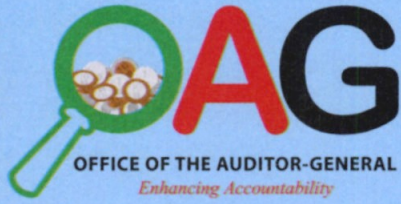


REPUBLIC OF KENYA



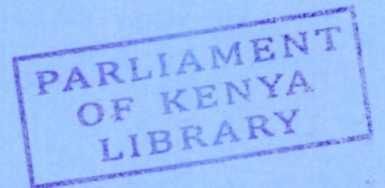
REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 JUN 2026	
DAY: Wed	
TABLED BY:	Hon. Owen for Baya Deputy Majority Leader
CLERK-AT THE TABLE:	Indo Atub

OF

THE AUDITOR-GENERAL

ON



**ST. PAUL BUSENDE SECONDARY
SCHOOL**

**FOR THE YEAR ENDED
30 JUNE, 2023**

BUSIA COUNTY



ST. PAUL BUSENDE SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

Table of Contents

Page

1. Acronyms and Definition of Key Terms.....	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School.....	Error! Bookmark not defined.
4. Statement of School Management Responsibility	Error! Bookmark not defined.
5. Report of the Independent Auditors.....	Error! Bookmark not defined.
6. Statement of Financial Performance for the Year Ended 30 th June 2025	Error! Bookmark not defined.
7. Statement of Assets and Liabilities as At 30 th June 2025.....	Error! Bookmark not defined.
8. Statement of Cash Flows for the Year Ended 30 th June 2025	Error! Bookmark not defined.
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2025	Error! Bookmark not defined.
10. Significant Accounting Policies	Error! Bookmark not defined.
11. Notes To the Financial Statements	Error! Bookmark not defined.
12. Annexes	Error! Bookmark not defined.

1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is Located in Busia County, Busia Sub-County.

The school was registered in 18th January 2007 under registration number 405300000141 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 474 number of students as at 30th June 2025. It has 3 streams and 22 teachers of which 8 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	Mr christopher Magero	Chairman	15/3/2022
2	Mr. Yese Ojiambo Ouma	Secretary – Principal	15/3/2022
3	Mrs Ann Jahenda Nyongesa	Member	15/3/2022
4	Mr Albertus Ogolla Ngabwe	Member	15/3/2022
5	Mr Silas Mang'eni Abwocha	Member	15/3/2022
6	Mrs Agneta Muchisa Induli	Member	15/3/2022
7	Ms . Jane Adongo	Member	15/3/2022
8	Mr Hillary Maketso Agoya	Member	15/3/2022
9	Ms. Grace Ahona	Member – Rep CEB	15/3/2022
10	Mr Edwin Okumu	Member Rep Teachers	15/3/2022
11	Mr David Maloba Daniel	Sponsor	15/3/2022
12	Mary Akulo Etukur	Sponsor	15/3/2022
13	Mr. Godfrey Barasa	Member	15/3/2022
14	Ms .Metrine Wamalwa	Member Special Needs	15/3/2022
15	Mr . Africanus Onyango	Member	15/3/2022
16	Seme Boaz Kinyori	Rep Students	15/3/2022
17	Mr. Justus Orembo	Member	15/3/2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Shanyuma christopher Mr. Yese L.K.O Ouma Ms. Metrine Wamalwa Mr. Africanus Ngw	Bom chairman Secretary -principal Deputy chairperson PA Chairman	1
2	Audit Committee	Mr. Orembo Justus Mr. Ngwabe Albertus Mr. Yese L.K.O Ouma Mr. Africanus Onyango		1
3	Finance, procurement and general purposes Committee	Mr. Orembo Justus Ms. Agneta Induli Mr. Yese L.K.O Ouma Mr. Africanus Onyango Mr. Albertus Ngwabe		3
4	Academic Committee	Mr. Africanus Onyango Mr. Godfrey barasa Mr. Edwin Okumu Mr. Yese L.K.O Ouma		3

5	Development Committee	Ms. Grace Ahono Mr. Silas Mang'eni Mr. Africanus Onyango Mr. Yese L.K.O Ouma		3
6	Discipline and welfare Committee	Mr. Africanus Onyango Md Mary Etukuri Mr. Edwin Okumu Mr . Patrick Barasa		2

(d) School operation Management

For the financial year ended 30th June, 2023 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr . Yese L.K Ouma	TSC No. 291847
2	Deputy Principal	Md. Anjela Magero	TSC No.
3	School Bursar	Catherine Nanyama Okhala	ICPAK No. 27767348
4	Other (specify)		

(e) Schools contacts

Post Office Box: 994-50400, Busia
 Telephone: 0795517499
 E-mail: busende@gmail.com
 Website: busendess.www.com
 Facebook:
 Twitter:

(f) School Bankers

The school operated 5 number of bank accounts in the following banks.

