

REPUBLIC OF KENYA



REPORT

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THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 16 JUN 2026	DAY: Tuesday
TABLED BY:	Hon. Naomi Wanjau, CBS, MP (Deputy majority party whip)
CLERK-AT THE-TABLE:	Lemake

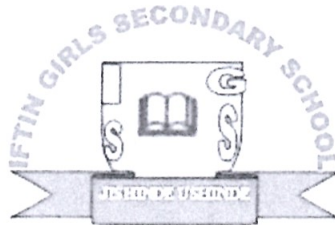
THE AUDITOR-GENERAL

ON

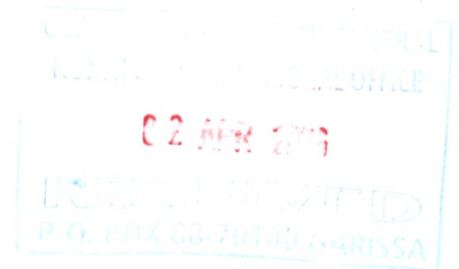
IFTIN GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2021

GARISSA COUNTY



02 APR 2021



**IFTIN GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

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

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in 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 school and had 603 number of students as at 30th June 2021. It has 4 streams and 27 teachers of which 4 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	Chairman	18/5/2019
2	MARYAN GEDI	Secretary - Principal	18/5/2019
3	HUSSEIN DAHIR	Member	18/5/2019
4	MOHAMED BUUL	Member	18/5/2019
5	TAMIMA ABDI	Member	18/5/2019
6	RUMANO RASHID	Member	18/5/2019
7	HUSSEIN IMAN	Member	18/5/2019
8	SAADIA ALI	Member – Rep CEB	18/5/2019
9	BARABU SAMUEL	Member Rep Teachers	18/5/2019
10		3 Members - Sponsor	
11	MOHAMED YUSSUF GONI	Member - Community	18/5/2019
12	MOHAMED ALI SHEIKHOW	MemberSpecial Needs	18/5/2019
		Rep Students	

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

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(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	HABON MAALIM AHMED HASSAN HUSSEIN DAHIR MARYAN GEDI	SECRETARY	2
2	Audit Committee	AHMED HASSAN HUSSEIN DAHIR TAMIMA ABDI MOHAMED BUUL	C/MAN MEMBER MEMBER MEMBER	1
3	Finance, procurement and general purposes Committee	HABON MAALIM AHMED HASSAN HUSSEIN DAHIR MARYAN GEDI	V.C/PERSON C/MAN MEMBER SECRETARY	
4	Academic Committee	HUSSEIN IMAN BARAGU SAMUEL MOHAMED YUSSUF RUMANO RASHID	MEMBER T/REPRESENTATIVE MEMBER MEMBER	3
5	Development Committee			1
6	Discipline and welfare Committee	HUSSEIN IMAN BARAGU SAMUEL MOHAMED YUSSUF RUMANO RASHID	MEMBER T/REP MEMBER MEMBER	3
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	ZEINAB KOSAR	467842
2	Deputy Principal	AMINA KASSIM	497908
3	School Bursar	FOZIA HASSAN	26094215

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 852,70100 GARISSA
Telephone: 0113942138
E-mail: iftingirs@yahoo.com
Website: -
Facebook:
Twitter:

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Kenya Commercial bank
Branch: GARISSA
Account Number: 1206123354
2. Name of Bank: Kenya Commercial Bank
Branch: GARISSA
Account Number: 1206123095

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

Name of Bank: Kenya Commercial Bank
Branch: Garissa
Account number: 1333586106
3. MPESA Pay Bill No. 522123 attached to 36335k bank account

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(g) Independent Auditors

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

II. 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>June 2021</i>	<i>2020</i>
<i>Surplus/deficit</i>	3,328,404	785,411

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

<i>ACCOUNT</i>	<i>AMOUNT</i>	<i>YEAR</i>
<i>TUTION</i>	958,871	2020
	737,433.75	2021
	3187845.4	2019
<i>OPERATION</i>	9905361.6	2019
	3,744,325	2020
	4891125.95	2021

- Ratio of capitation grant per student over the last two years

<i>Year</i>	<i>Capitation per student</i>
2020/2021	1:9,334
2019/2020	1:12,224

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

<i>ACCOUNT</i>	<i>AMOUNT</i>	<i>YEAR</i>
<i>MAIN</i>	1878874	2021
	1810485	2020
	2,914,675	2019

