

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY P/... T/A/D	
DATE:	08 NOV 2023 Wednesday
TABLED BY:	Hon. Silvanus Osiro, MP Majority Party Whip
CLERK-AT-THE-TABLE:	A-Chibuko

PARLIAMENT  
OF KENYA  
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**REPORT**

**OF**

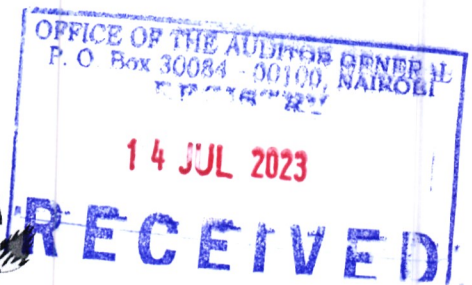
**THE AUDITOR-GENERAL**

**ON**

**ST. CLARE BUTULA GIRLS HIGH  
SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2021**

**BUSIA COUNTY**



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**ST. CLARE BUTULA GIRLS HIGH SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS' PERIOD ENDED  
30<sup>TH</sup> JUNE 2021**

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

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
**Reports and Financial Statements**  
**For the six months' period ended 30<sup>th</sup> June 2021**

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**For the six months' period ended 30<sup>th</sup> June 2021**

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**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

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

The school was registered in April 2022 under registration number 40S300000208 and is currently categorized as a *county* public school established, owned or operated by the Government.

The school is a boarding school and had 570 numbers of students as at 30<sup>th</sup> June 2021. It has 03 stream and 28 teachers of which 10 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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Prof. Violet Opata	Chairperson	18th March, 2022
2	Mrs. Minayo Janet	Secretary- Principal	18th March, 2022
3	Dr. Odendo Martins	Member	18th March, 2022
4	Mr. Juma Clement	Member	18th March, 2022
5	Eng. Chessa Christopher	Member	18th March, 2022
6	Mr. Okumu Isaac	Member	18th March, 2022
7	Mr. Tonny Nicholus	Member	18th March, 2022
8	Mrs. Kangu Sarah	Member – Rep CEB	18th March, 2022
9	Ms. Moureen Nafula	Member Rep Teachers	18th March, 2022
10	Mr.Makokha Samwel Rev. Fr. James Otaga Mr. Etyang Nelson	3 Members – Sponsor	18th March, 2022
11	Dr. Ohato John	Member – Community	18th March, 2022
12	Mrs. Oloo Abisaki	MemberSpecial Needs	18th March, 2022
13	Paslida Sharon	Rep Students	18th March, 2022

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**Key School Information and Management (Continued)**

**The function of the School Board of Management includes:**

- 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	Prof Violet Opata	Chairperson	3
		Rev. Fr. James Otaga	Member	
		Mrs. Janet Minayo	Member	
		Eng. Chessa Christopher	Member	
		Mrs. Imbahala Roselyn	Member	
		Mr. Juma Clement	Member	
2	Audit Committee	Mrs. Abisaki Oloo	Chairperson	1
		Mr. Etyang Nelson	Member	
		Dr. Odendo Martins	Member	
3	Finance, procurement and general purposes Committee	Dr. Odendo Martins	Chairperon	2
		Eng. Chessa Christopher	Member	
		Prof. Violet Opata	Member	
		Rev. Fr. Jame Otaga	Member	
		Mr. Juma Clement	Member	
4	Academic Committee	Mr. Etyang Nelson	Chairperson	
		Ms. Mourine Nafula	Member	
		Ms. Abisaki Oloo	Member	
		Mr. Makokha Samwel	Member	
		Dr. Odendo Martins	Member	

**ST. CLARE BUTULA GIRLS HIGH SCHOOL****Reports and Financial Statements****For the six months' period ended 30<sup>th</sup> June 2021**

5	Development Committee	Eng. Chessa Christopher	Chairperson	2
		Mrs. Imbahala Roselyne	Member	
		Rev. Fr. James Otaga	Member	
		Mrs. Minayo Janet Dr. Ohato J.O	Member Member	
6	Discipline and welfare Committee	Mrs. Kangu Sarah	Chairperson	3
		Mrs. Minayo Janet	Member	
		Mr. Tonny Nicholus	Member	
		Mrs. Imbahala Roselyne	Member	
		Mr. Odhiambo Michael	Member	
7	Adhoc Committee (if any during the year)	N/A	N/A	N/A

**(d) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Minayo Janet Walucho	305140
2	Deputy Principal	Imbahala Roselyne	457428
3	School Bursar	Angelbeth Nabwoba	20307387

**(e) Schools contacts**

Post Office Box: 213-50405 BUTULA  
 Telephone: 0715561903  
 E-mail: butulagirlssecondaryschool@ymail.com  
 Website:  
 Facebook:  
 Twitter:

**(f) School Bankers**

The following school operated 05 numbers of bank accounts in the following banks:

1. Name of Bank: National Bank of Kenya  
 Branch: BUSIA  
 Account Number: 01025037679900
2. Name of Bank: National Bank of Kenya  
 Branch: BUSIA  
 Account Number: 01025037679901

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
**Reports and Financial Statements**  
**For the six months' period ended 30<sup>th</sup> June 2021**

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3. Name of Bank: National Bank of Kenya  
Branch: BUSIA  
Account Number: 01022037679900
4. Name of Bank: Kenya Commercial Bank  
Branch: BUSIA  
Account Number: 1101997796
5. Name of Bank: Kenya Commercial Bank  
Branch: BUSIA  
Account Number: 1169043062
6. MPESA PayBill No. 522123, Account No. 50076k attached to KCB Bank Account