Name of Bank: National Bank of Kenya
 Branch Busia

Name of Bank: National Bank of kenya
 Branch. Busia

Name of Bank: National Bank of kenya
 Branch. Busia

Name of Bank: National Bank of kenya
 Branch. Busia

(g) Independent Auditors

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

3. Summary Report of Performance of The School

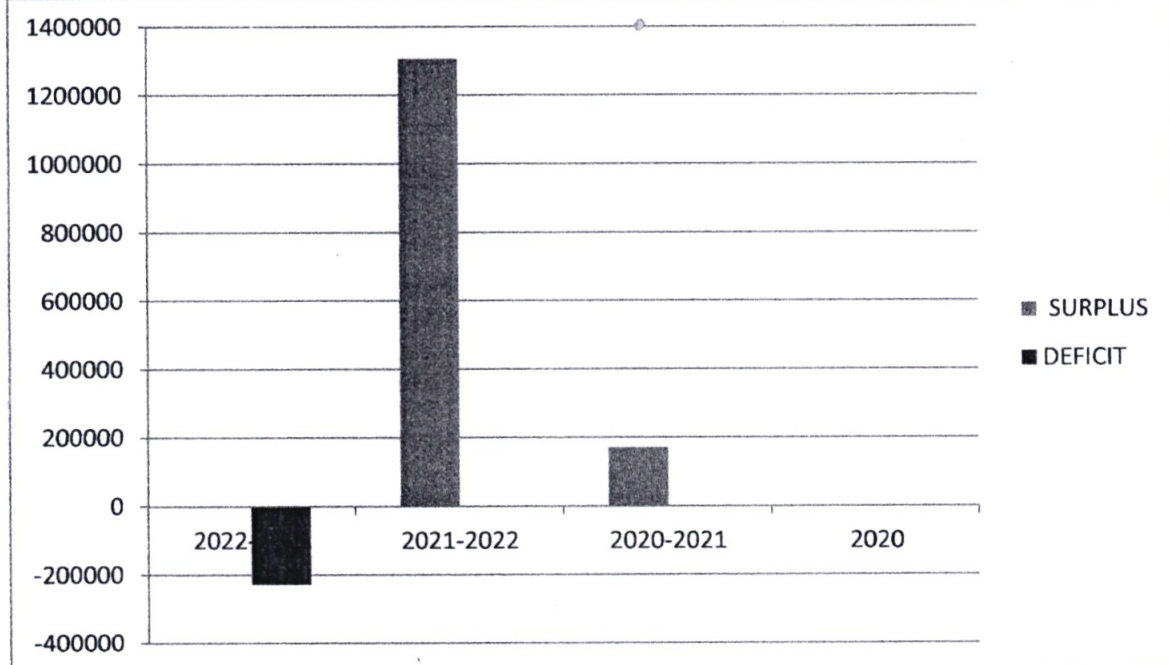
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

(Under this section, the following information should be given:

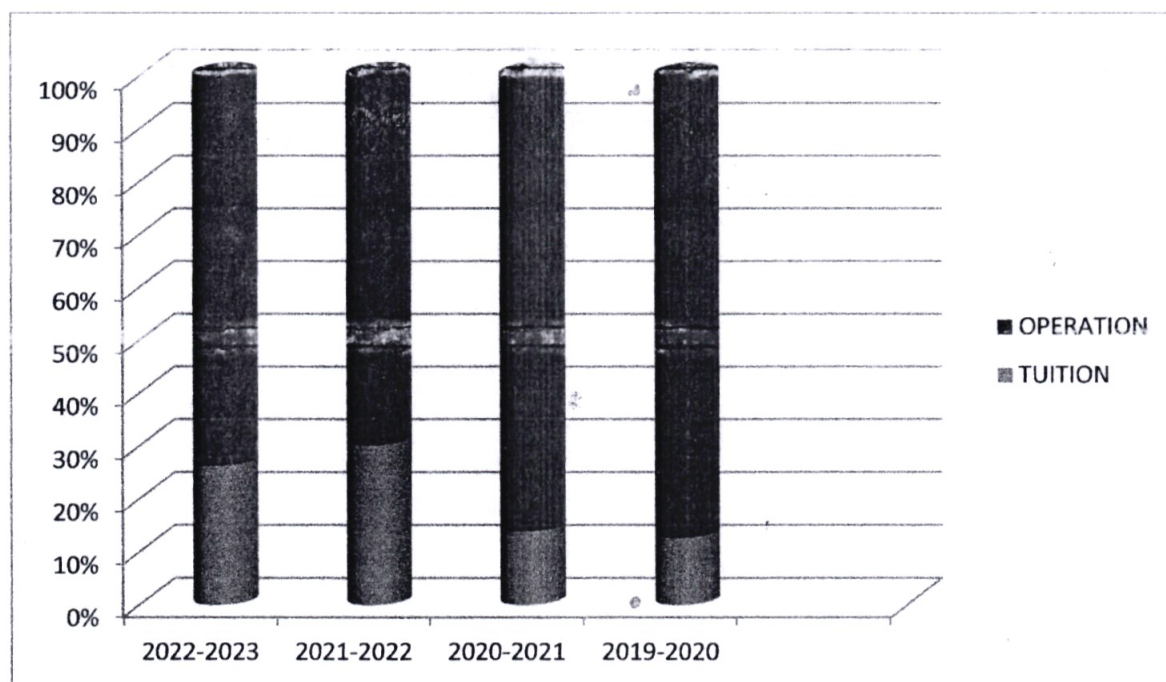
- *Surplus/ deficit for the year and a comparison of the same for the last three years*

YEAR	2022-2023	2021-2022	2020-2021	2020
Surplus		1,307,567	170,506	-
Deficit	(227,853)			