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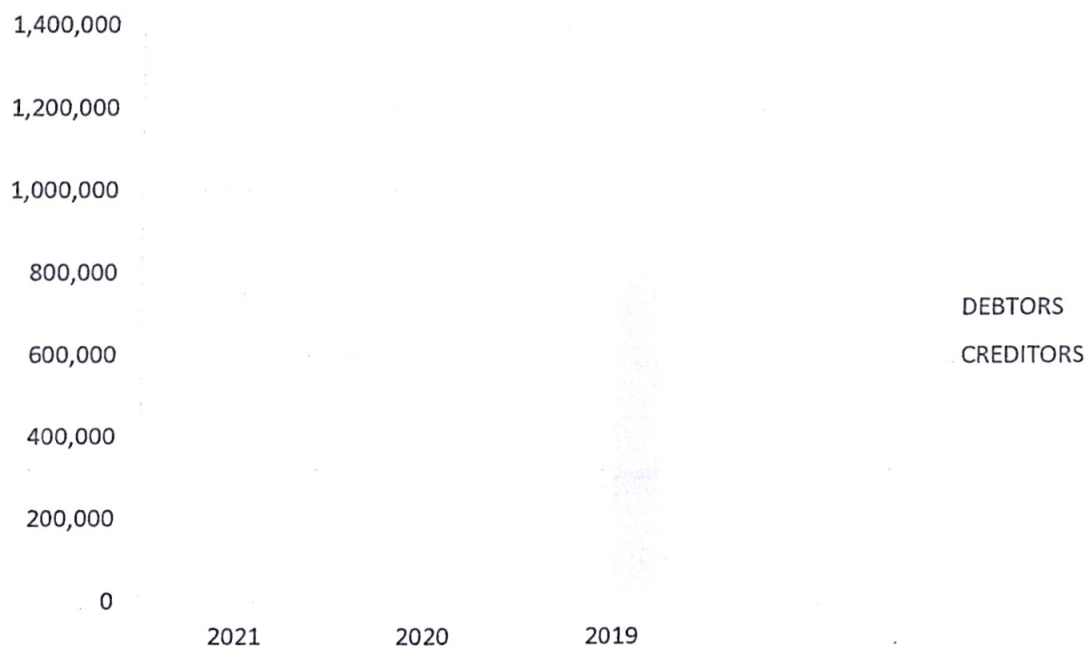
- *A two-year overview of growth in expenditure of the school*

<i>Year</i>	<i>Expenditure</i>
2020/2021	4,179,030
2019/2020	8,396,070

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

<i>YEAR</i>	<i>DEBTORS</i>	<i>CREDITORS</i>
2021	567000	-
2020	848000	-
2019	1,241,000	813,200

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



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- *Movement of cash and bank balances over the last three years*

<i>YEAR</i>	<i>BANK</i>	<i>CASH</i>	<i>ACCOUNT</i>
<i>2021</i>	<i>925,602.05</i>	<i>-</i>	<i>OPETATION</i>
	<i>199,817.45</i>	<i>-</i>	<i>TUTION</i>
<i>2020</i>	<i>6778.10</i>	<i>-</i>	<i>OPERATION</i>
	<i>2564.70</i>	<i>-</i>	<i>TUTION</i>
<i>2019</i>	<i>2,637.70</i>	<i>-</i>	<i>TUTION</i>
	<i>3,271.10</i>	<i>-</i>	<i>OPERATION</i>



- **Movement of cash and bank balances over the last three years**

b) **Teacher Student ratio: 1:45**

<i>YEAR</i>	<i>POSTED</i>	<i>RECRUITED</i>	<i>TRANSFERS</i>
<i>2019</i>	<i>3</i>		
<i>2020</i>	<i>2</i>		<i>15</i>
<i>2021</i>	<i>1</i>	<i>9</i>	<i>2</i>

c) **Mean score in the 2021 KCSE: 2.88**

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<i>YEAR</i>	<i>NO.OF STUDENT</i>	<i>MEAN SCORE</i>
<i>2019</i>	<i>80</i>	<i>D-</i>
<i>2020</i>	<i>54</i>	<i>D</i>
<i>2021</i>	<i>59</i>	<i>D</i>

d) Number of Candidates in the 2019-2021 KCSE:

