

REPUBLIC OF KENYA



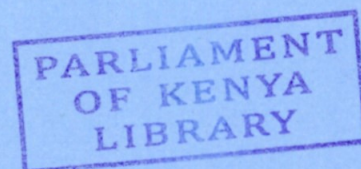
REPORT

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

OF

THE AUDITOR-GENERAL

ON

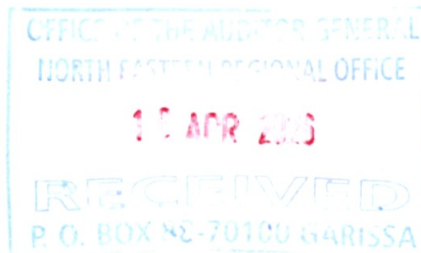


UMUSALAMA GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

GARISSA COUNTY

Revised 30th June 2024.



UMUSALAMA GIRLS SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

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, Garissa Sub-County.

The school was registered in 22nd July 2023 under registration number 07S30000288 and is currently categorized as sub county public school established, owned or operated by the Government.

The school is a day school and had number of students as at 30th June 2024, it has five streams and 40 teachers

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	FATHA ADAN A.	Chairman	16/10/2022
2	ADOW ADAN	Secretary - Principal	16/10/2022
3	ABDINASISIR SHARIF	Member	16/10/2022
4	MOHAMED SHEKH	Member	16/10/2022
5	HALIMA ABDULLAHI	Member	16/10/2022
6	FUNNY ABDI	Member	16/10/2022
7	SOFIA ABDI	Member	16/10/2022
8	KORIO HUSSEIN	Member – Rep CEB	16/10/2022
9	HAFSA AHMED	Member Rep Teachers	16/10/2022
10	ALI MATHOB	3 Members - Sponsor	16/10/2022

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.

(b) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	HAKIMA MAALIM	497167
2	Deputy Principal	HASSAN GARANE	462975
3	School Bursar	HAFSA MOHAMED	36734391

(c) Schools contacts

Post Office Box: 459-70100
 Telephone: 0720172048
 E-mail: umusalamagirls @gmailcom
 Website: N/A
 Facebook:
 Twitter:

(d) School Bankers

Provide details of the school bankers.

Name of Bank: NATIONAL BANK
 Branch: GARISSA BRANCH
 Account no:01041254271100 (**TUITION**)

Name of Bank: NATIONAL BANK
 Branch: GARISSA BRANCH
 Account no:01041254259900 (**INFRASTRUCTURE**)

Name of Bank: NATIONAL BANK
 Branch: GARISSA BRANCH
 Account no:7700498970 (**OPERATION**)

(e) Independent Auditors

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

UMUSALAMA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Summary Report of Performance of The School

a) Number of Candidates in the 2024 KCSE:

3.

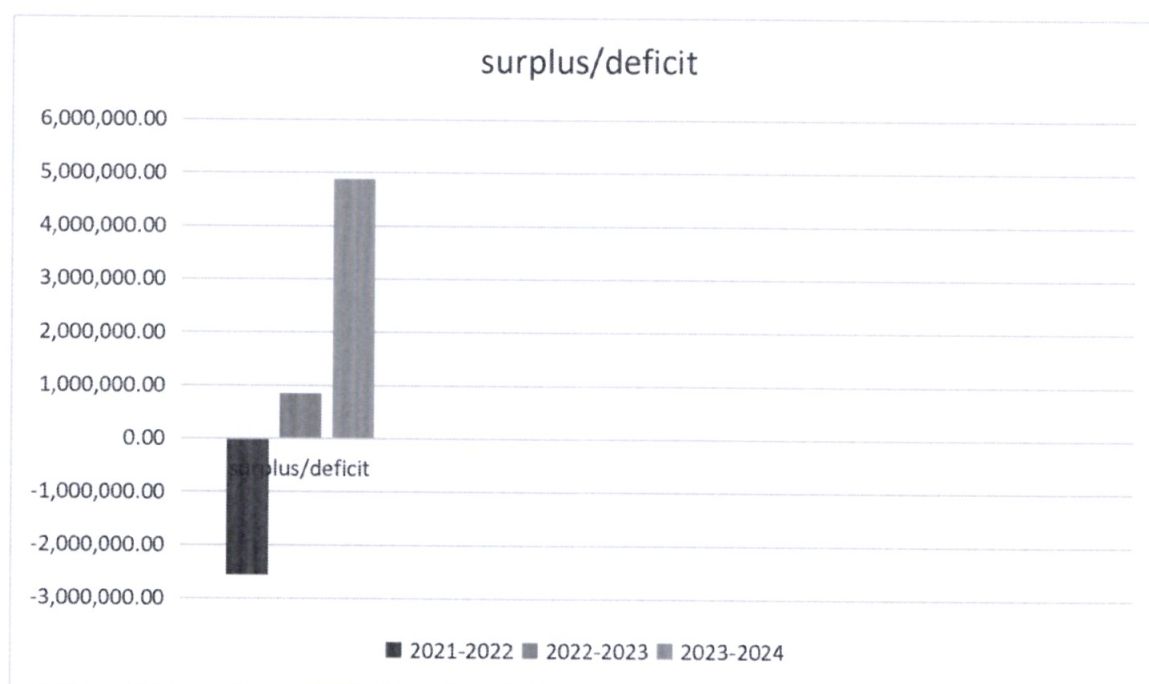
The following is a summary report of the performance of the school against the set performance evaluation criteria:

b) Financial performance:

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

<i>YEAR</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
<i>SUPLUS/DEFICIT</i>	<i>(2566,795.91)</i>	<i>4,870,981.98</i>	<i>844,773.16</i>

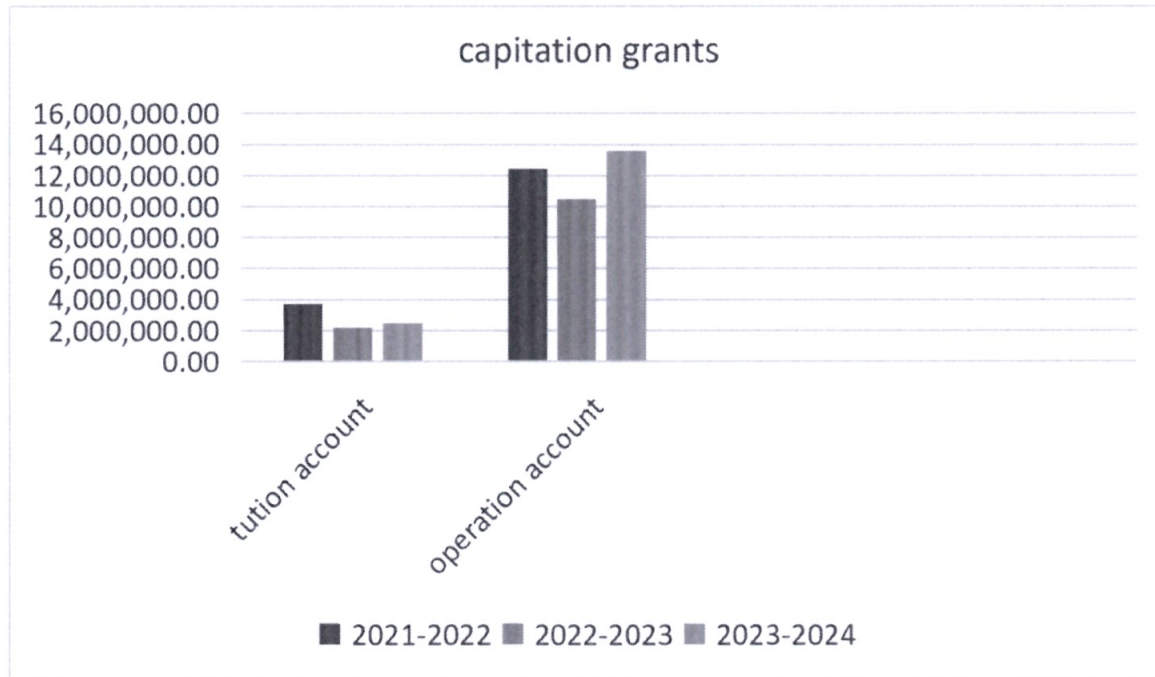
- *Surplus/ deficit for the year and a comparison of the same for the last three year*



The financial year 2023-2024 had more surplus compare to the other financial years followed by financial year 2022-2023 and financial year 2021-2022 being the year with the most deficit