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

**(g) Independent Auditors**

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

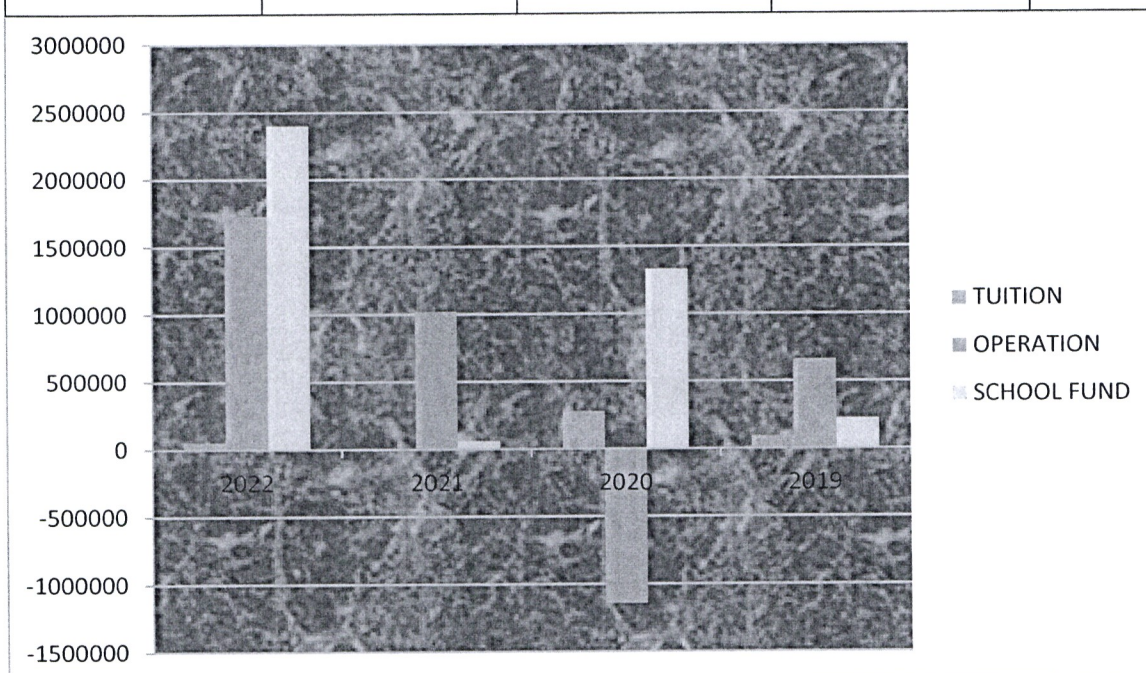
**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**For the six months' period ended 30<sup>th</sup> June 2021**

**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) Financial performance:**

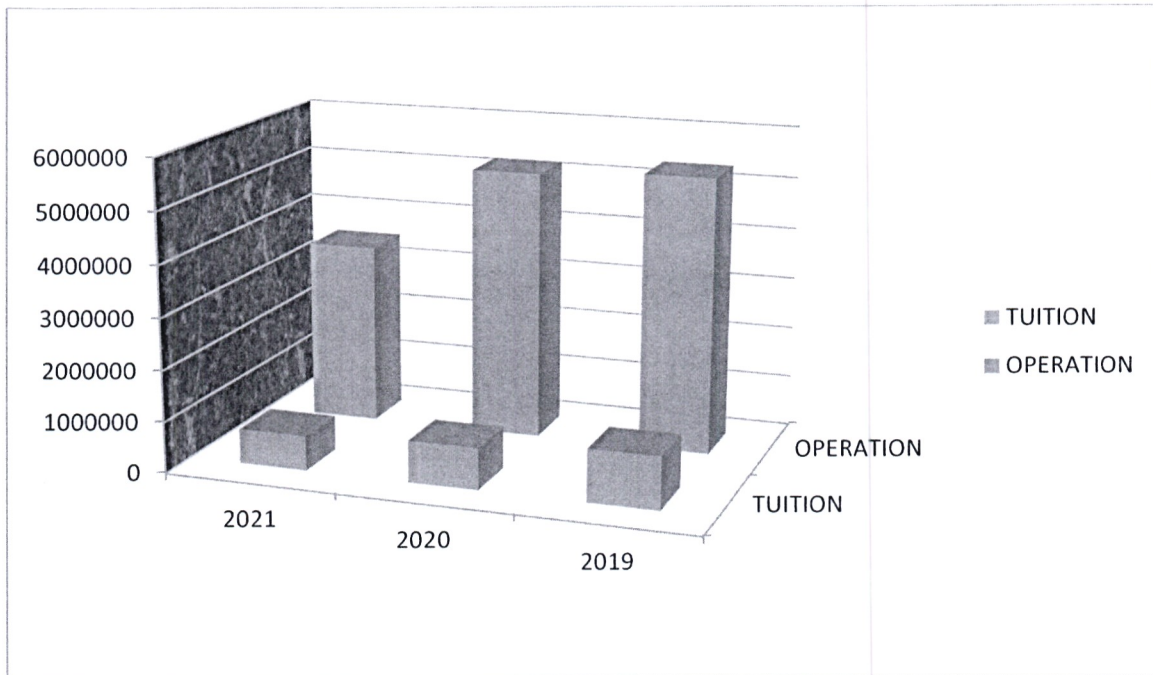
<i>YEAR</i>	2022	2021	2020	2019
<i>TUITION</i>	50,452.00	(9,645.00)	277,360.00	90,500.75
<i>OPERATION</i>	1,727,884.60	1,018,078.00	(1,143,076.00)	659,408.45
<i>SCHOOL FUND</i>	2,399,347.00	59,444.00	1,328,823.75	221,648.50



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

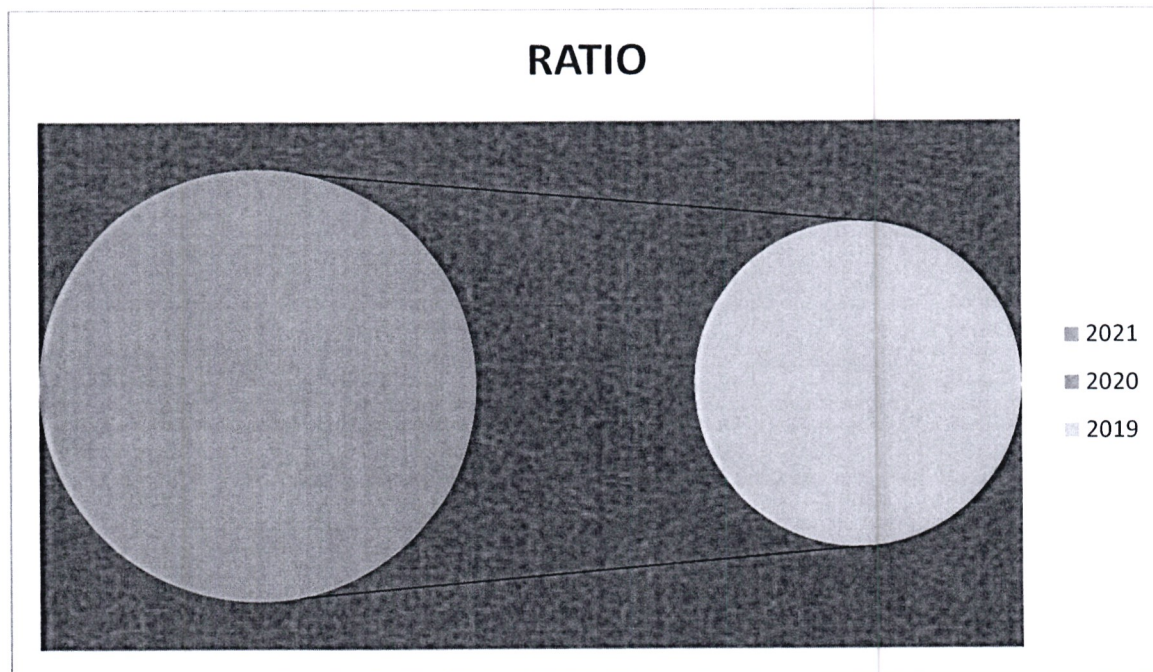
<i>YEAR</i>	2021	2020	2019
<i>TUITION</i>	679,089.00	819,550.00	1,037,420.60
<i>OPERATION</i>	3,532,898.00	5,227,800.00	5,362,914.60
<i>TOTAL</i>	<b>4,211,987.00</b>	<b>6,046,835.00</b>	<b>6,400,335.20</b>

