

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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REPORT

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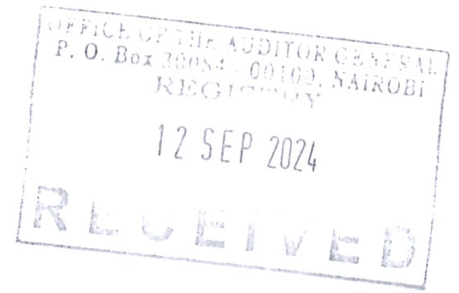
THE AUDITOR-GENERAL

ON

BUTE GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED  
30 JUNE, 2023

WAJIR COUNTY



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*(BUTE GIRLS SECONDARY SCHOOL)*

**Public Secondary School**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2023**

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**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 Glossary of Terms**

*Provide a list of all applicable acronyms and glossary of terms e.g.*

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

## 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 **WAJIR** County, **WAJIR NORTH** Sub-County.

The school was registered in 28/09/2009 under registration number GP/A/7455/09 and is currently categorized as an **EXTRA COUNTY** public school established, owned or operated by the Government.

The school is a boarding school and had **314** number of students as at **30<sup>th</sup> June 2023**. It has **2** Streams and **15** teachers of which **3** 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:	Names of The Board Members	Designation	Date of appointment
1	ABDIKADIR HUSSEIN OMAR	Chairman	11 – 07 -2023
2	ISMAIL A. ABDOW	Secretary-Principal	11 – 07 -2023
3	ADAN ISMAIL SHIEKH	Member	11 – 07 -2023
4	ADAN ABDULLAHI IBRAHIM	Member	11 – 07 -2023
5	ABDULLAHI ABDI ALI	Member	11 – 07 -2023
6	ADAN BULLE MOHAMED	Member	11 – 07 -2023
7	MEYMUNA MOHAMED ADAN	Member	11 – 07 -2023
8	ISSA HAJJI HASSAN	Member-Rep CEB	11 – 07 -2023
9	OMAR ABDI OMAR	Member Rep Teachers	11 – 07 -2023
10	IDRIS ADAN MOHAMED ABDIKADIR HUSSEIN OMAR SAHARA ADAN	3 Members-Sponsor	11 – 07 -2023
11	FARHIYA ADAN MOHAMED	Member-Community	11 – 07 -2023
12	IDRIS YUSSUF HASSAN	Member Special Needs	11 – 07 -2023
13	SAHARA HASSAN	Rep Students	11 – 07 -2023

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

**(c) Committees of The Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Abdikadir Hussein	Chairperson	3 out of 3
		Ismail A. Abdow	Secretary	
		Farhiya Adan Mohamed	Member	
		Idris Yussuf Hassan	PA Chairperson	
		Sahara Adan Maalim	Member	
2	Audit Committee	Abdullahi Abdi Ali	Chairperson	3 out of 3
		Meymuna Mohamed	Secretary	
		Sahara Adan Maalim	Member	
		Issa Hajji Hassan	Member	
		Farhiya Adan	Member	
3	Finance, procurement and general purposes Committee	Abdikadir Hussein	Chairperson	3 out of 3
		Adan Bulle	Secretary	
		Adan Ismail	Member	
		Deka Ahmed Ibrahim	Member	
		Adan Abdullahi	Member	
4	Academic Committee	Adan Abdullahi	Chairperson	3 out of 3
		Idris Adan Mohamed	Secretary	
		Abdullahi Abdi Ali	Member	
		Meymuna Mohamed	Member	
		Adan Ismail	Member	

5	Development Committee	Abdikadir Hussein	Chairperson	<b>3 out of 3</b>
		Deka Ahmed Ibrahim	Secretary	
		Abdullahi Abdi Ali	Member	
		Meymuna Mohamed	Member	
		Idris Adan Mohamed	Member	
6	Discipline and welfare Committee	Idris Yussuf Hassan	Chairperson	<b>3 out of 3</b>
		Adan Bulle Mohamed	Secretary	
		Issa Hajji Hassan	Member	
		Farhiya Adan	Member	
		Idris Adan Moohamed	Member	
7	Adhoc Committee (if any during the year)	-	-	-

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	ISMAIL A. ABDOW	TSC. No. 357677
2	Deputy Principal	HAWO KALICHA	TSC. No. 598396
3	School Bursar	SAFIA M. AMIN	
4	Other(specify)		

**(e) Schools contacts**

Post Office Box: 245-70200  
Telephone: 0723 241 685  
E-mail: ismailabdinoor@gmail.com  
Website: -  
Facebook: -  
Twitter: -

**(f) School Bankers**

Provide details of the school bankers.