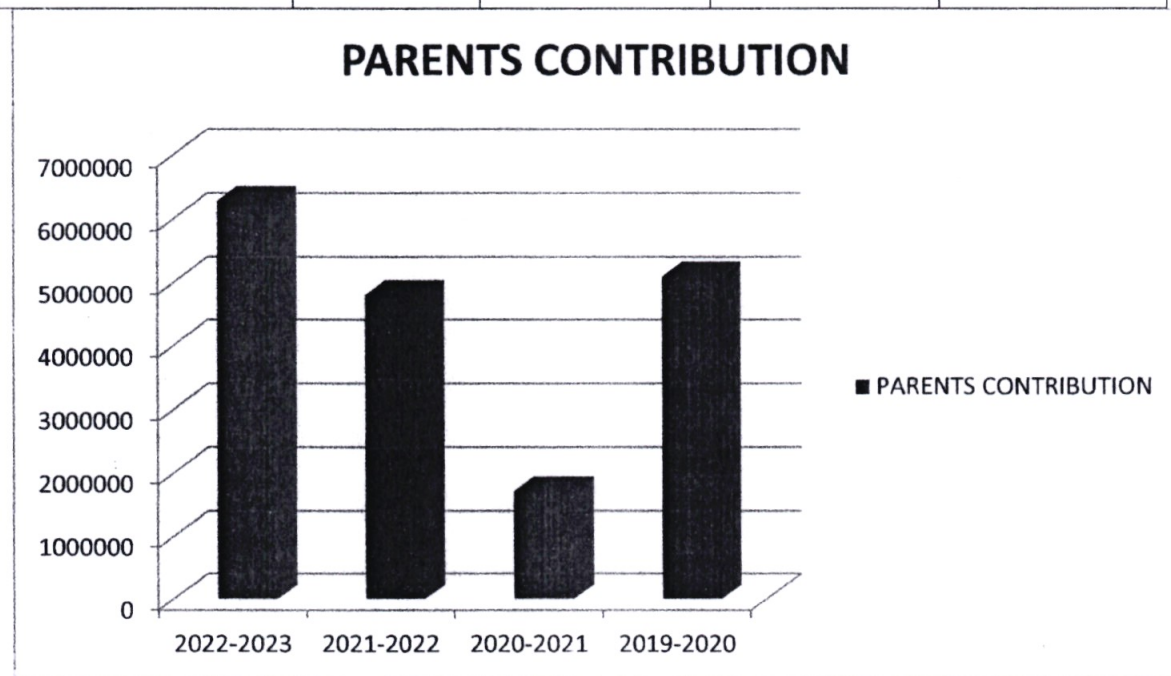
- *Capitation grants from the Ministry of Education for the last three years*

YEAR	2022-2023	2021-2022	2020-2021	2019-2020
TUITION	1,529,767	1,571,347	588,975	726,492
OPERATION	4,273,201	3,624,875	3,624,875	4,999,975



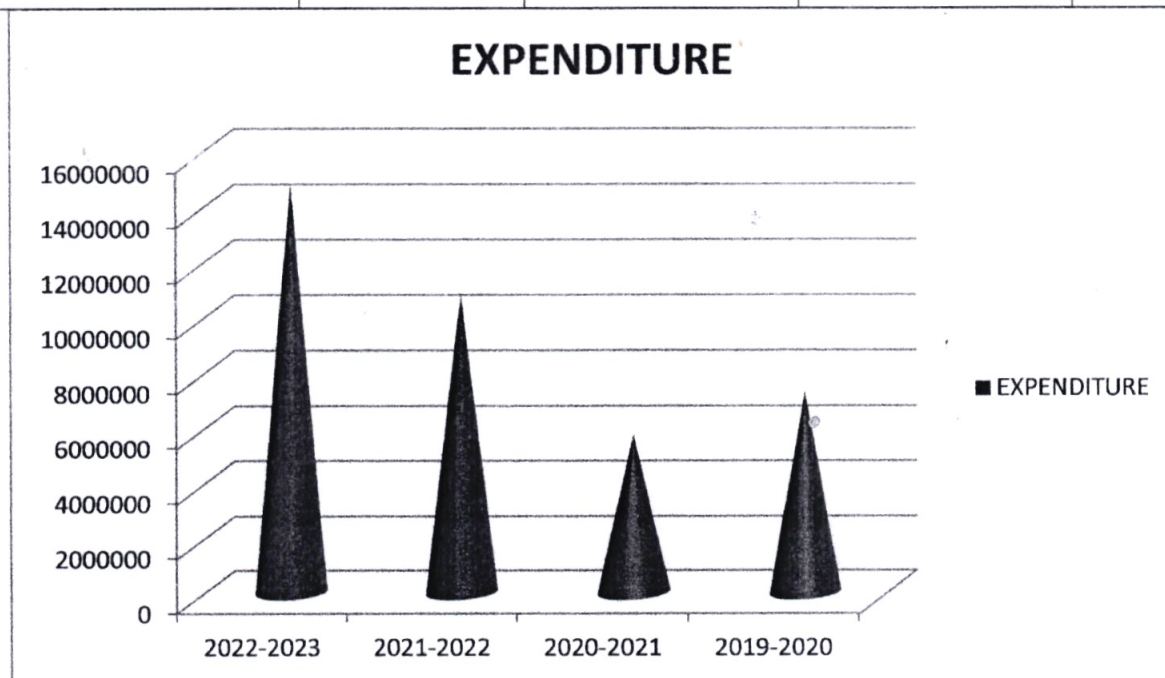
- A three-year overview of growth of other income(s) earned by the school.

