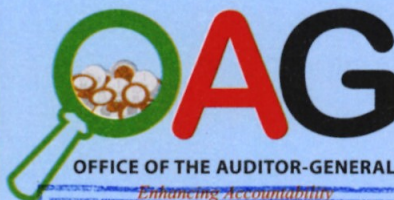


REPUBLIC OF KENYA



REPORT

DATE: 25 JUN 2026

DAY.

Thur

OF

TABL /
BY:

Hon. Cwani Baya, MP
Dep leader Majority Party

CLERK-
THE-TABLE:

M. Chumo

THE AUDITOR-GENERAL

ON

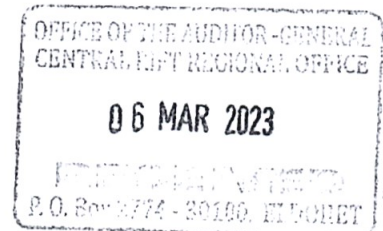
PARLIAMENT
OF KENYA
LIBRARY

KAMAGUT HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2021

UASIN GISHU COUNTY

Revised 30th June 2021.



**KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Contents	Page
I. TABLE OF CONTENTS.....	1
II. KEY SCHOOL INFORMATION AND MANAGEMENT	2
III. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	8
IV. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	17
V. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF KAMAGUT HIGH SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	18
VI. CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2021	19
VII. CONSOLIDATED STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021	20
VIII. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	21
IX. CONSOLIDATED TRIAL BALANCE AS AT 30 TH JUNE 2021	22
X. NOTES TO THE FINANCIAL STATEMENTS	24
XI. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021	28
XII. SIGNIFICANT ACCOUNTING POLICIES	32
XIII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS	34
XIV. ANALYSIS OF PENDING ACCOUNTS PAYABLE	36
XV. SUMMARY OF FIXED ASSETS REGISTER	37

KEY SCHOOL INFORMATION AND MANAGEMENT

KAMAGUT HIGH SCHOOL

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in UASIN GISHU COUNTY, **TURBO SUB COUNTY**

The school was registered in 22nd February 2010 under registration number **GP/A/2/4048/2010** and is currently categorized as a **EXTRA COUNTY SCHOOL** established, owned or operated by the Government.

The school is a mixed boarding school and had **557 students** as at 30th June 2021 (**exclusive of 183 candidates who had done KCSE for year 2020**).

It has **4 streams** and **46 teachers** of which **9 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:

BOARD OF MANAGEMENT REPRESENTATIVE.

S.NO		CATEGORY	NAME	DATE OF APPOINTMENT
1.	County Education Board		Prisca C. Simotwo.	19/07/2019
2.	Special Interest		Dr. Kimeli Peter.	19/07/2019
3.	Special Needs		Meshack Kiprotich.	19/07/2019
4.	Sponsor		Eunice C. Surtan .	19/07/2019
5.			Japheth K. Too.	19/07/2019
6.			Francis Cheplel.	19/07/2019
7.	Parents	Parents	Prudence N. Abuga.	19/07/2019
8.			Jane N. Kariuki.	19/07/2019
9.			Ebby O. Mulinya.	19/07/2019
10.			Joseph K. Maritim.	19/07/2019
11.			Reuben K. Sawe.	19/07/2019

12.		Community	Geofrey K. Tuwei.	19/07/2019
13.	Teacher Representative		Kibor J. Emily.	19/07/2019
14.	Student Representative		Bureti Musa Fancy Chepkoech	19/07/2019
15.	Principal		Kipngeno Bett.	19/07/2019
16.	Sub – County Director of Education			
17.	Coopted PA		John K. Bor	19/07/2019
18.			Eunice Koech	19/07/2019
19.			Issiah Bin Sang	19/07/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

- Promote the best interests of the school and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the school
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the school.
- Determine cases of students' 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 paragraph 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	Francis Cheplel. Prisca Simotwo. John K. Bor. Jane N. Kariuki. Dr. Kimeli Peter. Meshack Kiprotich. Eunice Surtan.	Chairman Secretary Member Member Member Member Member	1 out of 3
2	Audit Committee	Jane N. Kariuki. Isaiah Bin Sang. Reuben K. Sawe	Chairman Secretary Member	0 out of 3
3	Finance, procurement and general-purpose Committee	Reuben K. Sawe. Eunice Koech. Eunice Surtan. Issiah Bin Sang. Meshack Kiprotich. Japheth Too.	Chairman Secretary Member Member Member Member Member	0 out of 3
4	Development Committee	Mr. Isaiah Bin Sang Mr. Eunice Surtan Mr. John Bor Mr Meshack Lelei	Chairman Secretary Member Member	0 out of 3
5	Academic Committee	Prisca C. Simotwo. Dr. Kimeli Peter. Joseph Maritim.	Chairperson Secretary Member	0 out of 3
6	Discipline and welfare Committee	Joseph Maritim. John K. Bor. Prudence N. Abuga	Chairman Secretary Member	0 out of 3

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**(d) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Nicholas kiplimo lagat	347905
2	Deputy Principal-Administration	Michael ngelechei	372484
4	School Finance Officer	Loice rutto	BOM 2012/054

1. SCHOOL CONTACT ADDRESS:

KAMAGUT HIGH SCHOOL,
P O BOX 1894 – 30100 ,
ELDORET.