<i>YEAR</i>	<i>NO.OF STUDENT</i>	<i>MEAN SCORE</i>
<i>2019</i>	<i>80</i>	<i>D-</i>
<i>2020</i>	<i>54</i>	<i>D</i>
<i>2021</i>	<i>59</i>	<i>D</i>

e) Capacity of the school:

<i>1</i>	<i>DINING HALL</i>	<i>1</i>
<i>2</i>	<i>LABORATORIES</i>	<i>2</i>
<i>3</i>	<i>TOILETS</i>	<i>48</i>

f) Development projects carried out by the school:

	<i>PROJECT</i>	<i>YEAR</i>
<i>1</i>	<i>0</i>	<i>JUNE 2021</i>

Sign.....

School Principal

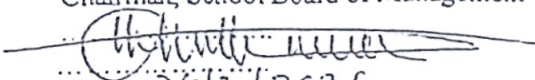
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

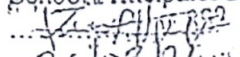
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

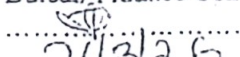
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Ifin 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, 2021, and of the school's financial position as at that date.

Name: Hussein Dahir Abdi
Designation: Chairman, School Board of Management
Sign: 
Date: 26/3/2021

Name: Zeinab Kosar
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 26/3/2021

Name: Fouzia Hassan
Designation: Bursar/Finance Officer
Sign: 
Date: 26/3/2021

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, 2021 – GARISSA COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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 Iftin Girls Secondary School set out on pages 13 to 28, which comprise of the statement of assets and liabilities as at 30 June, 2021, 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 Iftin Girls Secondary School as at 30 June, 2021 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 the Statement of Budgeted Versus Actual Amounts

The statements of cash flows reflects total actual receipts and payments of Kshs.6,973,434 and Kshs.4,179,030 respectively. However, the statement of budgeted versus actual amounts reflects total actual receipts and payments of Kshs.5,845,943 and Kshs.8,214,694 respectively, resulting in variances of Kshs.1,127,491 and Kshs.4,035,664 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.2,607,300 as disclosed in Note 9 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.2,040,300 have been outstanding for more than one (1) year, including amounts due from former students.

In the circumstances, the accuracy, completeness and recoverability of receivables amounting to Kshs.2,607,300 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the 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 budget versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.6,804,968 and Kshs.5,845,943 respectively, resulting in underfunding of Kshs.959,025 or 14% of the budget. However, the School spent an amount of Kshs.8,214,694 against actual receipts of Kshs.5,845,943 resulting in an over-utilization of Kshs.2,368,751 or 41% of actual receipts.

The under-funding affected the planned activities and may have impacted negatively on the operations of the School and accumulation of accounts payables.

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

Un-Audited Comparative Balances

I draw your attention to the fact that prior to the 2020/2021 financial year, schools were not preparing financial statements for audit pursuant to Article 229(5) of the Constitution. The Article mandates the Auditor-General to audit and report on the accounts of any entity that is funded from public funds. Although the financial statements presented for audit include comparative balances for the year ended 30 June, 2020, the 2020/2021 financial year is considered as the first year of audit for schools. Therefore, the audit procedures undertaken did not extend to confirm the opening balances or the comparative information for the prior-year.

My opinion is not modified in respect of these matters.

Other Information

The Management is responsible for the Other Information set out on page 2 to 11 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, 2021 were submitted for audit on 7 September, 2024 instead of the statutory deadline of 30 September, 2021. This was contrary to Section 68(2) of 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 of Kshs.2,308,128 as disclosed in Note 5 to the financial statements. Included in the expenditure is an amount of Kshs.47,000 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.47,000 could not be confirmed.

3. Capitation Underfunding from Ministry of Education

The statement of financial performance reflects capitation grants for tuition and operations amount of Kshs.737,434 and Kshs.4,891,126 respectively as disclosed in Notes 1 and Note 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.5,628,560 while Kshs.780,943 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.6,158,357.

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.

4. 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.

5. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,891,126 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.1,661,500 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, the amount of Kshs.378,750 was transferred more than 15 days after receipt of the funds. 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 fifteen days upon receipt of the funds in the operations account.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit and Audit Committee

During the year under review, the School did not have an Internal Audit Unit and Audit Committee. 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 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, existence of an effective oversight mechanism, internal checks and balances in the School 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 not provided for audit. In addition, the fixed asset register maintained was not updated and did not include the assets and the values. Further, assets were not tagged with identification numbers.