YEAR	2022-2023	2021-2022	2020-2021	2019-2020
PARENTS CONTRIBUTION	4,815,997	1,719,773	5,103,587	3,289,436



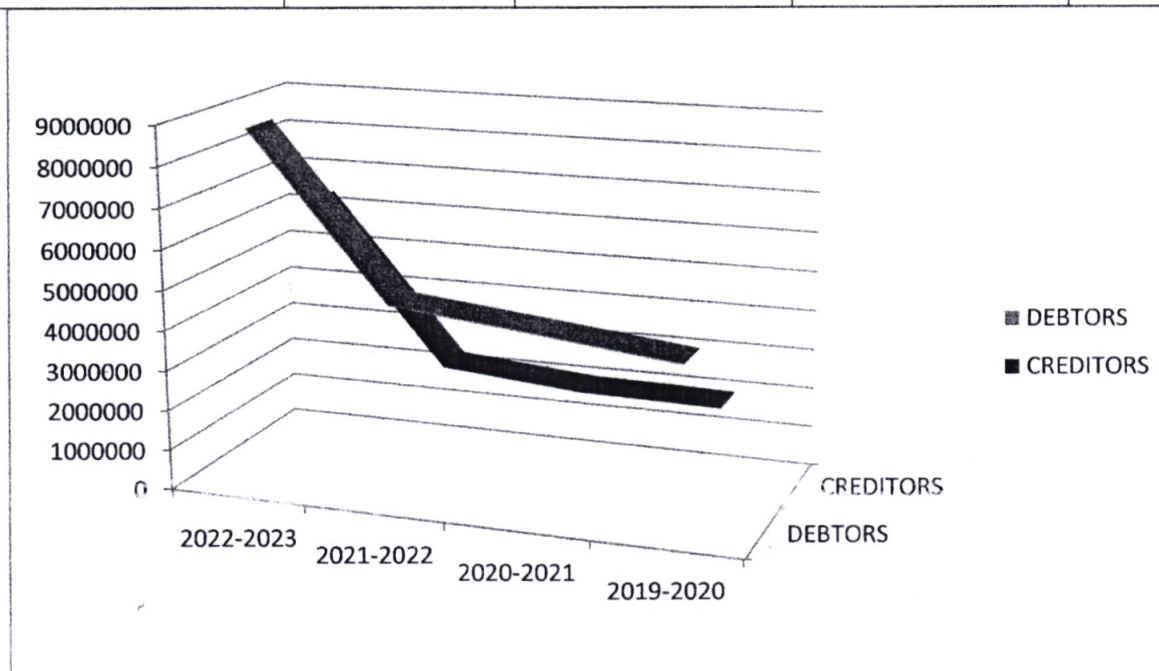
- A three-year overview of growth in expenditure of the school

YEAR	2022-2023	2021-2022	2020-2021	2019-2020
EXPENDITURE	14,852,458	10,846,651	5,763,117	7,306,977



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

YEAR	2022-2023	2021-2022	2020-2021	2019-2020
DEBTORS	8,852,016	4,828,504	4,459,362	4,068,544
CREDITORS	6,396,106	2,372,594	2,076,887	2,015,232



b) Teacher Student ratio:

<i>Teachers employed by TSC</i>	14
<i>Teachers employed by BOM</i>	08
<i>Teachers retired</i>	01
<i>Teachers posted</i>	00
<i>Teachers Transferred</i>	00
<i>Teachers to student ratio</i>	22:1

c) Mean score in the 2022 KCSE:

<i>YEAR</i>	<i>ENTRY</i>	<i>MEAN SCORE</i>	<i>MEAN GRADE</i>
2022	128	D	3.354
2021	101	D	3.168
2020	92	D+	3.989

d) Number of Candidates in the 2021 KCSE:

<i>YEAR</i>	<i>CANDIDATES</i>
2022	128
2021	101
2020	92

e) Capacity of the school:

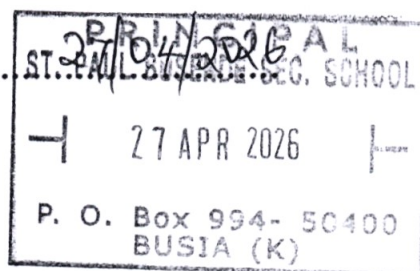
<i>DINNING HALL</i>	01
<i>LAB</i>	02
<i>CLASSROOM</i>	13
<i>DORM</i>	00

TOILETS	24
KITCHEN	01
LIBRARY	00

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time

.....
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 ST. PAUL BUSENDE 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, 2022, and of the school's financial position as at that date.

MR. AFRICANUS O. OKEN

Name:

Designation: Chairman, School Board of Management

Date:

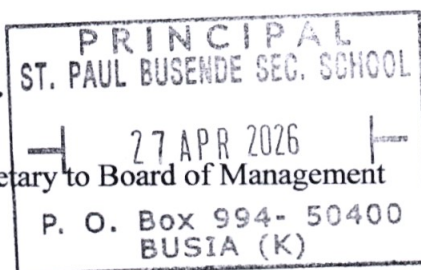
27-4-26

MR. DARAICK BARASA

Name:

Designation: School Principal & Secretary to Board of Management

Date: 27/4/26



CATHERINE OKHALA

Name:

Designation: Bursar/ Finance Officer

Date: 27/4/26.

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ST. PAUL BUSENDE SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – BUSIA COUNTY

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Paul Busende Secondary School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at 30 June, 2023, 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 St. Paul Busende Secondary School 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

1. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflect a bank balance of Kshs.2,555,028 as disclosed in Note 10. However, the bank balances were not supported with updated cash books and bank reconciliation statements. Further, the statement in Note 11 to the financial statements reflects cash balance of Kshs.28,080. However, the balances were not supported with board of survey reports. In addition, no evidence was provided in support of a committee being constituted to carry out the survey at the close of the financial year.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.2,583,108 could not be confirmed.

2. Unsupported Payments on School Fund and Infrastructure

The statement of receipts and payments reflects payments for operations and boarding and school fund of Kshs.5,921,444 and Kshs.6,442,932 respectively. However, the payments were not supported with ledgers.