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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- *Ratio of capitation grant per student over the last three years*

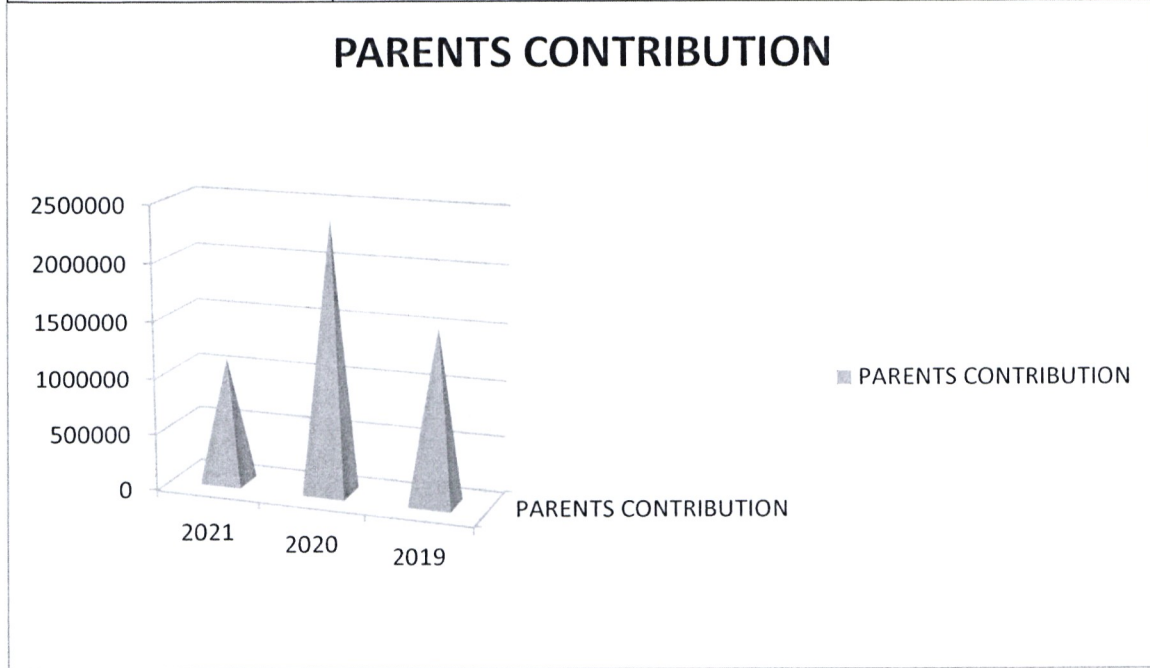
YEAR	2021	2020	2019
RATIO	7799.97	11430.69	15166.67



**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**For the six months' period ended 30<sup>th</sup> June 2021**

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

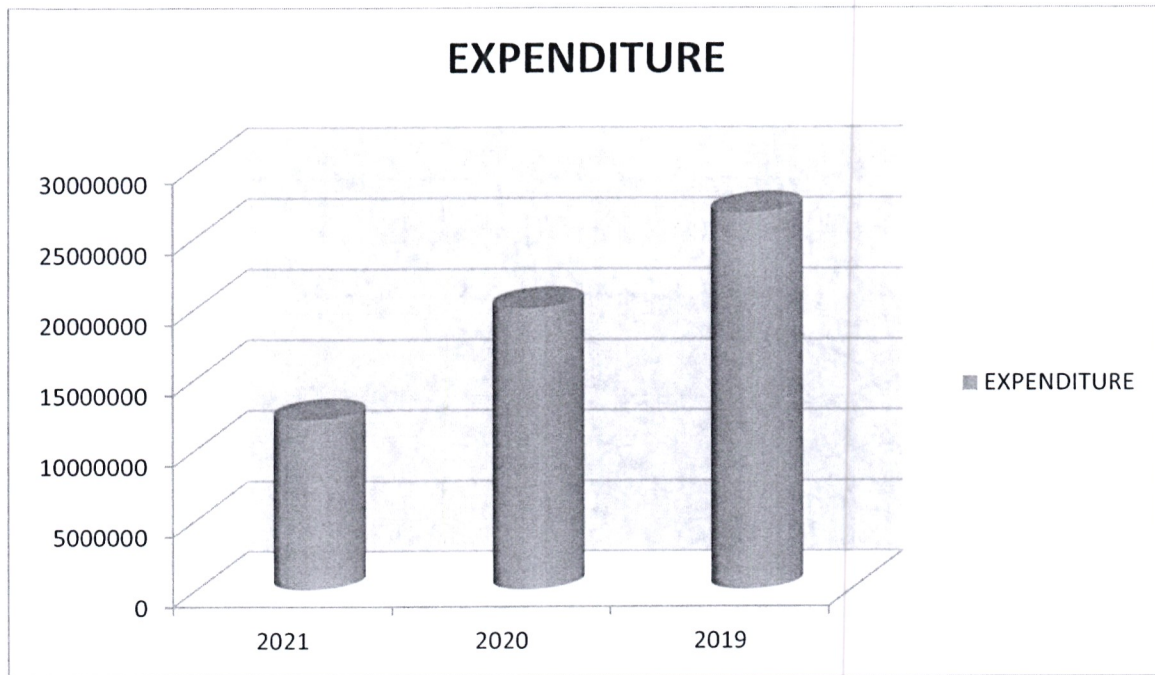
YEAR	2021	2020	2019
PARENTS CONTRIBUTION	1,117,817.00	2,397,565.00	1,554,000.00