The school operated 4 bank accounts in the following banks:

Name of Bank: Kenya Commercial Bank  
Account Name: Bute Girls Secondary School  
Account N0: Main account- 1105187691  
Branch: Moyale  
Postal Address: Box 91-Moyale

Name of Bank: Kenya Commercial Bank  
Account Name: Bute Girls Secondary School  
Account N0: Operation account- 1105169561  
Branch: Moyale  
Postal Address: Box 91-Moyale

Name of Bank: Kenya Commercial Bank  
Account Name: Bute Girls Secondary School  
Account N0: Tuition account- 1105169499  
Branch: Moyale  
Postal Address: Box 91-Moyale

Name of Bank: Kenya Commercial Bank  
Account Name: Bute Girls Secondary School  
Account N0: Infrastructure account- 1212700082  
Branch: Moyale  
Postal Address: Box 91-Moyale



**(g) Independent Auditors**

Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box30084  
GPO 00100  
Nairobi, Kenya

### 3. Summary Report of Performance of the School

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

#### a) Financial performance:

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

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Surplus/Deficit	13,249.50	550,932.00	43,745.00

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

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Amount	5,077,931.50	5,245,709.65	2,699,974.00

- *Ratio of capitation grants per student over the last three years*

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Number of students	314	309	306
Amount	16,170.00	16,975.00	8,824.00

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

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Fees collection	5,292,082.00	4,788,390.00	1,643,300.00

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

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Amount	10,563,474.00	9,616,168.00	3,853,019.00

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

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Debtors	940,000.00	760,000.00	522,200.00

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

Description	2022-2023	2021-2022	JAN-JUNE 2021
	Kshs	Kshs	
Bank	311,913.76	573,764.26	110,401.26
Cash	9,360.00	13,760.00	59,191.35

**b) Teacher Student ratio:**

The school is 2 streamed and has 15 teachers 12 of which are employed by TSC and 3 Teachers are employed by the School Board of Management against 314 students.

**c) Mean score in the 2020-2022 KCSE:**

YEAR	RESULT ANALYSIS	
	MEAN SCORE	MEAN GRADE
2020	5.5	C plain
2021	6.51	C+
2022	6.81	C+

**d) Number of Candidates in the 2020 -2022 KCSE:**

<i>YEAR</i>	<i>ENTRY</i>
<i>2020</i>	<i>71</i>
<i>2021</i>	<i>95</i>
<i>2022</i>	<i>134</i>

**e) Capacity of the school:**

*The school is 2 stream and has 314 student's visa via 11 classrooms, 1 dining hall, 2 Laboratory and 14 toilets.*

**f) Development projects carried out by the school:**

<b>Projects</b>	<b>Source of funds</b>	<b>Status</b>	<b>Initial Cost (Kshs)</b>	<b>Amount Spent (Kshs)</b>	<b>Expected completion time</b>

.....

**Ismail A. Abdow**

**School Principal**

#### 4. Statement of School Management Responsibility

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

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

The Board of Management of (*Bute 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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.



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**Name: Abdikadir Hussein**

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

**Date: 17-07-2023**



.....