2. SCHOOL PHONE NUMBER.

0707- 790420
0721-751877.

3. E MAIL ADDRESS.

kamagutsecondary@yahoo.com.

KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)**(e) School Bankers**

The school operated 8 number of bank accounts and 1 Pay bill number as follows:

		ACCOUNT NAME	ACCOUNT NO.	BANK	BRANCH
1	B.E.S.	KAMAGUT HIGH SCHOOL	01021027727300	National Bank	Eldoret
2	TUITION	KAMAGUT HIGH SCHOOL	01025027727300	National Bank	Eldoret
3	OPERATION	KAMAGUT HIGH SCHOOL	01025027727301	National Bank	Eldoret
4	B.E.S.	KAMAGUT HIGH SCHOOL MAIN ACCOUNT	1176710869	KCB	Eldoret West
5	M.I	KAMAGUT SECONDARY SCHOOL	1117401707	KCB	Eldoret West
6	DONATION / P.T.A	KAMAGUT SEC.SCHOOL DONATION ACCOUNT	1253880476	KCB	Eldoret West
7	C.D.F	KAMAGUT SECONDARY SCHOOL- CDF	01141598756400	CO- OPERATIVE	Eldoret West
8	B.E.S SALARIES	KAMAGUT SECONDARY SCHOOL- SALARIES	01139685592400	CO- OPERATIVE	Eldoret West

1. MPESA PayBill No.:

Business Number: 522123,
Account Number: 26987K
Attached to bank account
1176710869

(f) Independent Auditors

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

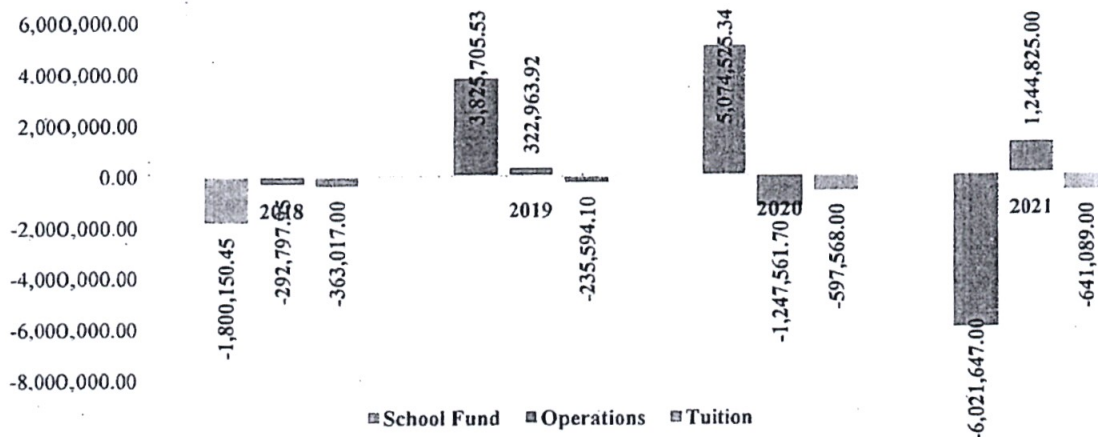
I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

The following is a summary report of the performance of the school against the set performance evaluation criteria. Under this section, it reflects the actual financial performance trend for the last three years period between 1st January 2018 to 31st December 2020 which covers a period of 12 months while

30th June 2021 covers a period of 6 months and is summarised as follows:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS					
SNO	ACCOUNTS	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	(6,021,647.00)	5,074,525.34	3,825,705.53	(1,800,150.45)
2	Operations Account	1,244,825.00	(1,247,561.70)	322,963.92	(292,797.95)
3	Tuition Account	-641,089.00	(597,568.00)	(235,594.10)	(363,017.00)
	TOTAL	(5,417,911.00)	3,230,288.74	3,929,900.45	(2,455,965.40)
	Increase/Decrease	(2,187,622.26)	(699,611.71)	6,385,865.85	(3,679,839.90)

Trend Over the Last Three Years



The surplus for the year 2019 increased by Kshs 6,385,865.85 from a deficit of Kshs 3,679,839.85 in the year 2018 which was attributed to bulk purchases for most of requisition.