In the circumstances, the accuracy and completeness of operations and boarding and school fund of Kshs.5,921,444 and Kshs.6,442,932 respectively could not be confirmed.

3. Variances In School Fund Income–Parents' Contributions

The statement of receipts and payments reflects an amount of Kshs.6,289,837 in respect of School fund income–parents' contributions as disclosed in Note 4. However, the system generated ledger reflected total billings of Kshs.5,335,014, resulting in an unexplained variance of Kshs.954,823. Further, supporting ledgers in support of arrears recovered, caution money and prepaid fees of Kshs.29,400, Kshs.6,750 and Kshs.646,030 respectively were not provided for audit review.

In the circumstances, the accuracy and completeness of school fund income—parents' contributions of Kshs.6,289,837 could not be confirmed.

4. Unsupported Government Grants for Infrastructure and Operations

The statement of receipts and payments and Note 3 to the financial statements reflects Kshs.2,525,800 in respect to Government grants for infrastructure. However, the bank statements reflect Kshs.1,557,800, resulting in an unexplained variance of Kshs.968,000. Further, the financial statement reflects capitation grants for operations of Kshs.4,273,201 whose supporting ledgers were not provided for audit review.

In the circumstances, the accuracy and completeness of Government grants for infrastructure and operations of Kshs.2,525,800 and Kshs.4,273,201 respectively could not be confirmed.

5. Long Outstanding Receivables Balance

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.8,852,016. Included in the balance is Kshs.6,989,900 being fees arrears from students that had been outstanding for over two years. However, management did not provide documentary evidence in form of correspondences indicating efforts made to recover the outstanding amounts from the debtors and provision for doubtful debts was not made. Further, the movement schedule for the accounts receivable was not provided for audit.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables of Kshs.8,852,016 could not be confirmed.

6. Variance in Accounts Receivables Balance

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.8,852,016. Review of the disclosures to the financial statements revealed that Kshs.1,862,116 in fees arrears remained outstanding in the current year. However, the supporting ledgers reflected Kshs.1,021,920 resulting in an unreconciled variance of Kshs.840,196.

In the circumstances, the accuracy and completeness of the accounts receivables of Kshs.8,852,016 could not be confirmed.

7. Unsupported Accounts Payables Balance

The statement of assets and liabilities reflects an accounts payable balance of Kshs.6,396,106, as disclosed in note 14 to the financial statements. However, management did not provide the accounts payable ledgers, supporting schedules, aging analysis and accounts payable movement schedule for audit review.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.6,396,106 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The Statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.15,242,880 and Kshs.14,624,605 respectively, resulting in an under-funding of Kshs.618,275 or 5% of the budget. However, the School spent an amount of Kshs.14,852,458 against actual receipts amounting to Kshs.14,624,605 resulting in an over-utilization of Kshs.227,853.

The under-funding and over-utilization 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 judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on pages ii to xii which comprise of Key School Information and Management, The School Board of Management, Management Team, 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 and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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. Presentation of the Financial Statements

Review of the annual report and financial statements submitted for audit revealed several errors and omissions: -

- i. The headers incorrectly indicate the financial year as 2021–2022 instead of 2022–2023.
- ii. The Statement of Receipts and Payments, Statement of Assets and Liabilities, and Statement of Cash Flows are incorrectly presented as for the year ended 30 June, 2022 instead of 30 June, 2023.
- iii. The Statement of Budgeted versus Actual Amounts was not prepared in accordance with the Public Sector Accounting Standards Board prescribed template.
- iv. The Statement of Receipts and Payments reflects Kshs. 6,289,837 as school fund income from parents' contributions, while the corresponding Note 4 reflects Kshs. 5,607,657, resulting in an unexplained variance of Kshs. 682,180.
- v. Notes 1, 2, 3, and 4 to the financial statements do not disclose opening balances.
- vi. The opening balances are incorrectly indicated as 2020–2021 instead of 2021–2022.
- vii. Key disclosures, including inventory and a summary of the fixed assets register, were omitted from the financial statements.

In the circumstances, the presentation of the financial statements could not be confirmed.

2. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 26 February, 2026 instead of the statutory deadline of 30 September, 2023. This was contrary to Section 81(4) of the Public Finance

Management Act, 2012 states that not later than three months after the end of each financial year, the accounting officer for the entity shall submit the entity's financial statements to the Auditor-General and a copy of the statement to the Controller of Budget, the National Treasury and the Commission on Revenue Allocation.

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

3. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.14,624,605 and Kshs.14,852,458 in respect of total receipts and payments respectively. Management did not provide a procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

4. Lack of a Functional Procurement Unit

During the year under review, the School did not have an established procurement function managed by qualified procurement professionals 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. Failure to Prepare School Improvement Plan

During the year/period under review, the school did not have an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

6. Inadequate Teaching Staff

Review of staffing records for the financial year 2022/2023 revealed that the School had 462 students against 20 teachers, translating to a teacher-student ratio of approximately 1:23. No additional teachers were posted during the year, and the School continued to rely on Board of Management teachers. However, no evidence

was provided to show that the Board formally communicated the staffing gaps to the County Education Board, the Teachers Service Commission, or the Ministry of Education for intervention. This was contrary to Section 59(e) of the Basic Education Act, 2013 which mandates the board of management to advise the County Education Board on staffing needs of the institution to ensure adequate human resource for delivery of quality education.