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

FY	2021-2022	2022-2023	2023-2024
Tuitions account	3,721,423.29	2,401,716.79	2,478,662.2
Operations account	12,425,713.4	10,483,857.37	13,572,785.5



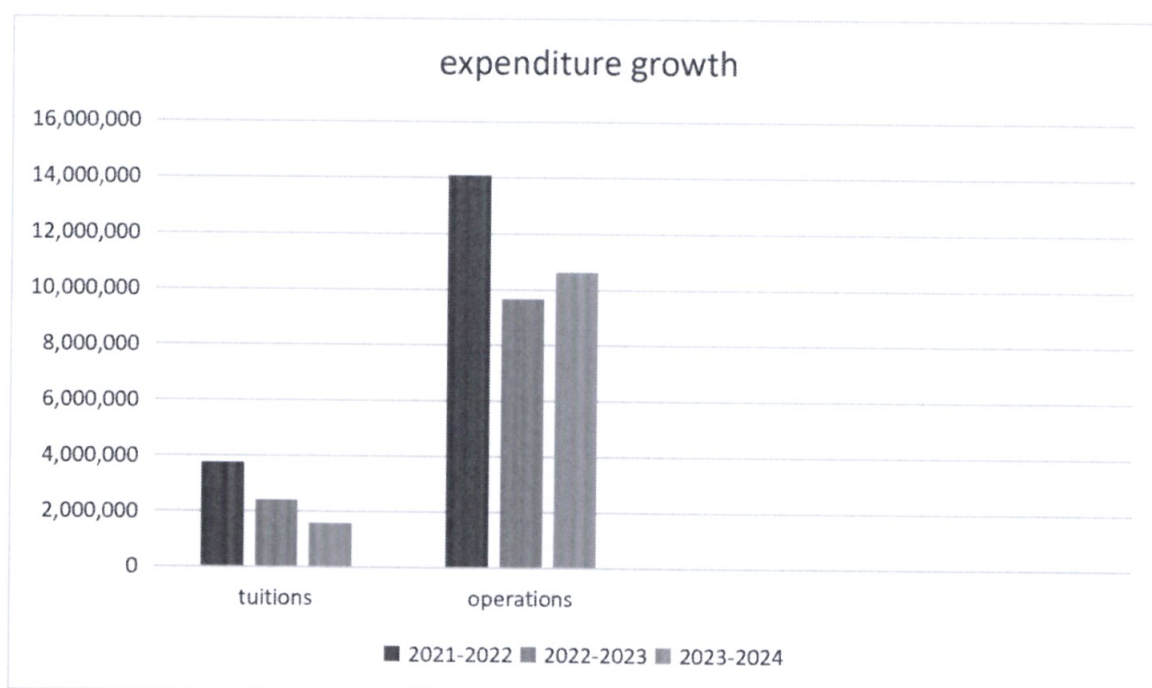
Operation account had the highest capitation grants compared to tuition