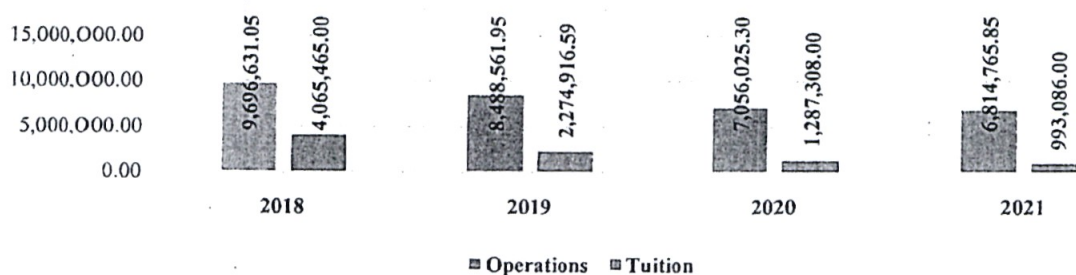
There was a deficit in the year 2020 and 2021 of Kshs 699,611.71, and 2,187,622 respectively from a surplus of

Kshs 6,385,865.85 in the year 2019 due to prolonged closure after abrupt shutting of the schools due to Covid-19.

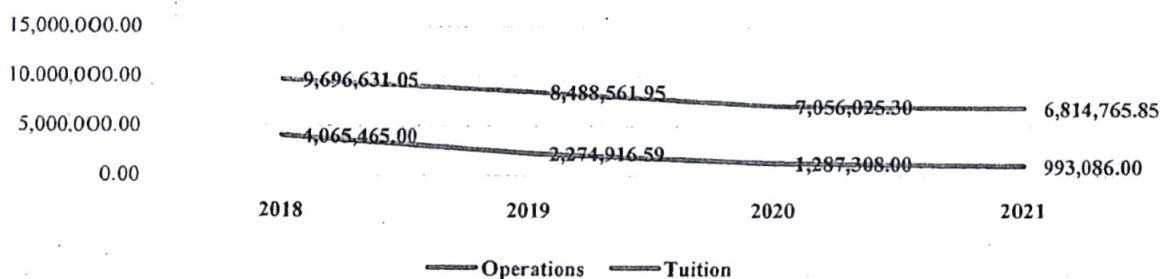
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021	2020	2019	2018
		KSHS	KSHS	KSHS	KSHS
1	Operations Account	6,814,765.85	7,056,025.30	8,488,561.95	9,696,631.05
2	Tuition Account	993,086.50	1,287,308.00	2,274,916.59	4,065,465.00
	Total	7,807,852.35	8,343,333.30	10,763,478.54	13,762,096.05
	Increase/Decrease	(535,480.95)	(2,420,145.24)	(2,998,617.51)	13,762,096.05
	No of Students	772	787	702	771
	Ratio of Capitation per student	1:10113.80	1:10601.44	1:15332.59	1:17849.67

Trend Over the Last Three Years



Trend Over the Last Three Years



The total capitation grants for the financial year 2019 was Kshs 10,763,478.54 as compared to Kshs 13,762,096.05 in the financial year 2018 representing a decrease of Kshs 2,998,617.51

The net decrease is mainly attributed by the drop student population from 771 in the year 2018 to 702 in the 2019, and also the retention money allocated for text books.