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

7. Delay in Transfer of Infrastructure Funds

During the year under review, the Ministry of Education disbursed Kshs.4,273,201 as capitation grant for operations out of which an amount of Kshs.2,525,800 was transferred to the infrastructure account upon receipt. However, review of bank statements revealed that the transfer was delayed for a period of up to three (3) months. This was contrary to the Ministry of Education guidelines that require infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

8. Undisbursed Capitation Grants for Operations

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.1,529,767 and Kshs.4,273,201 respectively as disclosed in Note 1 and Note 2 to the financial statements. Review of the Ministry of Education Circular Ref No. MOE.HQS/3/13/3 of 16 June, 2021 on the implementation of Free Day Secondary Education (FDSE) for the year 2021-2022 confirmed capitation grants of Kshs.22,244 per student. During the year under review, the Ministry disbursed grants for an average of 533 students resulting in total grants of Kshs.11,856,052. However, the Ministry disbursed Kshs.12,000 per student resulting in underfunding of Kshs.5,460,052.

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

9. Lack of Approved Salary Structure and Terms of Service for Board of Management Staff

Review of the staff records including appointment letters revealed that employees were engaged to serve under the terms and conditions applicable to Board of Management employees of the School. However, no supporting documentation outlining these specific terms and conditions was provided for audit review. Further, the School did not provide an approved salary structure to support the rates of remuneration paid to the staff. This was contrary to Regulation 18 of the Basic Education Regulations, 2015, which states that persons belonging to a professional cadre and employed by the Board of Management shall be employed on such terms

and conditions of service similar to those recommended for equivalent posts in the Civil Service and as per the applicable scheme of service.

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

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

The statement of receipts and payments reflects payments for operations of Kshs.5,921,444 as disclosed in Note 7 to the financial statements. Included in the expenditure is a sampled amount of Kshs.89,931 transferred to the Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The transfer is contrary to Regulation 23(2)(c) of the Public Finance Management (National Government) Regulations, 2015 which states that before transferring any funds to an entity within or outside government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, value for money in respect of the Kshs.89,931 transferred to KESSHA could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Failure to Reconcile Student Enrolment Data

During the financial year, National Education Management and Information System (NEMIS) reported a total number of five hundred and thirty-three (533) students against five hundred and sixty-four (564) students in the enrolment records provided by the school resulting in an unreconciled variance of thirty-one (31). This may result in possible underfunding of the school. Failure to reconcile the students' data was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of

Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, the integrity of enrolment data could not be confirmed.

2. Weaknesses in Management of Assets

Review of the School's assets records revealed that the land in which the School is located has no title deed registered in the name of the School. Further, the School is yet to conclusively subdivide the land under title number Bukhayo /Matayos/242 measuring approximately 5.26 hectares between the Church, Primary School and the Secondary School. Although the process was initiated, the survey report had not been received. Further, Management did not prepare an updated fixed assets register.

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

3. Compliance Weaknesses in School's Governance Structures

Review of records revealed that the Board of Management did not prepare and submit comprehensive termly reports covering all areas of its mandate to the County Education Board. This was contrary to Section 59(g) of the Basic Education Act, 2013 which requires Boards of Management of basic education institutions to prepare and submit such reports. Further review of governance records indicated that key documents were not maintained. These included an approved annual Board work plan outlining key activities and priorities, a Board Charter defining roles, responsibilities, and governance procedures, and documented notices convening Board meetings. In addition, minutes of Board meetings were not signed by the respective officials.

In the circumstances, the effectiveness of the governance mechanism at the school could not be confirmed.

4. Failure to Maintain an Imprest Register

Review of imprest records revealed that the School did not maintain an imprest register as required by Regulation 93(4)(c) of the Public Finance Management (County Governments) Regulations, 2015 which stipulates that 'before issuing temporary imprests under paragraph (2), the Accounting Officer shall ensure that the applicant applying for imprest should be recorded in the imprest register including the amount applied for'.

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

5. Weaknesses in Risk Management and ICT Controls

Review of school records revealed that the school had not established a risk management policy and an ICT policy. In addition, the accounting system was not automated, with records manually maintained and backups stored only on local hard

disks without offsite backup. This exposes the school to risks of data loss and weak internal controls. This was contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015. Consequently, the effectiveness of internal controls and risk management systems could not be confirmed.

In the circumstances, the adequacy and effectiveness of the risk management system and internal controls could not be confirmed.

6. Lack of Internal Audit Function and Audit Committee

During the year under review, the school had not constituted an audit committee and an internal audit unit contrary to Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015, which requires the internal audit unit to undertake an annual self-assessment of its effectiveness and the Audit Committee to annually review the independence, performance and competency of the internal audit unit and comment on its effectiveness in the annual report.

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

7. Underutilization of the School Financial Management System

Review of the financial records revealed that Management had acquired a management system. However, information obtained indicated that the system was not optimally utilized. Although the system was structured to enhance financial management processes, modules such as payments were not utilized.

In the circumstances, the school may not have effectively realized value for money utilized in the implementation of the ERP system.

8. Weaknesses in Management of Textbooks

Review of the records related to textbooks management revealed the school maintained manual registers to account for the books which were not adequately updated as they lacked information on quantities received, issued, returned or damaged. Further, review of records revealed that textbooks issued to students were not signed for during issuance. In addition, there was no evidence that periodic stock counts were conducted to verify the physical existence of textbooks.