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

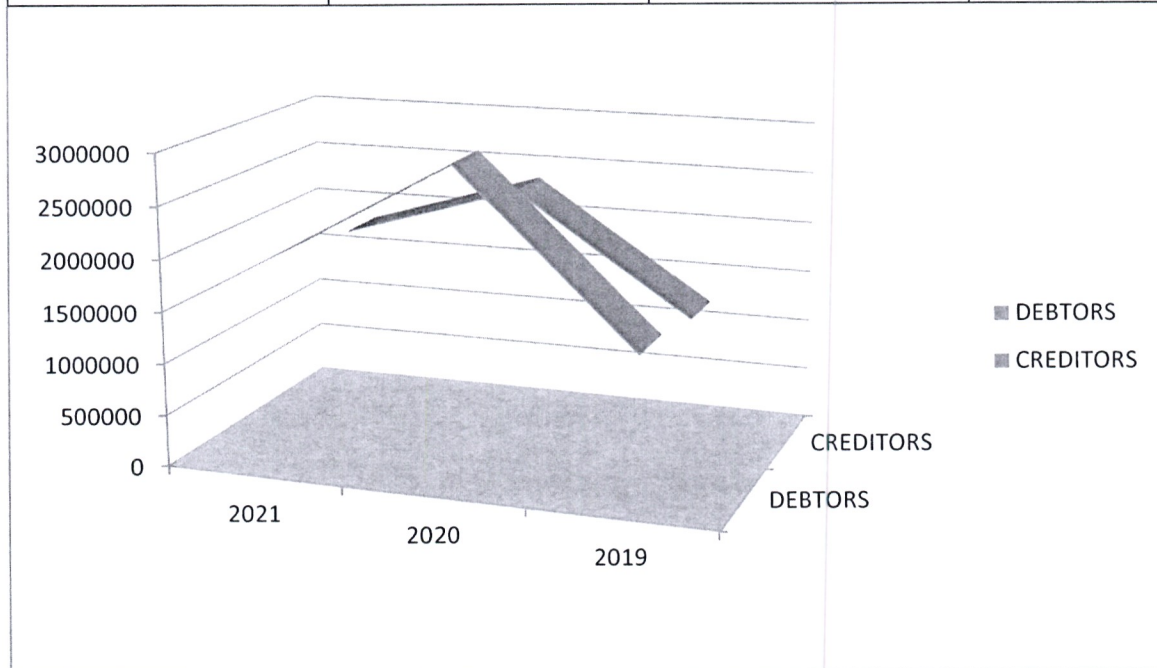
YEAR	2021	2020	2019
EXPENDITURE	12,063,249.00	19,959,325.00	26,669,738.50

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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- *Movement of debtors and creditors of the school over the last three years*

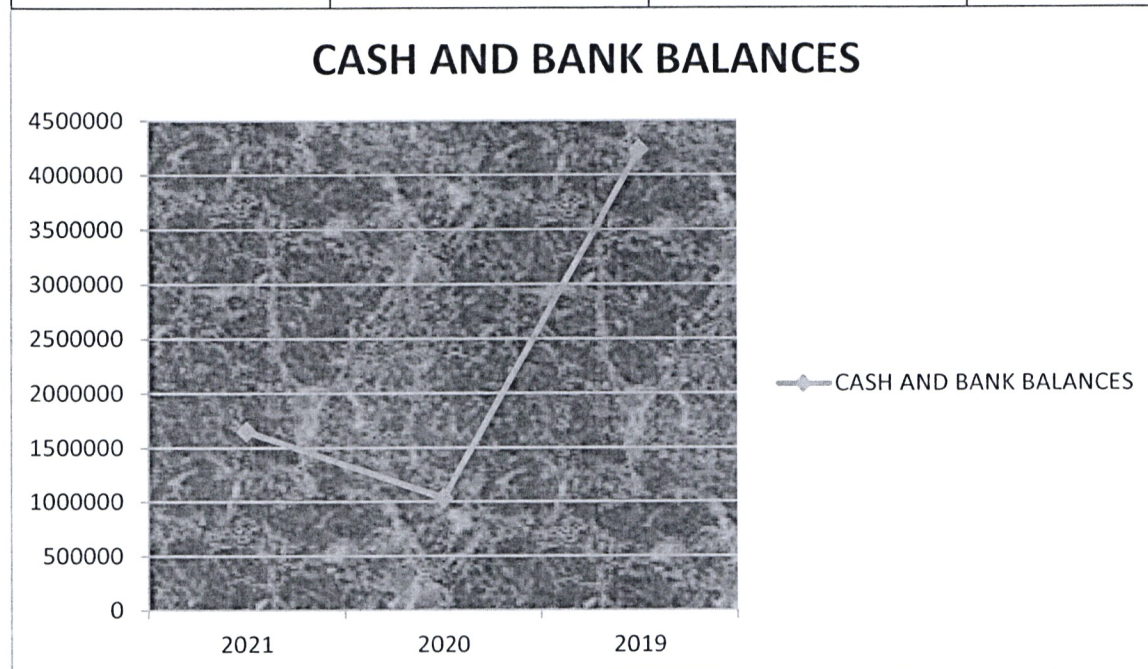
YEAR	2021	2020	2019
DEBTORS	1,980,853,00	2,966,478.00	1,356,811.00
CREDITORS	1,849,931.00	2,377,871.00	1,241,897.00



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

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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YEAR	2021	2020	2019
CASH AND BANK BALANCES	1,651,780.00	1,032,265.00	4,230,706.72



Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends).

**b) Teacher Student ratio:**

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

Teacher to student ratio	No. Of teachers posted in 2022	No. of teachers transferred/ Retired	No. of Teachers employed by TSC	No. of teachers employed by BOM	No. of teachers for each subject			
					TSC	TSC	BOM	Total
1:20	1	0	0	10	Maths	4	2	6
					Geog	5	0	5
					English	2	3	5
					History	3	2	5

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					Kiswahili	2	3	5
					Physics	1	1	2
					Chem	3	0	3
					Biology	3	1	4
					CRE	2	1	3
					Agric	1	1	2
					French	1	1	2
					P.E	1	0	1
					H/Science	0	1	1
					B/Studies	1	1	2
					Music	0	1	1
					TOTAL	18	47	65

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

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

<b>KCSE (2021)</b>		<b>KCSE (2020)</b>		<b>KCSE (2019)</b>	
<i>Mean</i>	<i>C+ and above</i>	<i>Mean</i>	<i>C+ and above</i>	<i>Mean</i>	<i>C+ and above</i>
4.6019C-	10	5.044 C-	13	4.89 C-	11

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

*(Tabulate the number of candidates sitting for KCSE over the last three years).*

<b>YEAR</b>	<b>NUMBER OF CANDIDATES</b>
2021	108
2020	90
2019	66

**e) Capacity of the school:**

(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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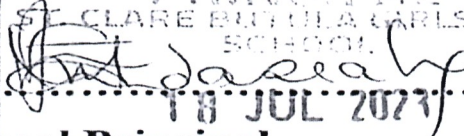
No. of students	Dormitories	Bathrooms	Dining Hall	Laboratories	Toilets	Library
570	4	40	1	1	32	1

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**f) Development projects carried out by the school:**

(Development projects carried out in the year and on-going projects including a disclosure of project fund sources in a tabular format).