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

3. Lack of Approved Policy for Management of Text Books

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 or their current status. In addition, the textbook store was inadequately maintained due to insufficient shelving facilities.

In the circumstances, the existence of effective measures in the management of text books 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 the 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 also 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, SBS
AUDITOR-GENERAL

Nairobi

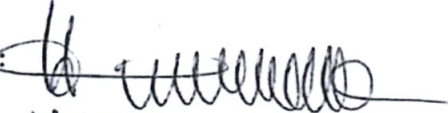
7 May, 2026

IFTIN GIRLS SECONDARY SCHOOL
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For the year ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	737,434.00	958,871.00
Capitation grants for operations	2	4,891,126.00	6,412,125.00
School Fund Income- Parents' Contributions	3	1,878,874.00	1,810,485.00
Other income		-	-
TOTAL RECEIPTS		7,507,434.00	9,181,481.00
PAYMENTS			
Payments for Tuition	4	540,181.00	145,744.00
Payments for operations	5	2,308,128.00	6,421,618.00
Boarding and school fund payments	6	1,330,721.00	1,828,708.00
TOTAL PAYMENTS		4,179,030.00	8,396,070.00
SURPLUS/DEFICIT		3,328,404.00	785,411.00

The school financial statements were approved on 26/3 2022 and signed by:

Sign: 

Name HUSSEIN DAHIR

Chair BOM

Officer

Date 26/3/2026

Sign: 

Name Zainab Hassan
 School Principal/
 Secretary to BOM

26/03/26
 Date

Sign: 

Name Fadia Hassan
 Bursar/
 Finance

26/3/26
 Date

IFTIN GIRLS SECONDARY SCHOOL
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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	7	2,813,159.00	18,955.00
Cash Balances	8	200.00	0.00
Total Cash and cash equivalent		<u>2,813,359.00</u>	<u>18,955.00</u>
Account's receivables	9	2,607,300.00	2,073,300.00
TOTAL FINANCIAL ASSETS			
FINANCIAL LIABILITIES			
Accounts Payables	10	0.00	0.00
NET FINANCIAL ASSETS		5,420,659.00	2,092,255.00
REPRESENTED BY			
Accumulated Fund b/fwd	11	2,092,255.00	1,306,844.00
Surplus/Deficit for the year		3,328,404.00	785,411.00
NET FINANCIAL POSSITION		5,420,659.00	2,092,255.00

The school financial statements were approved on 26/3 2022 and signed by:

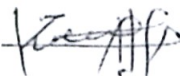
Sign: 

Name HUSSEIN DAHIR

Chair BOM

Officer

Date 26/3/2026

Sign: 

Name Zeinab Hassan
 School Principal/
 Secretary to BOM

26/03/26
 Date

Sign: 

Name Fadia Hassan
 Bursar/
 Finance

26/3/26
 Date

IFTIN GIRLS SECONDARY SCHOOL
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	737,434.00	958,871.00
Capitation grants for operations	2	4,891,126.00	6,412,125.00
School fund income- Parents contributions/ fees	3	1,344,874.00	1,827,085.00
Total receipts		6,973,434.00	9,198,081.00
Payments			
Payments for Tuition	4	540,181.00	958,944.00
Payments for operations	5	2,308,128.00	4,351,618.00
Boarding and school fund payments	6	1,330,721.00	1,828,708.00
Total payments		4,179,030.00	7,139,270.00
Net cash flow from operating activities		2,794,404.00	2,058,811.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets			(2,070,000.00)
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities		2,794,404.00	(11,189.00)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,794,404.00	(11,189.00)
Cash and cash equivalent at BEGINNING of the year		18,955.00	30,144.00
Cash and cash equivalent at END of the year		2,813,359.00	18,955.00