**Name: Ismail A. Abdow**

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

**Date: 17-07-2023**



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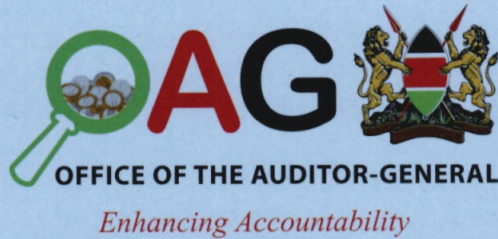
**Name: Safia M. Amin**

**Designation: Bursar/Finance Officer**

**Date: 17-07-2023**

# 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 BUTE GIRLS SECONDARY FOR THE YEAR ENDED 30 JUNE, 2023 – GARISSA COUNTY**

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### **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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Bute Girls Secondary School - Garissa County set out on pages 1 to 21, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual

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*Report of the Auditor-General on Bute Girls Secondary For the year ended 30 June, 2023 – Garissa County*

amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with 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 the Bute Girls Secondary School – Garissa County as at 30 June, 2023 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**

#### **Inaccuracies in the Financial Statements**

Review of the financial statements revealed operation and boarding and school fund expenditure balances of Kshs.4,319,988 and Kshs.5,472,724, respectively. However, the respective ledgers reflected amounts of Kshs.4,552,322 and Kshs.9,188,556 respectively, resulting in unexplained variances of Kshs.233,000 and Kshs.3,715,832 respectively.

Further, the statement of financial assets and liabilities and as disclosed in Note 11 to the financial statements reflects account's receivables balance of Kshs.1,038,116. However, ledgers provided for audit reflects a balance of Kshs.1,572,250 resulting to unexplained variance of Kshs.534,134.

In the circumstances, the accuracy of financial statements balances stated above could not be confirmed.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.11,380,500 and Kshs.10,297,224, respectively resulting to under-funding of Kshs.1,083,276 or 10% of the budget. However, the School spent an amount of Kshs.10,527,402 against actual receipts of Kshs.10,297,224 resulting to an over-utilization of Kshs.230,178 or 2% of the actual receipts.



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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in 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**

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2023. The financial statements were submitted on 11 March, 2024 which was five months after the statutory deadline. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate. Late submission of financial statements adversely affects the Office of the Auditor General in meeting the statutory timelines.

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

#### **2. Non-Compliance with the Public Sector Accounting Standards Board**

Review of the financial statements revealed that the values in the financial statements are not rounded to the nearest Kenya Shillings as provided in the Public Sector

Accounting Standards Board PSASB Template for Schools under the significant accounting policy on statements of compliance and basis of preparation of the financial statements.

In the circumstances, Management did not comply with the PSASB reporting template requirements.

### 3. Failure to Reconcile Student Enrolment Data

Review of student records revealed unexplained variance in student numbers between the National Education Management Information System (NEMIS) and School registers resulting in tuition fees under disbursement on both capitation grants for tuition and operation fees balance of Kshs.203,970 as analyzed below:

Month	No. of Students Per NEMIS	No. of Students as Per Register (Kshs)	Capitation Grant per Student (Kshs)	Register - Expected Capitation per School (Kshs)	Actual Capitation (Kshs)	Variance (Kshs)
July 2021 Operation	531	570	4,500	2,565,000	2,389,500	175,500
July 2021 Tuition	531	570	730	416,100	387,630	28,470
<b>Total</b>						<b>203,970</b>

Management explained that the difference was due non-registration of students in the NEMIS register due to lack of birth certificates and cases of over age students. This was contrary to the Ministry of Education Circular No.MOE.HQ/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners to be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, Management was in breach of the circular and the underfunding of the School may have affected service delivery to the students.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 matters described in the Basis for Conclusion of

Report 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 overall governance were not effective.

## **Basis for Conclusion**

### **1. Failure to Establish Board of Management Committees and Other Internal Controls Structures**

During the year under review, Management has not put in place an Internal Audit Committee. This was contrary to Section 61(2) of the Basic Education Act, 2013 which requires the Board of Management to establish Finance, Procurement and General Purposes Committee, Academic Standards, Quality and Environment Committee, Ethics and Integrity Committee, Audit Committee and Human Rights and Student Welfare Committee to perform such functions and discharge such responsibilities as the Board may deem necessary.