S/No	County	Sub county	School	Project	Source of funds
1	Busia	Butula	St. Clare Butula Girls High School	Storeyed Tuition Block	M.I Parents

  
 PRINCIPAL  
 ST. CLARE BUTULA GIRLS HIGH SCHOOL  
 18 JUL 2021  
 School Principal  
 P. O. Box 213 - 50405 BUTULA

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
**Reports and Financial Statements**  
**For the six months' period ended 30<sup>th</sup> June 2021**

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**III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY**

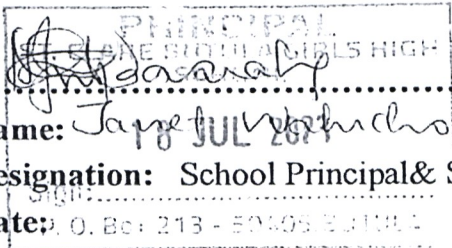
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (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. Clare Butula Girls High 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 **18 July 2023**, and of the school's financial position as at that date.

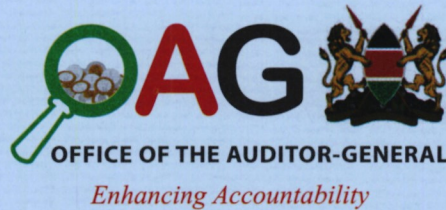
.....  
**Name:** *Clement Juma*  
**Designation:** Chairman, School Board of Management  
**Date:** *18/7/2023*

  
.....  
**Name:** *Jayne JUL 2023*  
**Designation:** School Principal & Secretary to Board of Management  
**Date:** *18/7/2023*

.....  
**Name:** *ANGELBETH A-NABWOBA*  
**Designation:** Bursar/ Finance Officer  
**Date:** *18/7/2023*

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: 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. CLARE BUTULA GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 – BUSIA 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**

#### **Adverse Opinion**

I have audited the accompanying financial statements of St. Clare Butula Girls High School – Busia County set out on pages 16 to 30, which comprise the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts

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*Report of the Auditor-General on St. Clare Butula Girls High School for the year ended 30 June, 2021- Busia County*

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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the St. Clare Butula Girls High School – Busia County as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

## **Basis for Adverse Opinion**

### **1.0. Inaccuracies in the Financial Statements**

The statement of receipts and payments reflects capitation grants for operations balance of Kshs.3,537,899, while the supporting schedule reflected an amount of Kshs.4,389,750 resulting in an unreconciled variance of Kshs.851,851.

Further, the financial statements reflects the following amounts and balances whose supporting ledgers or schedules were not provided for audit;

<b>Item</b>	<b>Amount (Kshs.)</b>
School Fund Income - Parents Contribution	7,800,581
School Fund Income - Other Receipts	186,826
Payments for Tuition	892,724
Payments for Operations	2,116,155
Boarding and School Fund Payments	8,476,467
Accounts Receivables	11,134,352
Accounts Payable	2,214,376
Accumulated Fund b/fwd	9,859,192

In the circumstances, the accuracy, completeness, presentation and disclosure of the financial statements could not be confirmed.

### **2.0. Unsupported Bank Balances**

The statement of financial assets and financial liabilities reflects bank balances amounting to Kshs.1,637,730 as disclosed in Note 8 to the financial statements. However, supporting bank reconciliation statements were not provided for audit. Further, Note 8 to the financial statements does not include bank account numbers for the five (5) bank accounts held by the School.

In the circumstances, the accuracy and completeness of the bank balances of Kshs.1,637,730 could not be confirmed.

### **3.0. Unsupported Biological Assets**

As disclosed in Note 13 under other important disclosures are biological assets with a balance of Kshs.180,000 which comprises of a balance of Kshs.120,000 and Kshs.60,000 in respect of four (4) cattle and one hundred and twenty (120) trees respectively. However, the valuation report and the biological assets register were not provided for audit.

In the circumstances, the accuracy and completeness of biological assets balance of Kshs.180,000 could not be confirmed.

### **4.0. Unconfirmed Fixed Assets**

The summary of fixed assets register reflects total fixed assets balance of Kshs.37,780,000, being the historical cost of the School's assets as at 30 June, 2021. However, acquisition documents in support of the amount were not provided for audit. Further, the assets register provided for audit was compiled in January, 2016 and was subsequently never updated despite acquisition of additional assets in the subsequent financial years. In addition, audit inspection revealed that the assets were not tagged, making it difficult to identify and track them. Similarly, the ownership documents of the two (2) parcels of land shown in the Annex were not provided for audit.

In the circumstances, the existence, accuracy and ownership of the fixed assets balance of Kshs.37,780,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Clare Butula Girls High 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 adverse opinion.

### **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**

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

The statement of budgeted versus actual amounts reflects final income budget of Kshs.15,649,920 and actual on comparable basis amount of Kshs.12,199,431, resulting in an under-funding of Kshs.3,450,489 or 22% of the budget. Similarly, the School spent Kshs.11,485,346 against an expenditure budget of Kshs.15,649,920, resulting in an under-expenditure of Kshs.4,164,574 or 27% of the budget.

The under-funding and under-expenditure affected planned activities and may have had a negative impact on service delivery by the School.

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

### Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that, public resources have not been applied lawfully and in an effective way.

### Basis for Conclusion

#### 1.0. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of August 20, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing financial statements for longer period is due to the adoption of IPSAS for schools and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only one year for financial year 2020-2021 with comparative balances for financial year 2019. Therefore, the financial statements have not been prepared for eighteen (18) months as prescribed by the Public Sector Accounting Standards Board.

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

In the circumstances, Management did not comply with guidelines issued by the Board.

#### 2.0. Lack of Procurement Plan

The statement of receipts and payments reflects total payments amount of Kshs.11,45,346 which includes expenditure on procurements of goods and services. However, the School did not have an approved procurement plan. This is contrary to Regulation 40(1) 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.

### **3.0. Unsupported an Analytics System**

It was noted that the School was using an analytics system for analyzing examinations for students, sending bulk short messages to parents, and accessing revision materials, since January, 2019 which translates to six years and four months as at the time of audit in the month of June, 2023. However, the service level agreement stipulating the duration of the contract, the number of modules in the system, and the annual subscription fees were not provided for audit.

In the circumstances, the regularity and legality of the use of the system could not be confirmed.

### **4.0. Stalled Project**

The School contracted a Company on 26 March, 2018 for the construction of a tuition block at a contract sum of Kshs.8,865,832. However, the amount paid to date was not provided for audit. Further, audit inspection conducted in the month of June, 2023 revealed that the project had stalled. No explanation was provided for the stalling of the project.