In the circumstances, the effectiveness of internal controls in management and safeguarding of textbooks could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit

evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards Cash Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 May, 2026

6. Statement of Receipts and Payments for the Year Ended 30th June 2022

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,529,767	1,571,347
Government grants for operations	2	4,273,201	3,624,875
Government Grants for infrastructure	3	2,525,800	2,142,000
School fund income- parents' contributions	4	6,289,837	4,815,997
Miscellaneous incomes	5	6,000	-
Total Receipts		14,624,605	12,154,219
Payments			
Tuition	6	1,495,589	1,394,160
Operations	7	5,921,444	2,297,558
Infrastructure	8	992,494	1,726,136
Boarding and school fund	9	6,442,932	5,428,797
Total Payments		14,852,458	10,846,651
Surplus/Deficit		(227,853)	1,307,567

The school financial statements were approved on _____ 2022 and signed by:

MR. AFRICA N. P. OKUBA

Name:

Chair BOM

Date: 27-4-26

MR. PATRICK BADA

Name:

School Principal/ Secretary to

BOM. PRINCIPAL
ST. PAUL BUSENDE SEC. SCHOOL

Date: 27/4/26
27 APR 2026

P. O. Box 994- 50400
BUSIA (K)

CATHERINE OKHALA

Name:

Bursar/ Finance Officer

Date: 27/4/26

7. Statement of Assets and Liabilities as At 30th June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	2,555,028	2,721,331
Cash balances	11	28,080	89,630
Short term investments	12	-	-
Total cash and cash equivalent		2,583,108	2,810,961
Account's receivables	13	8,852,016	4,828,504
Total financial assets		11,435,124	7,639,465
Financial liabilities			
Accounts payables	14	6,396,106	2,372,594
Net financial assets		5,039,018	5,266,871
Represented by			
Accumulated fund b/fwd	15	5,266,871	3,959,304
Surplus/deficit for the year		(227,853)	1,307,567
Net financial position		5,039,018	5,266,871

The school's financial statements were approved on _____ 2022 and signed by:

MR. AFRICAN V. D. DIKIZO

Name: 

Chair BOM

Date: 27/4/26

MR. PATRICK BARASA

Name: 
Principal/Secretary to
BOM

Date: 27/4/26

P. O. Box 994- 50400
BUSIA (K)

CATHERINE OKHALI

Name: 
Bursar/ Finance Officer

Date: 27/4/26

8. Statement of Cash Flows for the Year Ended 30th June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,529,767	1,571,347
Government grants for operations	2	4,273,201	3,624,875
Government grants for infrastructure	3	2,525,800	2,142,000
School fund income- parents contributions/ fees	4	6,289,837	4,815,997
Other income	5	6,000	-
Total receipts		14,624,605	12,154,219
Payments			
Cash outflows for tuition	6	1,495,589	1,394,160
Cash outflows for operations	7	5,921,444	2,297,558
Cash outflows for infrastructure	8	992,494	1,726,136
Cash outflows Boarding/lunch and school fund payments	9	6,442,932	5,428,797
Total payments		14,852,458	10,846,651
Net cash inflow/outflow from operating activities		(227,853)	1,307,567
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(227,853)	1,307,567
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		(227,853)	1,307,567
Net increase/decrease in cash and cash equivalents			
Cash and cash equivalent at beginning of the year		2,810,961	1,503,394
Cash and cash equivalent at end of the year		2,583,108	2,810,961

The school's financial statements were approved on _____ 2022 and signed by:

~~MR. ANTHONY O. OKEN~~

Name:

A

Chair BOM

Date: 27/4/26

MR. PATRICK BAAAA

Name:

Patrick

School Principal/ Secretary to

BOM

Date: 27/4/26

CATHERINE OKHALA

Name:

Catherine

Bursar/ Finance Officer

Date: 27/4/26



9. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Exercise books					
Internal exams					
Teaching / learning materials					
Chalks					
Lab					
Sub total					
(2) Capitation Grant on Operations					
Personnel emoluments					
Local transport / travelling					
Electricity and water					
Administration costs					
Other vote heads					
Activity					
Medical & insurance					
Sub total					

Receipts / Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Realization
	a	b	c=a+b	d	e= d/a %
	Kshs	Kshs	Kshs	Kshs	%
3) FDSE for infrastructure					
M & I MOE	2,600,000	-	2,600,000	2,525,800	97%
PTA					
Development fee					
Economic stimulus grants					
Sub total	2,600,000	-	2,600,000	2,525,800	97%
(4) Fees Charged on Parents					
Personnel emoluments					
RMI					
Local transport / travelling					
Electricity and water					
Activity					
Arrears recovered					
Recoveries					
Lunch	5,600,000		5,600,000	5,607,657	100%
Prepaid				646,030	
KCSE				6,750	
Administration costs					
KCSE					
Sub total	5,600,000	-	5,600,000	6,289,837	112%

ST. PAUL BUSENDE SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
5) Miscellenous Income					
Rent					
Computer fees					
Canteen					
Income from Bus Hire					
Bakery					
Tender					
Tender					
Interest Income				6,000	
Sub total				6,000	
Total Income	15,242,880	-	15,242,880	14,624,605	
(6) Expenditure For Tuition					
Textbooks					
Exercise books					
Teaching / learning materials	2,154,880	-	2,154,880	679,869	32%
Lab					
Payables				813,510	
Text books					
Bank charges				2,210	
Sub total	2,154,880	-	2,154,880	1,495,589	69%

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
(7) Expenditure For Operations					
Personnel emoluments	4,888,000	-	4,888,000		
Local transport / travelling				372,840	
Electricity and water				202,178	
Administration costs				1,654,387	
Activity				189,380	
Medical & insurance				-	
P.E				1,502,918	
Bank charges				3,450	
Recoveries				1,996,291	
Payables					
Sub total	4,888,000	-	4,888,000	5,921,444	
(8) Expenditure For infrastructure					
Construction of Classroom	2,600,000	-	2,600,000	988,954	38%
Construction of ablution blocks					
Construction of dorm & fencing					
Payables					
Bank charges				3,540	
Sub total	2,600,000	-	2,600,000	992,494	38%
(9) Expenditure For school fund/lunch/boarding					
Personnel emoluments					
RMI					

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
Local transport / travelling					
Electricity and water					
Activity					
KCSE					
Recoveries					
Lunch	5,600,000	-	5,600,000	6,440,032	115%
Prepaid					
Payable					
Administration costs					
Other vote heads					
Refund					
Bank charges				2,900	
Canteen					
Sub total	5,600,000	-	5,600,000	6,442,932	115%
Totals expenditure					

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending 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 30th June 2022.