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

	2021-2022	2022-2023	2023-2024
Income	19,147,136.69	14,850,774.16	20,066,287.70

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

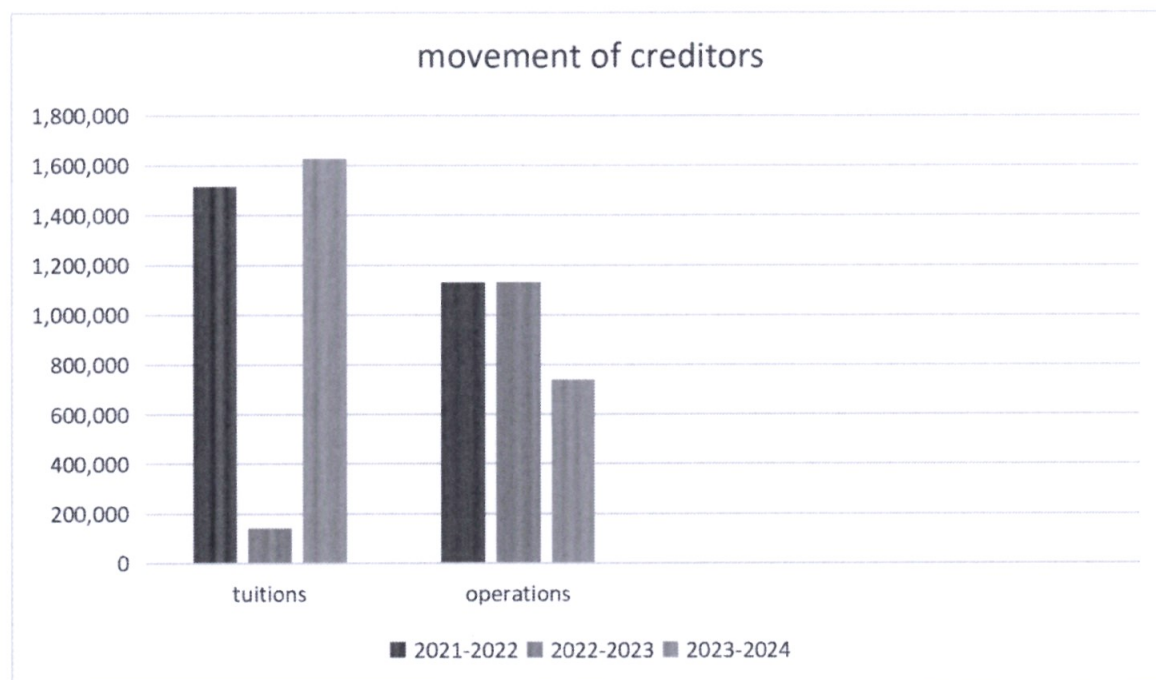
FY	2021-2022	2022-2023	2023-2024
tuition	3,772,860	2,401,170	1,571,835.5
operations	14,076,332.8	9,661,610	10,610,575.5



- *operations account had highest expenditure compared to tuition account which had been decreasing for the last three years*
- *Movement of debtors and creditors of the school over the last three years*

<i>FY</i>	2021-2022	2022-2023	2023-2024
<i>Tuition</i>	1,516,620	139,850	1,626,470
<i>operation</i>	1,130,000	1,130,000	740,000

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



Tuition account had exponentially high creditors in the year 2021-2022 and 2023-2024

c) Teacher Student ratio:

Teacher student ratio	TSC teachers	BOM teachers	Total number of students	Teachers recruited 2022
1:23	40	0	940	0

The mean score in the 2024,2023,2022 KCSE:

YEAR	MEAN
2022	5.65 C Plain
2023	6.08 C plain
2024	6.5 C Plus

Number of candidates sitting for KCSE over the last three years

FY	2021-2022	2022-2023	2023-2024
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No of candidates	144	133	158
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The year 2023-2024 had the highest number of candidates

d) The capacity of the school:

Number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities.

<i>FY</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
<i>LABORATORIES</i>	2	3	3
<i>CLASSROOMS</i>	18	20	22
<i>TOILETS</i>	13	19	23
<i>TANKS</i>	5	5	6
<i>DINNING HALL</i>	0	0	0

e) Development projects carried out by the school:

Projects	Source of funds	Status	amount
Renovation of classrooms	MOE	complete	1,506,502.00
Renovation of an office	MOE	complete	700,000.00
Construction septic tank	MOE	complete	800,000.00


 School Principal

CHAIRPERSON
 BOARD OF GOVERNORS
 UMUSALAMA GIRLS SECONDARY SCHOOL
 TLOLA, GARIESA

CHAIRPERSON
 BOARD OF GOVERNORS
 UMUSALAMA GIRLS SECONDARY SCHOOL
 TLOLA, GARIESA

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

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

CHAIRPERSON, BOM

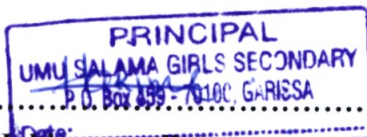
UMUSALAMA GIRLS' SCHOOL

P.O. Box 459-70100, GARISSA

Name: **Abdinassir shariff**

Designation: **Chairman, School Board of Management**

Date: **26th July 2024**



Name: **Hafsa maalim**

Designation: **School Principal & Secretary to Board of Management**

Date: **26th July 2024**

Name: **Hafsa mohamed**

Designation: **Bursar/ Finance Officer**

Date: **26th July 2024**

REPUBLIC OF KENYA

phone: +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 UMUSALAMA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - 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 financial statements of Umusalama Girls Secondary School set out on pages 1 to 19 which comprise of the statement of assets and liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory

information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Umusalama Girls Secondary School at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents of Kshs.5,722,462 as disclosed in Note 10 to the financial statements. However, the statement of cash flows reflects cash and cash equivalent balance of Kshs.5,003,949 as at the end of the financial year resulting to unreconciled variance of Kshs.718,513.