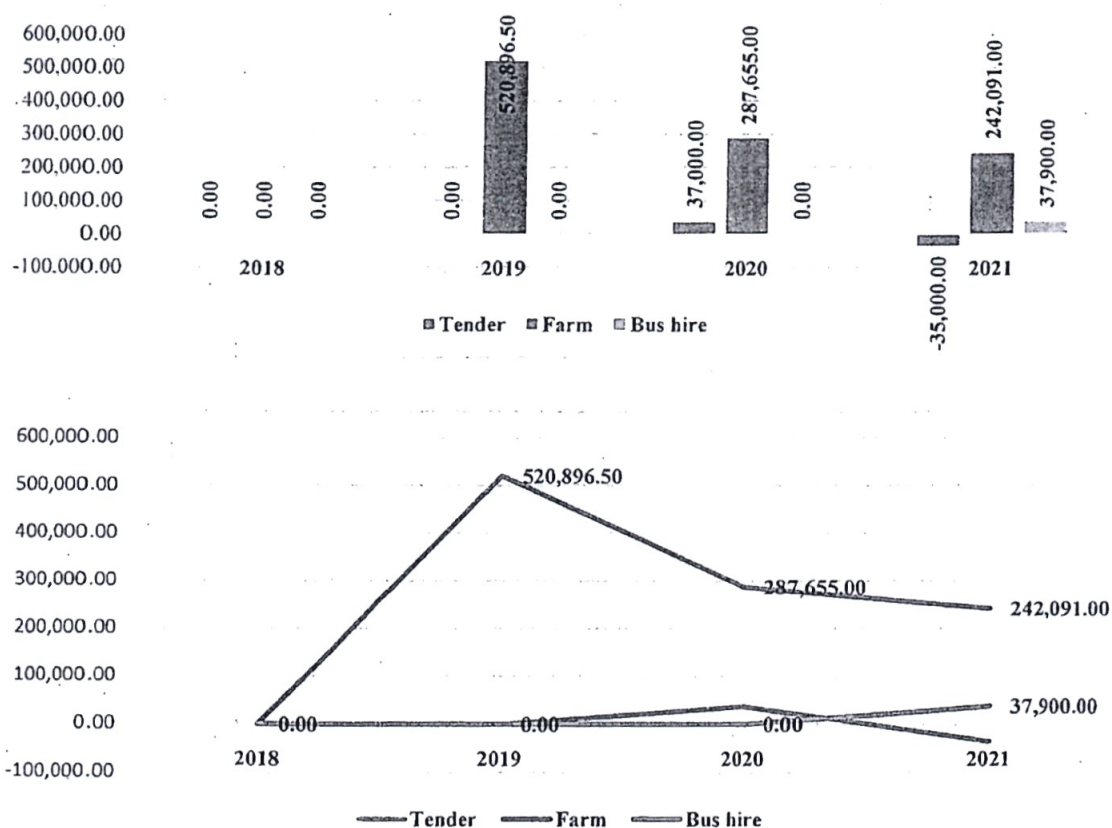
The total capitation for the year 2020 was Kshs 8,343,333.30 as compared to Kshs 10,763,478.00 in the financial year 2019 representing a decrease of Kshs 2,420,145.24 which resulted from not all students' received capitation grant, prolonged abrupt closure of the school due to Covid-19 and not all capitation grant were disbursed by the end of financial year 2020.

The capitation grant for the financial year 2021 was Kshs 7,807,852.35 as compared to Kshs 8,343,333.30 in the financial year 2020 representing a decrease of Kshs 535,480.95. the net decrease is mainly attributed by the disbursement of capitation for term 2 2020 and term 3 2020 only. Also, the current period covers a period of 6 months.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF NET GROWTH OF OTHER INCOME(S) (Note 21)					
SNO	ACCOUNTS	2021	2020	2019	2018
		KSHS	KSHS	KSHS	KSHS
1	Tender	(35,000.00)	37,000.00	0.00	0.00
2	Farm	242,091.00	287,655.00	520,896.50	0.00
3	Bus Hire	37,900.00	-	0.00	0.00
	Total	244,991.00	324,655.00	520,896.50	0.00
	Increase/Decrease	(79,664.00)	(196,241.50)	520,896.50	0.00

Trend Over the Last Three Years



Trend Over the Last Three Years

The decrease of other income generating activities for the financial year 2021 was Kshs 244,991.00 as compared to Kshs 324,655.00 in the financial year 2020 which represent a decrease of Kshs 79,664.00

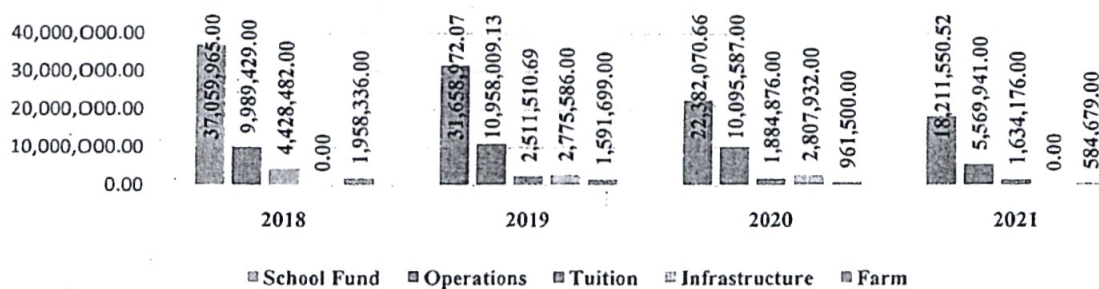
The net growth of other income generating activities for the financial year 2020 was Kshs 324,655.00 as compared to Kshs 520,896.5000 in the financial year 2019 which represent a decrease of Kshs 196,241.50

Both financial years 2021 and 2020 were affected by the Covid-19 pandemic which hinders the hire of school bus and van, and profit on purchase of bulls by school farm