Further, Management did not prepare and implement key internal control policies. The School lacked an IT Strategy Committee and an IT Steering Committee. This resulted in inadequacy in IT governance, which forms a critical part of the school governance structure.

In addition, the School did not have a Disaster Management and Recovery Policy including fire suppression systems and a Business and IT Continuity Plan including off-site back-ups and also lacked accounting software to manage accounts operations such as payable, accounts receivables, ledgers, invoices and assets.

In the circumstances, the existence of effective internal controls and governance mechanisms could not be confirmed.

### **2. Lack of Fixed Assets Register**

Management did not maintain an asset register indicating the item, cost, location and serial/tag number. Further, Management did not provide land ownership documents for a parcel of land where the school is built.

In the circumstances, the ownership and security of the School 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 control, 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 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 control 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 control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or 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 are in compliance 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**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

20 September, 2024

6. Statement of Receipts and Payments for the Year Ended 30<sup>th</sup> June 2023

Description Of Vote Head	Note	2022- 2023	-2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	836,914.00	985,585.00
Government grants for operations	2	4,168,227.00	4,260,221.00
School fund income- parents' contributions	3	5,292,082.00	4,788,390.00
Miscellaneous incomes	4	-	-
<b>Total Receipts</b>		<b>10,297,223.00</b>	<b>10,034,196</b>
<b>Payments</b>			
Tuition	5	770,762.00	1,044,869
Operations	6	4,319,988.00	3,739,994
Boarding and school fund	7	5,472,724.00	4,831,635
<b>Total Payments</b>		<b>10,563,474.00</b>	<b>9,613,448</b>
<b>Surplus/Deficit</b>		<b>(266,251.00)</b>	<b>420,748</b>

The school financial statements were approved on 17 July, 2023 and signed by:

.....  
Name: Abdikadir Hussein

.....  
Name: Ismail A. Abdow  
School Principal/Secretary to  
BOM

.....  
Name: Safia M. Amin  
Bursar/Finance Officer

Date: 17-07-2023

Date: 17-07-2023

Date: 17-07-2023

7. Statement of Financial Assets and Liabilities as at 30<sup>th</sup> June 2023

Description	Note	2022- 2023	2021- 2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	311,913.11	576,485.61
Cash balances	9	9,360.00	13,760.00
Short term investments	10	-	-
<b>Total cash and cash equivalent</b>		<b>321,273.11</b>	<b>590,243.61</b>
Account's receivables	11	1,038,116.00	1,134,896.00
<b>Total financial assets</b>		<b>1,359,389.11</b>	<b>1,725,139.61</b>
<b>Financial liabilities</b>			
Accounts payables	12	152,900.00	252,400.00
<b>Net financial assets</b>		<b>1,206,489.11</b>	<b>1,472,739.00</b>
<b>Represented by</b>			
Accumulated fund b/fwd	13	1,472,739.61	1,051,991.61
Surplus/deficit for the year		(266,250.00)	420,748.00
<b>Net financial position</b>		<b>1,206,489.11</b>	<b>1,472,739.61</b>

The school's financial statements were approved on 17 July, 2023 and signed by:

.....  
Name: Abdikadir Hussein  
Chair BOM  
Date: 17-07-2023

.....  
Name: Ismail A. Abdow  
School Principal/Secretary to  
BOM  
Date: 17-07-2023

.....  
Name: Safia M. Amin  
Bursar/Finance Officer  
Date: 17-07-2023



8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2023

Description	Note	2022– 2023	2021– 2022
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		836,913.85	985,585.00
Government grants for operations		4,168,227.00	4,260,179.00
School fund income-parents contributions/fees		5,388,864.00	4,893,093.00
Other income		-	-
<b>Total receipts</b>		<b>10,394,003.85</b>	<b>10,039,093.00</b>
<b>Payments</b>			
Cash outflows for tuition		770,762.00	1,044,869.00
Cash outflows for operations		4,319,988.00	3,841,744.00
Cash outflows Boarding/lunch and school fund payments		5,572,224.00	4,831,635.00
<b>Total payments</b>		<b>10,662,974.00</b>	<b>9,718,248.00</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>(268,969.85)</b>	<b>420,651.00</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash inflow/outflows from investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash inflow/outflow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>(268,969.85)</b>	<b>420,651.00</b>
Cash and cash equivalent at beginning of the FY		590,243.61	169,537.61
<b>Cash and cash equivalent at end of the FY</b>		<b>321,273.76</b>	<b>590,245.61</b>