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal exams		
Teaching / learning materials	1,529,769	-
Chalk		
Total	1,529,769	-

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments		
Local transport / travelling		
EWC	4,273,201	
Admin cost		
Medical		
Activity		
Total	4,273,201	

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Maintenance & improvement MOE	2,525,800	
PTA		
Development fee		
Economic stimulus grants		
Other (specify) (NGCDF and County govt.		
Total	2,525,800	

4 School Fund Income - Parents Contribution/Fees

	2020-2021	
	Kshs	Kshs
LUNCH	5,607,657	
RMI		
Local transport / travelling		
EWC		
Arrears recovered		
KCSE		
Imprest		
Prepaid		
Activity		
Administration costs		
Total	5,607,657	

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

5 Miscellaneous Incomes

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent income		
Canteen		
Computer fees		
Income from Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Tender fees		
Bakery		
Loans/Borrowings*		
Miscellaneous		
Total		

Notes to the Financial Statements (continued)

6 Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Exercise Books		
Chalk		
Reference materials		
Teaching / learning materials	679,869	891,850
Payables	813,510	500,480
Exams and assessment		
Lab		
Bank Charges	2,210	1,830
Total	1,495,589	1,394,160

7 Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,502,918	1,096,360
Administration Cost	1,654,387	827,811
Local transport / travelling	372,840	202,829
Electricity and water	202,178	131,408
Payables	-	-
Recoveries		
Activity Expenses	189,380	35,700
Bank Charges	3,450	3,450
RMI	1,996,291	
Medical & Insurance		
Total	5,921,444	2,297,558

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Desks		
Construction of classroom	988,954	1,717,196
Payables		
Bank charges	3,540	8,940
Total	992,494	1,726,136

9 Boarding And School Fund

Description	2021-2022	2020-2021
	Kshs	Kshs
lunch	6,440,032	4,739,487
RMI		
Local transport / travelling		
Electricity and water		
Payables		683,910
PE		
Refund		2,500
KCSE		
Imprest		
Activity Expenses		
Admin cost		
Bank charges	2,900	2,900
Total	6,442,932	5,428,797

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2022	2020-2021
	Active/Dormant		Kshs	Kshs
Tuition Account			216,706	182,567
Operations Account			422,036	59,168
School Fund Account/Boarding			74,532	1,139,147
Salary account				
Income Generating Activities Account				
Infrastructural Account			1,841,754	1,340,448
Total			2,555,028	2,721,331

11 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Notes and Coins	28,080	89,630
Total	28,080	89,630

12 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	8,852,016	4,828,504
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Recoveries		
Rent arrears (list/schedule attached)		
Total	8,852,016	4,828,504

13 b Ageing Analysis of Accounts Receivable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,862,116		3,285,914	
Between 1- 2 years	5,232,547		544,870	
Between 2-3 years	1,757,353		997,720	
Over 3 years				
Total (should tie to note 13 a)	8,852,016		4,828,504	100%

14 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	5,750,076	2,372,594
Prepaid Fees	646,030	-
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Recoveries	-	-
Other payables (<i>specify</i>)	-	-
Total	6,396,106	2,372,594

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	4,190,992		1,631,559	
Between 1- 2 years	1,559,084		741,035	
Between 2-3 years	646,030			
Over 3 years				
Total (should tie to note 14)	6,396,106		2,372,594	100%

15 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	2,721,331	1,392,392
Cash Balances	89,630	111,002
Short Term Investments		-
Receivables	4,828,504	4,459,362
Payables	(2,372,594)	(2,003,452)
Total	5,266,871	3,959,304

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Piglet			
Pigs			
Trees			
Coffee Or Tea Plantation			
Poultry			
Total			

18 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
Balance at the end of the year		

Other important disclosure notes

19 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		
Total		

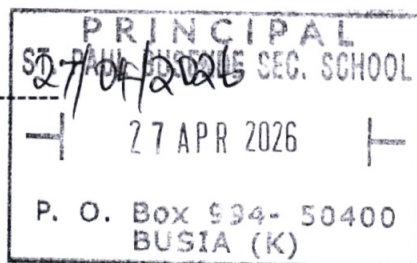
Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

20 Progress on Follow up Of Auditor Recommendations

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

Ref No	Issue / Comments from Auditor	Management Comments	Status: (Resolved / Not resolved)	Timeframe: (Put a date when you expect the issue to be resolved)


 Sign and Date
 Principal



ST. PAUL BUSENDE SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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	E	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
Sub-Total						
Supply Of Goods						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13.						
14.						
15.						
16.						
17.						
18.						
17.						
18.						
19.						
20.						
21.						
22.						
23.						
Sub-Total						
Supply Of Services						
Sub-Total						
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1				
Buildings And Structures				
Motor Vehicles (Isuzu & lorry)				
Office Equipment, Furniture And Fittings				
ICT Equipment, And Other ICT Assets				
Tools And Apparatus				
Text books				
Other machinery and equipment (electronics)				
Grinding mill				
Intangible Assets- Soft Ware				
Total				

N.B. The figures above are just estimation pending valuation of assets.