosure notes

17. Stock/ Inventory

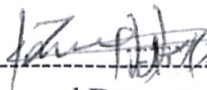
Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	-	-
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	0	0

IFTIN GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

18. Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	None	N/a	N/a	


Sign and Date 28/08/26 20100,
Principal GARISSA

IFTIN GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

19. 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.						
Sub-Total						
Supply Of Goods						
3. FINEST SUPPLY LTD	400,000		-	400,000	0.00	
4. KARAY SUPPLIES LTD	862,925		-	862,925	0.00	
5. PHAAZ GENERAL SUPPLIES LTD	251,450		-	251,450	0.00	
6. AL-KITAB BOOKSHOP AND STATIONERS	33,300		-	33,300	0.00	
Sub-Total	1,547,675		-	1,547,675	0.00	
Supply Of Services						
7.						
8.						
Sub-Total						
Grand Total	1,547,675			1,547,675	0.00	

IFTIN GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				

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