In the circumstances, value for money for the project may not be realized from the construction of tuition block.

### **5.0. Over Expenditure**

Comparison of the approved budget and various payments reflects that the School made payments amounting to Kshs.5,525,392 against an approved budget of Kshs.1,235,000 resulting to over expenditure amounting to Kshs.4,290,392 or 347% and whose authorization was not provided for audit.

In the circumstances, the propriety of the over expenditure of Kshs.4,290,392 could not be confirmed.

### **6.0. Failure to Deduct Statutory Dues**

Review of the payroll indicated that the School paid the Board of Management teachers monthly salaries amounting to Kshs.2,422,400. However, the statutory deductions; Pay As Your Earn (PAYE) National Social Security Fund (NSSF) and National Hospital Insurance Fund (NHIF) were not deducted from their salaries and remitted to the relevant institutions.

In the circumstances, the School might suffer penalties and interests due to late remittance of statutory deductions.

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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that, internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **1.0. Long Outstanding Fees Arrears**

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.11,134,352 as disclosed in Note 10 to the financial statements. The balance includes an amount of Kshs.2,102,875 and Kshs.7,050,622 on fees arrears for the previous year and fees arrears for over two (2) years respectively. However, Management has not demonstrated measures put in place to collect the long outstanding students' fees arrears.

In the circumstances, recoverability of accounts receivables balance of Kshs.11,134,352 could not be confirmed.

### **2.0. Lack of Staff Establishment**

During the period under review, the School had sixty-five (65) employees out of whom, eighteen (18) were from the Teachers Service Commission (TSC), and forty-seven (47) were employed by the Board of Management (BoM). However, staff establishment showing the authorized number of teachers required per subject and the in-post teachers was not provided for audit review.

In the circumstances, optimal number of teachers could not be confirmed.

### **3.0. Lack of Performance Improvement Plan**

It was observed that the School had no Performance Improvement Plan as required by Section 2.2 of the Ministry of Education's Operation Manual. This may have affected the efficient disbursement and utilization of learner capitation grants and other school funds, the capacity of school managers and stakeholders to effectively manage and report on fund utilization, and the strengthening of accountability, monitoring, evaluation, and reporting systems.

In the circumstances, the efficiency and effectiveness with which the School was managed 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 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue 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 the 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 overall 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 controls 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 materials weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls 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 the 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

13 October, 2023

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
**Reports and Financial Statements**  
**For the six months' period ended 30<sup>th</sup> June 2021**

**V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE SIX MONTHS' PERIOD ENDED 30<sup>TH</sup> JUNE 2021**

Description Of Vote Head	Note	1 <sup>st</sup> January-30 <sup>th</sup> June 2021
		Kshs
<b>Receipts</b>		
Capitation grants for tuition	1	679,125
Capitation grants for operations	2	3,532,899
School fund income- parents' contributions	3	7,800,581
School fund income- other receipts	4	186,826
<b>Total Receipts</b>		<b>12,199,431</b>
<b>Payments</b>		
Payments for tuition	5	892,724
Payments for operations	6	2,116,155
Boarding and school fund payments	7	8,476,467
<b>Total Payments</b>		<b>11,485,346</b>
<b>Surplus/Deficit</b>		<b>714,085</b>

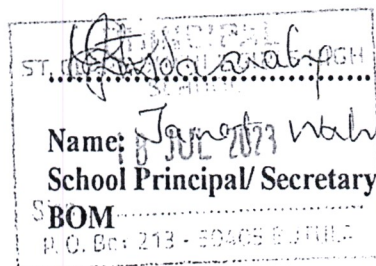
The school financial statements were approved on **18 July 2023** and signed by:

*[Signature]*  
 Name: *Clinton Juma*

Name: Clinton Juma

Chair BOM

Date: 18/7/2023



Date:

*[Signature]*

Name: ANNELEIGH A. NABWOSA

Bursar/ Finance Officer

Date: 18/7/2023

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**For the six months' period ended 30<sup>th</sup> June 2021**

**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2021**

Description	Note	1 <sup>st</sup> January-30 <sup>th</sup> June 2021
		Kshs
<b>Financial Assets</b>		
<b>Cash and cash equivalents</b>		
Bank balances	8	1,637,730
Cash balances	9	15,570
<b>Total cash and cash equivalent</b>		<b>1,653,300</b>
Accounts receivables	10	11,134,352
<b>Total financial assets</b>		<b>12,787,653</b>
<b>Financial liabilities</b>		
Accounts payables	11	2,214,376
<b>Net financial assets</b>		<b>10,573,277</b>
<b>Represented by</b>		
Accumulated fund b/fwd	12	9,859,192
Surplus/deficit for the year		714,085
<b>Net financial position</b>		<b>10,573,277</b>

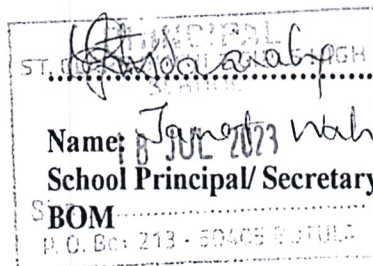
The school financial statements were approved on **18 July 2023** and signed by:

*[Signature]*  
 .....

Name: *Clinton Juma*

Chair BOM

Date: *18/7/2023*



Name: *Janet Wambui*  
 School Principal/ Secretary to

BOM

Date:

*[Signature]*  
 .....

Name: *ANNE ELBERT A. NABWOSA*

Bursar/ Finance Officer

Date: *18/7/2023*

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**VII. STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS' PERIOD ENDED 30<sup>TH</sup> JUNE 2021**

<b>Description</b>	<b>Notes</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
		<b>Kshs</b>
<b>Operating activities</b>		
<b>Receipts</b>		
Capitation grants for tuition	1	679,125
Capitation grants for operations	2	3,532,899
School fund income- parents contributions/ fees	3	7,800,581
School fund income- other receipts	4	186,826
<b>Total receipts</b>		<b>12,199,431</b>
<b>Payments</b>		
Payments for tuition	5	892,724
Payments for operations	6	2,116,155
Boarding and school fund payments	7	8,476,467
<b>Total payments</b>		<b>11,485,346</b>
<b>Net cash flow from operating activities</b>		<b>714,085</b>
<b>Cash flow from investing activities</b>		<b>-</b>
Proceeds from sale of assets		-
Acquisition of assets		-
Proceeds from investments		-
Purchase of investments		-
<b>Net cash flows from investing activities</b>		<b>714,085</b>
<b>Cash flow from borrowing activities</b>		<b>-</b>
Proceeds from borrowings/ loans		-
Repayment of principal borrowings		-
<b>Net cash flow from financing activities</b>		<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>714,085</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>939,216</b>
<b>Cash and cash equivalent at end of the year</b>		<b>1,653,301</b>