In the circumstances, the accuracy of cash and cash equivalents balance of Kshs.5,722,462 could not be confirmed.

2. Inaccuracies in the Statement of Budgeted Versus Actual Amounts

The statements of cash flows reflects total actual payments of Kshs.15,913,818. However, the statement of budgeted versus actual amounts reflects total actual payments of Kshs.15,195,305, resulting in variances of Kshs.718,513.

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

3. Unsupported Accounts Payables Balance

The statement of assets and liabilities reflects accounts payable balance of Kshs.2,366,470 as disclosed in Note 14 to the financial statements. However, movement schedule reconciling the opening balance to the closing balance was not provided for audit review.

In the circumstances, the accuracy and completeness of the payables balance of Kshs.2,366,470 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Umusalama 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 total receipts budget and actual on a comparable basis of Kshs.17,201,000 and Kshs.20,066,287 respectively, resulting in over collection of Kshs.2,865,287 or 17% of the budget. However, the School spent an amount of Kshs.15,195,305 against actual receipts of Kshs.20,066,287 resulting in an under-utilization of Kshs.4,870,982 or 24% of actual receipts.

The under-utilization affected implementation of the planned activities and may have negatively impacted on 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 Information

The Management is responsible for the Other Information set out on page iii to xii which comprise of Key School Information and Management, Summary Report of 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. 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. Late Submission of Financial Statements for Audit

The financial statements for the year ended 30 June, 2024 were submitted to the Auditor-General on 6 February, 2026 instead of the statutory deadline of 30 September, 2024. This was contrary to Section 81 of the Public Finance Management Act, 2012 which requires financial statements to be submitted to the Auditor-General within three (3) months after the end of each financial year.

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

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

The statement of receipts and payments reflects operations payments amount of Kshs.10,610,575 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.75,500 transferred to 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.75,500 could not be confirmed.

3. Capitation Under-Disbursement from Ministry of Education

The statement of financial performance reflects capitation grants for tuition and operations amount of Kshs.2,478,662 and Kshs.13,572,785 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.22,510,928. However, the School received a total of Kshs.16,051,447 while Kshs.1,178,980 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.5,280,501.

In the circumstances, the under-disbursements may have affected service delivery to the students.

4. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.20,066,287 and Kshs.15,195,305 in respect of total receipts and payments respectively. 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 prepares a procurement plan for each financial year as part of the annual budget preparation process.

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

5. 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.

6. Late Transfer of Infrastructure Funds from Operations Bank Account

During the year under review, the School received operations and infrastructure grants of Kshs.13,572,785 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.4,014,840 in respect of infrastructure grants which was supposed to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the amount was transferred more than fifteen (15) days after receipt, contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which requires infrastructure funds to be transferred within fifteen (15) days after receipt in the operations account.

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

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, which 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 mechanism could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 of the financial statements on summary of fixed assets register reflects property, plant and equipment balance of Kshs.42,720,000 which includes land with a balance of Kshs.10,000,000. However, land ownership documents were not provided for audit. In addition, the fixed assets register maintained was not updated and did not include details of the assets and their 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.

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 (Cash 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.

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

14 April, 2026

UMUSALAMA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

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

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,478,662	2,401,717
Government grants for operations	2	13,572,785	10,483,857
Government Grants for infrastructure	3	4,014,840	1,965,200
School fund income- parents' contributions	4	-	-
Miscellaneous incomes	5	-	-
Total Receipts		20,066,287	14,850,774
Payments			
Tuition	6	1,571,838	2,401,170
Operations	7	10,610,575	9,660,511
Infrastructure	8	3,012,892	1,943,221
Boarding and school fund	9	-	-
Total Payments		15,195,305	14,006,001
Surplus/Deficit		4,870,982	844,773

The school financial statements were approved on 26th July 2024 and signed by:

CHAIRPERSON, BOM
UMUSALAMA GIRLS SECONDARY SCHOOL
P.O. BOX 499 - 70100 GARISSA
Name: Abdinasir Sharif

Chair BOM

Date: 26th July 2024

PRINCIPAL
UMUSALAMA GIRLS SECONDARY
P.O. BOX 499 - 70100 GARISSA
Date: 26th July 2024

Name: Hakima Maalim
School Principal/ Secretary to BOM

Date: 26th July 2024

BURSAR
UMUSALAMA GIRLS SECONDARY
P.O. BOX 499 - 70100 GARISSA
Name: Hafsa Mohamed