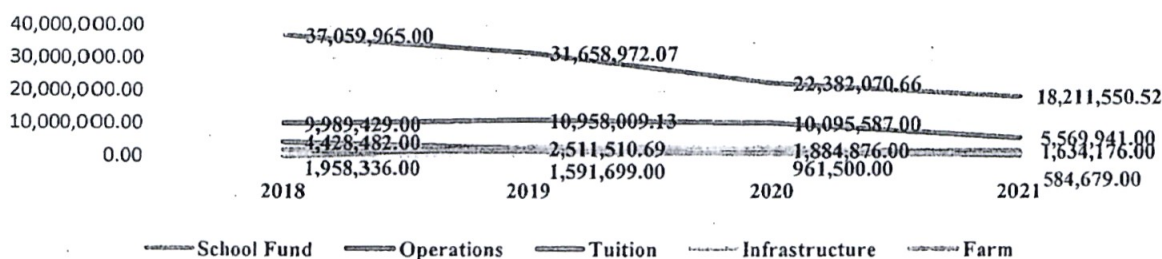
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	18,211,550.52	22,382,070.66	31,658,972.07	37,059,965.00
2	Operations Account	5,569,941.00	10,095,587.00	10,958,009.13	9,989,429.00
3	Tuition Account	1,634,176.00	1,884,876.00	2,511,510.69	4,428,482.00
4	Infrastructure Account	0.00	2,807,932.00	2775586	0.00
5	Farm Account	584,679.00	961500	1591699	1,958,336.00
	Total	26,000,346.52	38,131,965.66	49,495,776.89	53,436,212.00
	Increase/Decrease	(12,131,619.14)	(11,363,811.23)	(3,940,435.11)	(1,528,688.10)

Trend Over the Last Three Years



Trend Over the Last Three Years

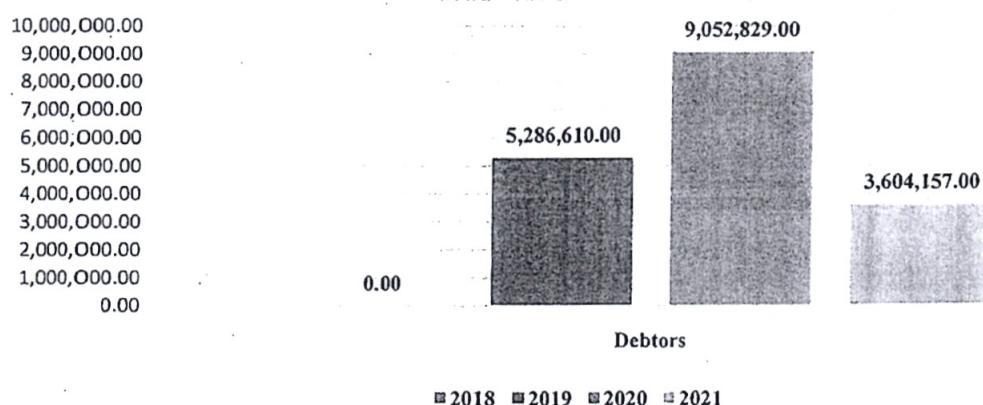


The financial year 2021 shows a decrease of growth in expenditure which has resulted from the current year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	2018
1	School Fund Account	KSHS	KSHS	KSHS	KSHS
a	Debtors	3,604,157.00	9,052,829.00	5,286,610.00	
	Total	3,604,157.00	9,052,829.00	5,286,610.00	0.00
	Increase/Decrease	(5,448,672.00)	3,766,219.00	5,286,610.00	(3,796,959.00)