ST. CLARE BUTULA GIRLS HIGH SCHOOL  
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS' PERIOD ENDED 30TH  
 JUNE 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>						
<i>(1) Capitation Grant on Tuition</i>						
Teaching / Learning Materials	1,191,280	-	1,191,280	679,125	512,155	57%
<b>Sub-total</b>	<b>1,191,280</b>	<b>-</b>	<b>1,191,280</b>	<b>679,125</b>	<b>512,155</b>	<b>57%</b>
<i>(2) Capitation Grant on Operations</i>						
Personnel emoluments	1,300,000	-	1,300,000	766,816	533,184	59%
Repairs and maintenance	2,000,000	-	2,000,000	1,923,387	76,613	96%
Local transport / travelling	507,000	-	507,000	249,940	257,060	49%
Electricity and water	507,000	-	507,000	162,814	344,186	32%
Administration costs	507,000	-	507,000	429,942	77,058	85%
<b>Sub-total</b>	<b>4,821,000</b>	<b>-</b>	<b>4,821,000</b>	<b>3,532,899</b>	<b>1,288,101</b>	<b>73%</b>
<i>(3) Fees Charged on Parents</i>						
Personnel emoluments	1,020,000	-	1,020,000	1,010,700	9,300	99%
Repairs and maintenance	660,000	-	660,000	542,093	117,907	82%
Local transport / travelling	215,000	-	215,000	389,410	(174,410)	181%
Electricity and water	2,600,640	-	2,600,640	469,628	2,131,012	18%
Activity	60,000	-	60,000	116,120	(56,120)	194%
Fees recovered	-	-	-	1,051,804	(1,051,804)	∞
Administration costs	550,000	-	550,000	279,460	270,540	51%
BES	4,400,000	-	4,400,000	3,125,056	1,274,944	71%
Harambee	-	-	-	816,310	(816,310)	∞
<b>Sub-total</b>	<b>9,505,640</b>	<b>-</b>	<b>9,505,640</b>	<b>7,800,581</b>	<b>1,705,059</b>	<b>82%</b>

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**For the six months' period ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=c-d Kshs	f=d/c %
<b>Other Income</b>						
Income From Farming Activities	-		-	19,955	(19,955)	∞
Income From Bus hire	132,000	-	132,000	166,871	(34,871)	126%
<b>Sub-total</b>	<b>132,000</b>	<b>-</b>	<b>132,000</b>	<b>186,826</b>	<b>(54,826)</b>	<b>142%</b>
<b>Grand Total Income</b>	<b>15,649,920</b>	<b>-</b>	<b>15,649,920</b>	<b>12,199,431</b>	<b>3,450,489</b>	<b>78%</b>
<b>Payments</b>						
<b>(1) Expenditure For Tuition</b>						
Exercise Books	-		-	280,590	(280,590)	∞
Laboratory Equipment	-		-	132,710	(132,710)	∞
Internal Exams	-		-	10,000	(10,000)	∞
Teaching / Learning Materials	1,191,280	-	1,191,280	161,014	1,030,266	14%
Payables	-		-	308,290	(308,290)	∞
Bank charges	-		-	120	(120)	∞
<b>Sub-total</b>	<b>1,191,280</b>	<b>-</b>	<b>1,191,280</b>	<b>892,724</b>	<b>298,556</b>	<b>75%</b>
<b>(2) Expenditure For Operations</b>						
Personnel emoluments	1,300,000	-	1,300,000	751,200	548,800	58%
Repairs and maintenance	2,000,000	-	2,000,000	89,997	1,910,003	4%
Local transport / travelling	507,000	-	507,000	301,209	205,791	59%
Electricity and water	507,000	-	507,000	204,238	302,762	40%
Administration costs	507,000	-	507,000	441,900	65,100	87%
Activity Expenses			-	327,491	(327,491)	∞
Bank charges			-	120	(120)	∞
<b>Sub-total</b>	<b>4,821,000</b>	<b>-</b>	<b>4,821,000</b>	<b>2,116,155</b>	<b>2,704,845</b>	<b>44%</b>
<b>(3) Expenditure For School Fund</b>						
Personnel emoluments	1,020,000	-	1,020,000	1,671,200	(651,200)	164%

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**For the six months' period ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=c-d Kshs	f=d/c %
Repairs and maintenance	660,000	-	660,000	310,401	349,599	47%
Local transport / travelling	215,000	-	215,000	371,200	(156,200)	173%
Electricity and water	2,600,640	-	2,600,640	556,800	2,043,840	21%
Activity	60,000	-	60,000	2,740	57,260	5%
Bus hire	132,000	-	132,000	70,800	61,200	54%
PA Fund	-	-	-	1,204,416	(1,204,416)	∞
Administration costs	550,000	-	550,000	407,308	142,692	74%
Bank charges	-	-	-	14,839	(14,839)	∞
BES	4,400,000	-	4,400,000	2,662,347	1,737,653	61%
Payables	-	-	-	1,204,416	(1,204,416)	∞
<b>Sub-total</b>	<b>9,637,640</b>	<b>-</b>	<b>9,637,640</b>	<b>8,476,467</b>	<b>1,161,173</b>	<b>88%</b>
<b>Grand Total Expenditure</b>	<b>15,649,920</b>	<b>-</b>	<b>15,649,920</b>	<b>11,485,346</b>	<b>4,164,574</b>	<b>73%</b>

**Budget Notes**

1. The over expenditure in a number of vote Heads was due to inflation/fluctuation of prices of goods and services.
2. The under receipt of revenues was due to poor school fees payment.
3. The financial year ends every 30th June, (mid-year) when most activities are yet to take place, thus, other expenses are done in July beginning of another financial year.

## **IX. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

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

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

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

### **2. Recognition of receipts and payments**

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

### **3. In-kind contributions**

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

### **4. Cash and cash equivalents**

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

**Significant Accounting Policies (Continued)**

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the six months period ended with a significant impact on the financial statements for the six months' period ended 30<sup>th</sup> June 2021.