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

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

The school's financial statements were approved on **17 July, 2023** and signed by:



.....  
**Name: Abdikadir Hussein**

**Chair BOM**

**Date: 17-07-2023**



.....  
**Name: Ismail A. Abdow**  
**School Principal/Secretary to BOM**

**Date: 17-07-2023**



.....  
**Name: Safia M. Amin**

**Bursar/Finance Officer**

**Date: 17-07-2023**

9. Statement of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2023

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
<b>Receipts</b>					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching/Learning Materials	900,000	0	900,000	836,914	93.0%
Chalks/Whiteboard Marker Pen & Ink	-	-	-	-	-
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Local Transport/Travelling	-	-	-	-	-
Electricity and Water	-	-	-	-	-
Medical	65,000.00	0	65,000	62,300	95.8%
Other vote head	3,000,000.00	0	3,000,000	2,709,390	90.3%
Activity	190,500.00	0	190,500	172,538	90.6%
Gratuity	-	-	-	-	-
Maintenance & Improvement	1,350,000.00	0	1,350,000	1,224,000	90.7%

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
<b><i>(3) Fees Charged on Parents</i></b>					
Lunch Programme	-	-	-	-	-
Personnel Emoluments	1,300,000	0	1,300,000	1,242,950	95.6%
Repairs and Maintenance	220,000	0	220,000	201,300	91.5%
Local Transport/Travelling	130,000	0	130,000	119,800	92.2%
Electricity and Water	550,000	0	550,000	503,700	91.6%
Medical	-	-	-	-	-
Administration Costs	95,000	0	95,000	88,000	92.6%
Activity	80,000	0	80,000	73,300	91.6%
SMASSE	-	-	-	-	-
Fee on Boarding Equipment and Store	3,500,000	0	3,500,000	3,236,532	92.5%
<b><i>4)Miscellaneous Income</i></b>					
Loans/Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income from Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income from Posho Mill	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-
Fee for Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income from Any Other Investment	-	-	-	-	-
<b>Total Income</b>	<b>11,380,500</b>	<b>0</b>	<b>11,380,500</b>	<b>10,297,224</b>	<b>90.5%</b>

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
<b>(5) Expenditure for Tuition</b>					
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching/Learning Materials	800,000	0	800,000	767,900	96%
Chalks/Whiteboard Marker Pen & Ink	-	-	-	-	-
Exams and Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	-	-
<b>(6) Expenditure for Operations</b>					
Personnel Emoluments	-	-	-	-	-
Repairs, Maintenance & Improvements	1,750,000	0	1,750,000	1,605,000	91.71%
Local Transport/Travelling	-	-	-	-	-
Electricity, Water and Conservancy	-	-	-	-	-
Medical	65,000	0	65,000	62,000	95.38%
Other vote heads	2,500,000	0	2,500,000	2,496,950	99.88%
Activity Expenses	110,000	0	110,000	107,600	97.82%
Bank Charges	15,000	0	15,000	14,028	93.52%

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
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
<i>(7) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	1,350,000	0	1,350,000	1,293,000	95.78%
Repairs, Maintenance and Improvements	130,000	0	130,000	125,500	96.54%
Local Transport/Travelling	110,000	0	110,000	102,000	92.73%
Electricity, Water and Conservancy	290,000	0	290,000	281,500	97.07%
Medical Expenses	-	-	-	-	-
Administration Costs	150,000	0	150,000	144,500	96.33%
Activity	55,000	0	55,000	50,000	90.91%
Gratuity	-	-	-	-	-
Boarding Equipment and Stores	3,500,000	0	3,500,000	3,473,000	99.23%
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	4,500	0	4,500	4,334	96.31%
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-

*(BUTE GIRLS SECONDARY SCHOOL)*  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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
<b>. Totals</b>	<b>10,829,500</b>	<b>0</b>	<b>10,829,500</b>	<b>10,527,402</b>	<b>97.2%</b>

*[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]*

## 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* recognizes 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* recognizes all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognized when the event occurs whether cash is received or not. Expenditure arising from operations is recognized 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 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 authorized 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 work pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has 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 30<sup>th</sup> June 2023.