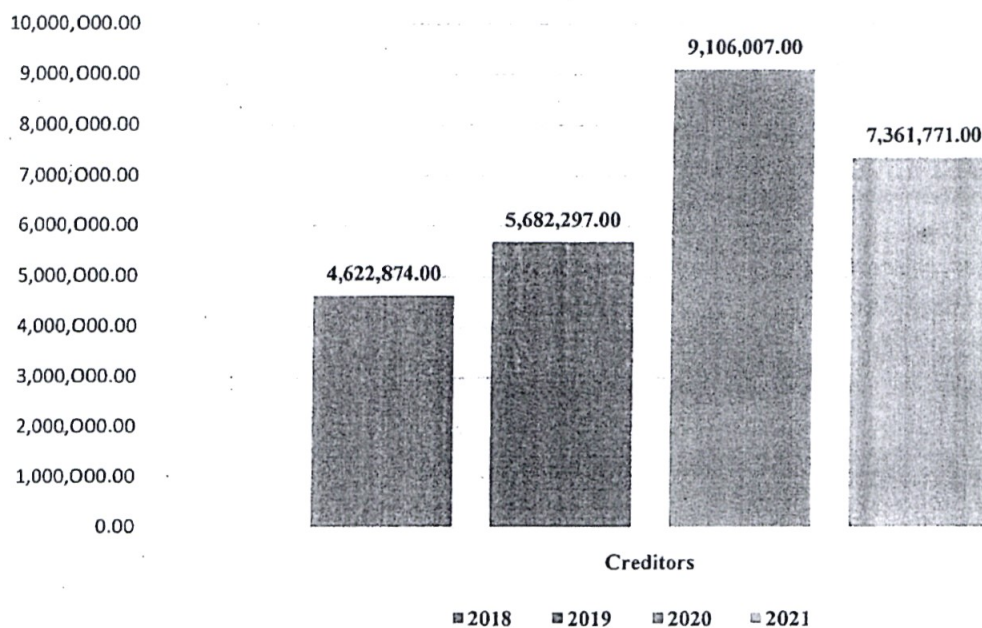
Trend Over the Last Three Years



Total debtors as at 31st Dec 2020 increased to 9,052,829 representing .71% compared to Kshs 5,286,610 at the end of the financial year 2019 . The main contributors to the increase in total debtors is non collection of fees due to covid pandemic in the year 2020.

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	2018
1	School Fund Account	KSHS	KSHS	KSHS	KSHS
a	Creditors	7,361,771.00	9,106,007.00	5,682,297.00	4,622,874.00
	Total	7,361,771.00	9,106,007.00	5,682,297.00	4,622,874.00
	Increase/Decrease	(1,744,236.00)	3,423,710.00	1,059,423.00	1,770,518.00

Trend Over the Last Three Years

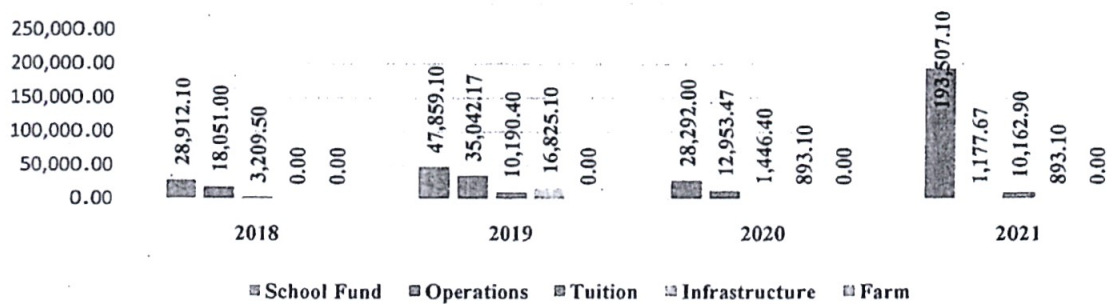


Total creditors as at 31st Dec 2020 increased to Kshs 9,106,007.00 compared to Kshs 5,682,297.00 as at the end of the financial year 2019 was due to non payment of creditors due to covid. The slight decrease of Creditors as at 31 June 2021 to 7,361,771 from 9,106,007.00 was due to slow recovery from covid and change of financial calendar of school.

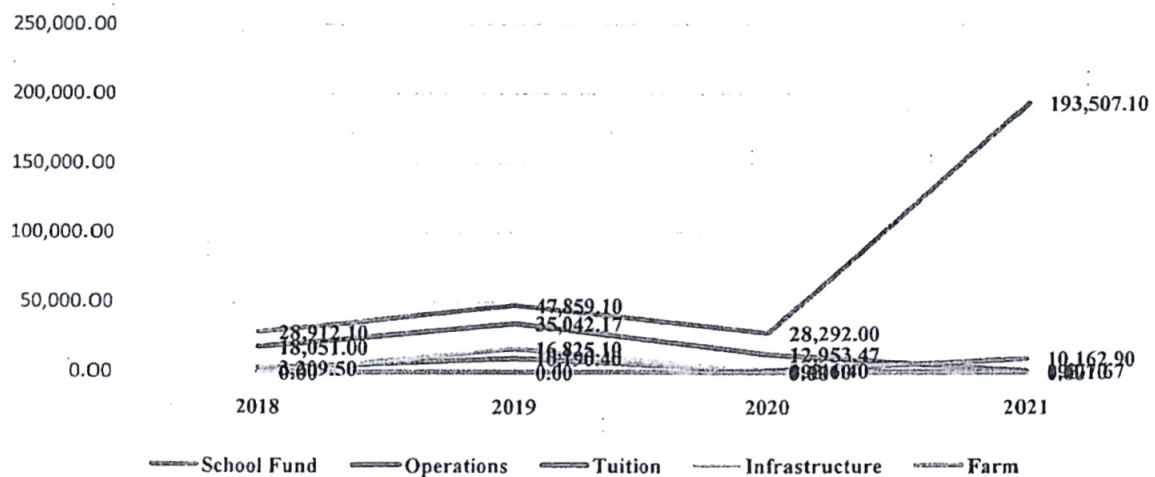
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2021	2020	2019	2018
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	193,507.10	28,292.00	47,859.10	28,912.10
2	Operations Account	1,177.67	12,953.47	35,042.17	18,051.00
3	Tuition Account	10,162.90	1,446.40	10,190.40	3,209.50
4	Infrastructure Account	893.10	893.10	16,825.10	-
5	Farm Account	-	-	-	-
	Total	205,740.77	43,584.97	109,916.77	50,172.60
	Increase/Decrease	162,155.80	(66,331.80)	59,744.17	7,968.05