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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Teaching / learning materials	2,410,376.00	(1,205,188.00)	1,205,188.00	737,434.00	467,754.00	38.8%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Other Vote Head	6,030,241.00	(3,015,121)	3,015,121	3,229,626	-214,506	-6.6%
Activity	631,768.00	(315,884.00)	315,884	-	315,884	0%
PTA	-	-	-	260,500.00	-	-
Lunch Programme	4,537,550.00	(2,268,775)	2,268,775	1,618,374.00	650,401	71%
OTHER INCOME						
Interest income						
Income from any other investment						
TOTAL INCOME	13,609,935.00	(6,804,968.00)	6,804,968.00	5,845,943.00	1,757,332.00	
<i>(1) EXPENDITURE FOR TUITION</i>						
Teaching / learning materials	2,410,376.00	(1,205,188)	1,205,188.00	540,181.00	665,008.00	45%
Bank Charges	-	-	-	-	-	
<i>(2) EXPENDITURE FOR OPERATIONS</i>						
Other Vote Heads	6,030,241.00	(3,015,121)	3,015,121	2,308,002.00	707,119.00	77%
Activity Expenses	631,768.00	(315,884.00)	315,884	-	315,188.00	0%

IFTIN GIRLS SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<i>(3) EXPENDITURE FOR SCHOOL FUND</i>						
Lunch programme	4,537,550.00	(2,268,775)	2,268,775	5,116,365.00	592,000	89.62%
TOTALS	13,609,935.00	(6,804,968)	6,804,968.00	8,214,694.00	2,279,834.00	83%

IX. 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 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 the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. 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 fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

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 2021.

IFTIN GIRLS SECONDARY SCHOOL
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	737,434.00	958,871.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	737,434.00	958,871.00

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	1,661,500.00	2,357,000.00
Other Vote Heads	3,229,626.00	3,744,325.00
Electricity and water	-	-
Medical	-	103,000.00
Administration costs	-	-
Activity	-	207,200.00
Total	4,891,126.00	6,412,125.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Lunch Programme	1,618,374.00	1,012,655.00
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
PTA Development	260,500.00	797,820.00
Total	1,878,874.00	1,810,485.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	540,181.00	145,744.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	-	-
Total	540,181.00	147,744.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
MIF Grants	-	285,000.00
Other vote heads	2,308,002.00	3,756,668.00
Repairs and maintenance & improvements	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	103,500.00
Activity Expenses	-	206,650.00
Infrastructure -perimeter wall construction	-	2,070,00.00
Insurance Cost	-	-
Bank Charges	-	-
Acquisition of Assets	-	-
TOTAL	2,308,128.00	6,421,618.00

6 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Repairs and maintenance & Improvements	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical Expenses	-	-
Administration costs	-	-
Lunch Programme	1,080,575.00	1,031,052.00
Bank Charges	-	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	-	-
Rent Expenses	-	-
PTA Development	250,146.00	797,656.00
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	1,330,721.00	1,828,708.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1206123095	199,818.00	2,565.00
Operations Account	1206123354	928,402.00	6,778.00
School Fund Account/Boarding	1183710070	20,926.00	6,973.00
Infrastructural Account	1233586106	1,664,013.00	2,639.00
Total		2,813,159.00	18,955.00

8 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	200.00	-
School Fund account	-	-
Total	200.00	0.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	2,607,300	2,073,300
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	2,607,300	2,073,300

[Include an ageing of the fees / non fees arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	534,000	848,900
Fees arrears for the previous year	848,900	1,224,400
Fees arrears for prior periods (over two years)	1,224,400	-
Total	2,607,300	2,073,300

10 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	-	-
Prepaid fees	-	-
Retention monies	-	-
Total	0.00	0.00

[Include an ageing of the creditor's arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	-	-
Trade creditors for the previous year	-	-
Trade creditors for prior periods (over two years)	-	-
Total	0.00	0.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	18,955.00	30,144.00
Cash balances	200.00	-
Short Term Investments	-	-
Receivables	2,073,300.00	2,089,900.00
Payables	-	(813,000)
Total	2,092,255.00	1,306,844.00-

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Other important disclosure notes

IPSAS 1 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.

12 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	0	-	-
Goats		-	-
Trees	100	-	-
Coffee or tea plantation		-	-
Poultry		-	-
Total		0.00	0.00

Other important disclosure notes

13 Stock/ Inventory

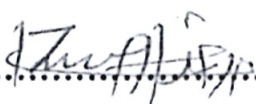
Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
Balance at end of the year	0.00	0.00

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14 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		

.....


Principal
26/3/26

IFTIN GIRLS SECONDARY SCHOOL
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20220	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4.						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
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).