11. Notes to The Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching/Learning Materials	836,914.00	985,585.00
Chalks/Whiteboard Marker Pen & Ink	-	-
<b>Total</b>	<b>836,914.00</b>	<b>985,585.00</b>

\*Include others as per MOE circulars

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	-	1,388,782.00
Repairs and Maintenance	-	1,377,000.00
Local Transport/Travelling	-	-
Electricity and Water	-	-
Medical	62,300.00	-
Administration Costs	-	-
Maintenance & Improvement	1,224,000.00	-
Activity	172,537.50	-
Other Vote Heads (specify)*	2,709,389.50	1,494,439.00
<b>Total</b>	<b>4,168,227.00</b>	<b>4,260,221.00</b>

\*Include others as per MOE circulars

**3 School Fund Income-Parents Contribution/Fees**

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	1,242,950.00	-
Repairs and maintenance	201,300.00	87,150.00
Local transport/travelling	119,800.00	-
Electricity and water	503,700	-
Medical	-	-
Administration costs	88,000.00	-
Activity	-	16,500.00
Fee on Boarding Equipment and stores	3,136,332	3,612,050.00
PA Levies*	-	-
Others (specify)	-	1,072,690.00
<b>Total</b>	<b>5,292,082.00</b>	<b>4,788,390</b>

*\*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

**4 Miscellaneous Incomes**

Description	2022-2023	2021-2022
	Kshs	Kshs
Rent Income	-	-
Income from Farming Activities	-	-
Insurance Compensation	-	-
Income from Posho Mill	-	-
Income from Bus Hire	-	-
Fee for Hire of Ground and Equipment	-	-
Income from Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*(Include an explanation on the kind and source of grants/donations received by the school.)*

*\*Ensure proper authorization from MOE before obtaining loans/borrowings.*

*\*Indicate what other income relates to including income arising from write backs if any.*

Notes to the Financial Statements (continued)

5 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching/Learning Materials	767,900.00	1,040,670.00
Exams and Assessment	-	-
Teachers Guides	-	-
Bank Charges	2,862.00	4,199.00
Chalks/Whiteboard Marker Pen & Ink	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>770,762.00</b>	<b>1,044,869.00</b>

6 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	-	1,043,220.00
Service Gratuity	-	-
Administration Cost	-	1,083,824.00
Repairs and Maintenance & Improvements	1,605,000.00	1,050,000.00
Local Transport/Travelling	-	241,600.00
Electricity and Water	-	318,300.00
Medical	62,000.00	-
Activity Expenses	107,600.00	-
Insurance Cost	-	-
Bank Charges	14,028.00	-
Others (P.E & ADM)	2,531,360	-
<b>Total</b>	<b>4,319,988.00</b>	<b>3,736,994.00</b>

Notes to the Financial Statements (continued)

7 Boarding and School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	1,293,090.00	-
Service Gratuity	-	-
Repairs and Maintenance & Improvements	125,500.00	140,000.00
Local Transport/Travelling	102,000.00	-
Electricity and Water	281,500.00	-
Medical Expenses	-	-
Administration Costs	143,304.00	-
Activity	50,000.00	-
Bank Charges	4334.00	-
Expenses on Income Generating Activities**	-	-
Fee on Boarding Equipment and Stores	3,473,000.00	3,240,671.00
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition of Assets	-	-
PA expenses	-	-
Others (specify)	-	1,450,964.00
<b>Total</b>	<b>5,472,724.00</b>	<b>4,831,635.00</b>

(Expenses on income generating activities\*\* should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

Notes to the Financial Statements (continued)