Trend Over the Last Three Years



Trend Over the Last Three Years



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

a) Teacher Student ratio:

Between the month of January 2021 and June 2021, the status of the teaching staff is as follows:

There are 36 teachers posted by the Teachers Service Commission and 9 recruited by the Board of Management. Although the teacher student ratio lies at 1: 24. We have a shortage of 9 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4

b) Mean score in the year 2018, 2019 and 2020KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2020	183	6.191	45	25%	7.5	There was a +Ve deviation of 0.739 as compared the year 2019
2019	164	5.4512	44	27%	7.0	There was a +Ve deviation of 0.4102 as compared the year 2018
2018	194	5.041	37	19%	7.0	There was a +Ve deviation of 0.257 as compared the year 2017

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

c) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	IMPROVEMENT OF 2 CLASSES AND 1 COMP LAB	2019	Completed	383,790.00	TIG,Maintenance & Improvement
2	IMPROVEMENT OF LIBRARY AND LABORATORY	2019	Completed	393,340.00	TIG,Maintenance & Improvement
3	IMPROVEMENT OF 5 DORMITORIES	2019	Completed	441,350.00	TIG,Maintenance & Improvement
4	CONSTRUCTION OF GIRLS ABLUTION BLOCK	2019	Completed	608,225.00	TIG,Maintenance & Improvement
5	ESTABLISHMENT OF FOOT PATHS	2019	Completed	948,881.00	TIG,Maintenance & Improvement
6	SCHOOL FACELIFTING	2020	Completed	1,493,165.00	TIG,Maintenance & Improvement
7	COMPLITION GIRLS ABLUTION BLOCK	2020	Completed	539,990.00	TIG,Maintenance & Improvement
8	COMPLIANCE TO COVID 19 MOH DEMANDS	2020	Completed	331,130.00	TIG,Maintenance & Improvement

Mr Francis Cheplel

Kiplimo Lagat (Mr)

Loice Rutto (Ms)

**Chair,
Board of Management**

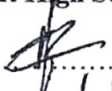
**Secretary,
Board of Management
/Principal**

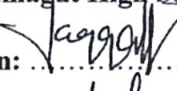
Finance Officer

Kamagut High School

Kamagut High School

Kamagut High School

Sign: 

Sign: 

Sign: 

Date: 1/3/2023

Date: 01/03/2023

Date: 01/03/2023



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 Extra County Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

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

The Board of Management of **Kamagut 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 30th June, 2021, and of the school's financial position as at that date.

Mr Francis Cheplel

**Chair,
Board of Management**

Kamagut High School

Sign:

Date: 1/3/2023

Kiplimo Lagat (Mr)

**Secretary,
Board of Management
/Principal**

Kamagut High School

Sign:

Date: 01/03/2023



Loice Rutto (Mrs)

Finance Officer

Kamagut High School

Sign:

Date: 01/03/2023

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAMAGUT HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 - UASIN GISHU 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 Kamagut High School- Uasin Gishu County set out on pages 19 to 36, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2021, the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the period 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 Kamagut High School at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of financial statements submitted for audit revealed the following inaccuracies;

- i. The statement of receipts and payments reflects a nil amount in respect of School fund income – other receipts for the year 2020. However, Note 4 to the financial statements indicates that School fund income – other receipts amounted to Kshs.37,000 in year 2020. In addition, the statement reflects boarding and school fund payments amounting to Kshs.22,382,070 relating to year 2020. However, Note 7 to the financial statements discloses boarding and school fund payments amounting to Kshs.23,343,570, resulting in unreconciled variance of Kshs.961,500.
- ii. The statement of financial assets and financial liabilities reflects fund balances brought forward and comparative balance of Kshs.1,490,919. However, Note 13 indicates that the fund balances brought forward amounted to Kshs.43,863,563 and Kshs.27,430,419, in respect of the period 2020 and 2021 respectively. Further, the individual balances disclosed in the Note did not add up to the total balances disclosed of Kshs.43,863,563 and Kshs.27,430,419, in respect of the period 2020 and 2021. In addition, the statement does not reflect a surplus of Kshs.3,229,396 reflected in the statement of receipts and payments in respect of year 2020.
- iii. The statement of cashflows reflects School fund income -parents contributions/fees as Kshs. 14,462,223. However, review of the cashbook revealed that actual receipts into the School fund income -parents contributions/fees was Kshs.11,305,634 which was in agreement with amount reported in the statement of receipts and payments. However, the variance of Kshs.3,156,589 was not explained or reconciled. In addition, the statement of

cashflows reflects a cash and cash equivalent at the beginning and at the end of the year 2020 of Kshs.(89,940). However, the statement does not disclose the cashflows from operating, investing and financing activities for the period, despite the statement of receipts and payments reporting receipts and payments totaling to Kshs.37,591,929 and Kshs.34,362,534 respectively.