Bursar/ Finance Officer

Date: 26th July 2024

UMUSALAMA GIRLS SECONDARY SCHOOL

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

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

Description	Not e	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	5,722,462	851,480
Cash balances	11	-	-
Short term investments	12	-	-
Total cash and cash equivalent		5,722,462	851,480
Account's receivables	13	-	-
Total financial assets (a)		5,722,462	851,480
Financial liabilities			
Accounts payables	14	2,366,470	2,497,170
Total Financial Liabilities (b)		2,366,470	2,497,170
Net financial assets (a-b)		3,355,992	(1,645,690)
Represented by			
Accumulated fund b/fwd	15	(1,514,990)	(2,490,463)
Surplus/deficit for the year		4,870,982	844,773
Net Assets		3,355,992	(1,645,690)

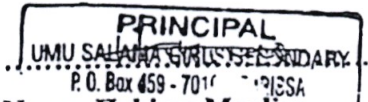
The school's financial statements were approved on 26/7 2024 and signed by

CHAIRPERSON BOM

Name: Abdinasir Shariff

Chair BOM

Date: 26th July 2024

PRINCIPAL

Name: Hakima Maalim
School Principal/ Secretary to BOM

Date: 26th July 2024


Name: Hafsa Mohamed

Bursar/ Finance Officer

Date: 26th July 2024

UMUSALAMA GIRLS SECONDARY SCHOOL

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

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,478,662	2,401,716
Government grants for operations		13,572,785	10,483,857
Government grants for infrastructure		4,014,840	1,965,200
School fund income- parents contributions/ fees		-	-
Other income		-	-
Total receipts		20,066,287	14,850,774
Payments			
Cash outflows for tuition		1,571,838	2,401,170
Cash outflows for operations		10,327,140	9,660,511
Cash outflows Boarding/lunch and school fund payments			-
Total payments		11,898,978	12,061,681
Net cash inflow/outflow from operating activities		8,167,309	2,789,093
Cash flow from investing activities			
Acquisition of assets		(4,014,840)	(1,936,800)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		(4,014,840)	(1,936,800)
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		4,152,469	852,293
Cash and cash equivalent at beginning of the FY		851,480	6,706
Cash and cash equivalent at end of the FY		5,003,949	858,999

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

CHAIRPERSON, BOM
UMUSALAMA GIRLS SECONDARY SCHOOL
P. O. Box 459-70100, GARISSA

PRINCIPAL
UMUSALAMA GIRLS SECONDARY SCHOOL
P. O. Box 459 - 70100, GARISSA
Date: _____

Name: Abdinasir Sharif

Chair BOM

Date: 26th July 2024

Name: Hakima Maalim

**School Principal/ Secretary to
BOM**

Date: 26th July 2024

Name: Hafsa Mohamed

Bursar/ Finance Officer

Date: 26th July 2024

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	2,163,000	-	2,163,000	2,478,622	115%
Exams And Assessment					
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	11,288,000	-	11,288,000	13,572,785	120%
Repairs And Maintenance	-	-	-	-	-
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	3,750,000	-	3,750,000	4,014,840	107 %
<i>(4) Fees Charged on Parents</i>					
Repairs And Maintenance	-	-	-	-	-
<i>5) Miscellaneous Income</i>					
Interest Income	-	-	-	-	-
Total Income	17,201,000		17,201,000	20,066,287	117%
<i>(6) Expenditure For Tuition</i>					
Textbooks	-	-	-	-	
Reference Materials	-	-	-	-	

UMUSALAMA GIRLS SECONDARY SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Teaching / Learning Materials	2,163,000.00	-	2,163,000.00	1,571,835	0.37%
(7) Expenditure For Operations					
Personnel Emoluments	11,288,000.00	-	11,288,000.00	10,610,575	0.09%
Repairs, Maintenance & Improvements	-	-	-	-	
(8) Expenditure For infrastructure					
Construction of septic tank	3,750,000.00	-	3,750,000.00	3,012,892	0.24%
(9) Expenditure For school fund/lunch/boarding					
Lunches	-	-	-	-	-
Totals	17,201,000		17,201,000	15,195,305	88%