8 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	-	69,105.65	62,237.00
Operations Account	Active	-	70,169.76	44,004.11
School Fund Account/Boarding	Active	-	17,116.35	4,159.35
Savings Account	-	-	-	-
Parent Association Development Account	-	-	-	-
Income Generating Activities Account	-	-	-	-
Infrastructural Account	Active	-	155,522.00	
<b>Total</b>			<b>311,913.76</b>	<b>576,483.61</b>

9 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	9,360	13,760
<b>Total</b>	<b>9,360</b>	<b>13,760</b>

10 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Notes to the Financial Statements (continued)

11 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	1,038,116.11	1,134,896
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
<b>Total</b>	<b>1,038,116.11</b>	<b>1,134,896</b>

11b Ageing Analysis of Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears for Current Year	1,038,116.11	1,134,896
Fees Arrears for The Previous Year	-	-
Fees Arrears for Prior Periods (Over Two Years)	-	-
<b>Total</b>	<b>1,038,116.11</b>	<b>1,134,896</b>

12 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	146,400.00	147,600.00
Prepaid Fees	6,500.00	104,800.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	-	-
<b>Total</b>	<b>152,900.00</b>	<b>252,400.00</b>

Notes to the Financial Statements (continued)

12b. Ageing Analysis of Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	104,800.00	-
Prepaid Fees	6,500.00	104,800.00
Retention Monies	41,600.00	147,600.00
<b>Total</b>	<b>152,900</b>	<b>252,400</b>

13 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	576483.612	110,401.26
Cash Balances	13,760.00	59,191.00
Short Term Investments	-	-
Receivables	1,134,896	1,029,999
Payables	(252,400.00)	(147,600.00)
<b>Total</b>	<b>1,472,739.61</b>	<b>1,051,991.61</b>



### Other important disclosure notes

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

#### 14 Non-current Liabilities Summary

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity and Leave Provision	-	-
Others (specify)	-	-
<b>Total</b>	-	-

#### 15 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
<b>Total</b>		-	-

#### 16 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
<b>Balance at the end of the year</b>	-	-

**Other important disclosure notes**

**17 Stock/Inventory**

Description	2022-2023	2021-2022
	Kshs	Kshs
Stock/ inventory at beginning of the year	50kg	50kg
Stock/ inventory purchased during the year	31,500kg	32,000kg
Stock/ inventory issued during the year	31,450kg	32,000kg
<b>Balance at end of The year</b>	<b>100kg</b>	<b>50kg</b>

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

**18 Progress on Follow Up of Auditor Recommendations**

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

<b>Ref No.</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>

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Sign and Date  
Principal

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of Buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of Goods</b>						
4.ABDIRAHMAN YARROW	146,400	-	-	-	146,400	
5.						
<b>Sub-Total</b>	146,400	-	-	-	146,000	
<b>Supply of Services</b>						
6.QATRA IBRAHIM	6,500	-	-	-	6,500	
7.						
8.						
<b>Sub-Total</b>	6,500	-	-	-	6,500	
<b>Grand Total</b>	152,900	-	-	-	152,900	

**Annex 2–Summary of Fixed Assets Register**

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land 1		BUTE	7,000,000	-	-	7,000,000
Land 2		-	-	-	-	-
Buildings and Structures		BUTE	29,000,000	-	-	29,000,000
Motor Vehicles		-	-	-	-	-
Office Equipment, Furniture and Fittings		BUTE	2,000,000	-	-	2,000,000
ICT Equipment, And Other ICT Assets		BUTE	2,000,000	-	-	2,000,000
Tools and Apparatus		BUTE	2,200,000	-	-	2,200,000
Textbooks		BUTE	2,000,000	-	-	2,000,000
Other Machinery and Equipment		-	-	-	-	-
Heritage and Cultural Assets		-	-	-	-	-
Intangible Assets- Soft Ware		BUTE	60,000	-	-	60,000
<b>Total</b>			<b>44,080,000</b>	<b>-</b>	<b>-</b>	<b>44,080,000</b>

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