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
**Reports and Financial Statements**  
**For the six months' period ended 30<sup>th</sup> June 2021**

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**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 Capitation Grant for Tuition**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Teaching / Learning Materials	679,125
<b>Total</b>	<b>679,125</b>

**2 Capitation Grant for Operations**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Personnel Emoluments	766,816
Repairs And Maintenance	1,923,387
Local Transport / Travelling	249,940
Electricity And Water	162,814
Administration Costs	429,942
<b>Total</b>	<b>3,532,899</b>

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

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Personnel emoluments	1,010,700
Boarding account	3,125,056
Maintenance and Improvement	542,093
Local transport / travelling	389,410
Electricity and water	469,628
Fees recovery	1,051,804
Harambee	816,310
Administration costs	279,460
Activity	116,120
<b>Total</b>	<b>7,800,581</b>

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**Notes to the Financial Statements (Continued)**

**4 Other Receipts – School Fund Account**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Income From Farming Activities	19,955
Income From Bus Hire	166,871
<b>Total</b>	<b>186,826</b>

**5 Payments for Tuition**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Exercise Books	280,590
Laboratory Equipment	132,710
Internal exams	10,000
Teaching / learning materials	161,014
Payables	308,290
Bank Charges	120
<b>Total</b>	<b>892,724</b>

**6 Payments for Operations**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Personnel Emoluments	751,200
Administration Cost	441,900
Repairs And Maintenance & Improvements	89,997
Local Transport / Travelling	301,209
Electricity And Water	204,238
Bank Charges	120
Payables	327,491
<b>Total</b>	<b>2,116,155</b>

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**Notes to the Financial Statements (Continued)**

**7 Boarding and School Fund Payments**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Personnel emoluments	1,671,200
PA Fund	1,204,416
RMI	310,401
Local transport / travelling	371,200
Electricity and water	556,800
Administration costs	407,308
Bus hire	70,800
Payables	1,204,416
Fee on Boarding Equipment and Stores	2,662,347
Bank charges	14,839
Activity Expenses	2,740
<b>Total</b>	<b>8,476,467</b>

**8 Bank Accounts**

<b>Name Of Bank, Account No. &amp; Currency</b>	<b>Bank Account Number</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
		<b>Kshs</b>
Tuition Account		12,898
Operations Account		814,368
School Fund Account/Boarding		800,874
Parent Association Development Account		6,539
Infrastructural Account		3,052
<b>Total</b>		<b>1,637,730</b>

**9 Cash In Hand**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
PA Account	1,520
Operation Account	5,066
School Fund account	8,984
<b>Total</b>	<b>15,570</b>

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**Notes to the Financial Statements (Continued)**

**10 Accounts Receivable**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Fees Arrears	11,134,352
<b>Total</b>	<b>11,134,352</b>

**Ageing Analysis of the Fees Arrears**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Fees Arrears for the period	1,980,855
Fees Arrears For The Previous Year	2,102,875
Fees Arrears For Prior Periods (Over Two Years)	7,050,622
<b>Total</b>	<b>11,134,352</b>

**11 Accounts Payable**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Trade Creditors (See Ageing Below and Appendix 1)	1,849,931
Prepaid Fees	364,445
<b>Total</b>	<b>2,214,376</b>

**Ageing Analysis of the Creditors' Arrears**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Trade Creditors for period	1,849,931
<b>Total</b>	<b>1,849,931</b>

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**Notes to the Financial Statements (Continued)**

**12 Fund Balance Brought Forward**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Bank Balances	913,291
Cash Balances	25,925
Receivables	10,017,852
Payables	(1,097,876)
<b>Total</b>	<b>9,859,192</b>

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**Other important disclosure notes**

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

**13 Biological assets**

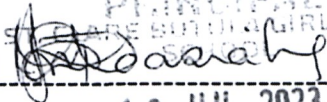
<b>Description</b>	<b>Numbers</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
		<b>Kshs</b>
Cattle	4	120,000.00
Trees	120	60,000.00
<b>Total</b>	<b>124</b>	<b>180,000.00</b>

**14 Stock/ Inventory**

<b>Description</b>	<b>1<sup>st</sup> January-30<sup>th</sup> June 2021</b>
	<b>Kshs</b>
Stock/ inventory purchased during the year	10,057,703
Stock/ inventory issued during the year	10,757,703
<b>Balance at end of the year</b>	<b>600,000</b>

**15 Progress On Follow Up Of Auditor Recommendations**

The School had not been audited by the Auditor-General before.

  
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Sign and Date 10 JUL 2021  
Principal  
P. O. Box 213 - 50405 BUTULA

**ST. CLARE BUTULA GIRLS HIGH SCHOOL**  
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**Annex 1 - Analysis of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Comments
	A	B	C	d=a-c	
	Kshs	Kshs	Kshs	Kshs	
<b>Supply Of Goods</b>					
Rukiaoduori	259,120	22 JAN 2021	0	259,120	
Risperadongo	29,540	22 JAN 2021	0	29,540	
Bananga Enterprise	134,500	22 JAN 2021	0	134,500	
Webuyeundugu Electricals	222,230	22 JAN 2021	0	222,230	
Star Rise Hardware	120,600	22 JAN 2021	0	120,600	
Ekerojiko Sales	246,750	22 JAN 2021	0	246,750	
Sr. Jane Amukoye	279,950	22 JAN 2021	0	279,950	
Mini Bakeries	27,300	22 JAN 2021	0	27,300	
Margaret Oduor	63,030	22 JAN 2021	0	63,030	
Vincent Osamo	25,560	22 JAN 2021	0	25,560	
George Ojwanga	5,600	22 JAN 2021	0	5,600	
Tophics Art & Signs	104,300	22 JAN 2021	0	104,300	
Sr. Jane Amukoye	679,950	22 JAN 2021	0	679,950	
<b>Sub-Total</b>	<b>784,250</b>	22 JAN 2021	0	<b>784,250</b>	
<b>Supply Of Services</b>					
Ivory Skills	1,065,681	22 JAN 2021	0	1,065,681	
<b>Sub-Total</b>	<b>1,065,681</b>	22 JAN 2021	0	<b>1,065,681</b>	
<b>Grand Total</b>	<b>1,849,931</b>	22 JAN 2021	0	<b>1,849,931</b>	

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

<b>Asset Class</b>	<b>Date purchased/ Donation</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2021</b>
Land – Butula Girls High School	1990	Butula	-	0	0	0
Land – Butula Girls High School	2015	Butula	1,700,000	0	0	1,700,000
Buildings and Structures	1990-2021	Butula	27,000,000	0	0	27,000,000
Motor Vehicles	2014	Butula	6,600,000	0	0	6,600,000
Office Equipment, Furniture and Fittings	1990-2021	Butula	450,000	0	0	450,000
ICT Equipment, and Other ICT Assets	1990-2021	Butula	310,000	0	0	310,000
Tools and Apparatus	1990-2021	Butula	300,000	0	0	300,000
Textbooks	1990-2021	Butula	1,000,000	0	0	1,000,000
Other Machinery and Equipment ( Generator)	2019	Butula	420,000	0	0	420,000
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
<b>Total</b>	<b>1990-2021</b>		<b>37,780,000</b>	<b>0</b>	<b>0</b>	<b>37,780,000</b>

**NB:** The 1990 land was donated.