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of

changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching / Learning Materials	2,478,662	2,401,716
Others (specify)*		
Total	2,478,662	2,401,716

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance and Improvement	5,484,340	-
Activity	795,588	-
Other Vote Heads -EWC, LTT,PE \$ ADMIN COSTS	7,292,857	10,483,857
Total	13,572,785	10,483,857

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	4,014,840	1,965,200
Total	4,014,840	1,965,200

4 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
PA Levies*	-	-
Others (specify)	-	-
Total	-	-

5 Miscellaneous Incomes

Description	2023-2024	2022-2023
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Total	-	-

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching / Learning Materials	1,533,596	2,258,000
Sundry Creditors	30,000	-
Bank Charges	8,242	3,320
Total	1,571,838	2,261,320

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance and Improvement	5,236,340	2,456,000
other vote heads-EWC,LTT,PE & ADMIN COSTS	5,036,948	6,799,756
Bank Charges	13,087	15,854
Activity Expenses	223,500	-
Sundry Creditors	100,700	390,000
Total	10,610,575	9,661,610

8 Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance and Improvement	3,006,502	1,936,800
Bank Charges	6,390	6,421
Total	3,012,892	1,943,221

12. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account NBK	ACTIVE	01041254271100	909,433.6	3,736.71
Tuition account FCB	INACTIVE	29776999902	1145.69	
Operations Account NBK	ACTIVE	770049870	3,771,434	823,710.04
Operations account FCB	INACTIVE	29769999803	14,417.34	
Infrastructural Account NBK	ACTIVE	01041254259900	1,002,075	24,033.19
Infrastructure FCB	INACTIVE	2977983701	23,953.19	
Total			5,722,461.92	851,479.94

9 Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	-	-
Total	-	-

10 Short Term Investments

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

11. Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	-	-
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	-	-

12 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (should tie to note 13 a)		%		%

11 Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,366,470	2,497,170
Prepaid Fees	-	-
Other payables (<i>specify</i>)	-	-
Total	2,366,470	2,497,170

14a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	130,700	6%	240,550	10%
Between 1- 2 years	-	-		
Between 2-3 years	2,235,770	94%	2,256,620	90%
Over 3 years	-		-	-
Total (should tie to note 14)	2,366,470		2,497,170	

12 Fund Balance Brought Forward

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Balances	851,479.94	6,706.03
Cash Balances	-	-
Payables	2,366,470.00	2,497,170.00
Total	(1,514,990.06)	(2,490,463.97)

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.

13 Non-current Liabilities Summary

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

14 Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees	100	-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		-	-

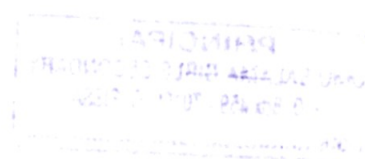
15 Borrowings

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

16 Stock/ Inventory

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	-	-
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	-	-



17 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)


 PRINCIPAL
 UMUSALAMA GIRLS SECONDARY
 P.O. Box 459 - 70100 G-RIESA
 Sign and Date
 Principal

UMUSALAMA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

13. 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. Maalims hardware	60,000.00		60,000.00	0.00		
Supply Of Goods						
2. Hirola booksellers	466,820.00		0	466,820.00		
3. Science lab	602,000.00		0	602,000.00		
Tamar lab supplies	447,800.00		0	447,800.00		
Usitawi book centre	139,850.00		30,000.00	109,850.00		
4. Alkitab bookshop	40,700.00		40,700.00	0		
5. Sub-Total	1,757,170.00					
6. Supply Of Services						
9.maryam ibrahim (deceased)	700,000.00		0	700,000.00		
Diego mitambo	40,000.00		0	40,000.00		
TOTAL	2,497,170.00			2,366,470.00	2,366,470.00	

Annex 2 – Summary of Fixed Assets Register

UMUSALAMA GIRLS SECONDARY SCHOOL

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

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 2024
Land	10,000,000.00			10,000,000.00
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings	26,000,000.000	200,000.00		200,000.00
Textbooks				
ICT Equipment	2,500,000.00	2,500,000.00		2,700,000.00
Tools And Apparatus	3,000,000.00	3,000,000.00		3,000,000.00
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware	1,200,000.00	1,200,000.00		1,200,000.00
Total	42,700,000.00			42,720,000.00