- iv. The statement of budgeted versus actual amounts reflects actual receipts and payments on a comparable basis of Kshs.14,674,356 and Kshs.16,176,828 respectively, which are at variance with receipts of Kshs.23,154,345 and payments of Kshs.22,860,224, reported in the statement of cashflows. This is despite the fact that the two statements are prepared on a cash basis. The variance of Kshs.8,479,989 and Kshs.6,683,396 in respect of the receipts and payments respectively were not reconciled.
- v. Note 17 to the financial statements reflects an inventory balance of Kshs.1,523,375 as at 30 June, 2021. The movement in the inventory balance disclosed in the Note indicates that the opening inventory balance (as at 1 January, 2021) amounted to Kshs.1,276,815. However, no closing balances had been disclosed in respect of year 2020. The opening balance was therefore not supported.
- vi. Note 15 to the financial statements reflects biological assets valued at Kshs.400,000 as at 30 June, 2021. However, no balances were disclosed in respect of year 2020, despite there being no additions reported on during the period ending 30 June, 2021.
- vii. The summary of fixed assets register at Annex 2 to the financial statements reflects an opening balance in respect of fixed assets of Kshs.109,217,510, with no additions or disposals during the year. However, Note 7 to the financial statements indicates that the School made payments amounting to Kshs.13,900,730 in respect of boarding equipment and stores. the equipment paid for were not disclosed in the summary of the fixed assets register.

In the circumstances, accuracy and completeness of the statement of cashflows and bank balances could not be confirmed.

2. Unsupported Accounts Receivables Balance

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.4,140,057 as disclosed in Note. 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit for audit.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs. 4,140,057 could not be confirmed.

3. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and liabilities reflects cash and cash equivalent balance of Kshs.204,182 as disclosed in Note 8 and 9 to the financial statements. Included in the balance are balances held in three (3) bank accounts totalling Kshs.152,214 and cash in hand of Kshs.51,968 that were not supported by bank statements, bank certificates, bank reconciliations and cash count certificates. Further, five (5) out of the eight (8) bank accounts disclosed in the school's key information and management were not included as part of cash and cash equivalents.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.204,182 could not be confirmed.

4. Unsupported Accounts Payables Balance

The statement of financial assets and liabilities reflects payables balance of Kshs.8,271,231 as disclosed in Note 12 to the financial statements. According to the Note, the balance comprises of trade creditors and prepaid fees of Kshs.7,361,771 and Kshs.909,460 respectively. However, Management did not provide supporting documentation for the trade creditors such as; approved purchase requisitions, request for quotation or tender documents, signed contracts or Local Purchase Orders (LPO) / Local Service Orders (LSOs), delivery note, Goods Received Notes (GRNs), inspection and acceptance committee reports, job cards or service completion certificates, supplier's original Invoice and supplier statements. In addition, no supporting schedule, fee payment receipts and student statements were provided to support the fee prepayments of Kshs.909,460.

In the circumstances, the accuracy and completeness of accounts payables amounting to Kshs.8,271,231 could not be confirmed.

5. Unsupported Budget Amounts

The statement of budgeted versus actual amounts reflects total receipts and expenditure budget of Kshs.29,626,560 and Kshs.33,376,560 respectively. However, the amounts were not supported by an approved budget.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kamagut High 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.

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, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unaudited Comparative Balances

I draw attention to the fact that prior to the 2020/2021 financial year, Public Secondary Schools in Kenya did not prepare financial statements for audit. Consequently, the Public Sector Accounting Standards Board prescribed 30 June, 2021 as the first-time adoption of the International Public Sector Accounting Standards (IPSAS) – Cash Basis of Accounting by Public Secondary Schools.

The financial statements for the year ended 30 June, 2021 include comparative information. However, the comparative figures were based on unaudited figures. My audit procedures were, therefore, limited to the extent that comparative information does not contain misstatements that materially affect the current period's financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information. My audit opinion on the current period financial statements is not modified in respect of this matter.

Other Information

The Board of Management is responsible for the Other Information set out on page 2 to 17 which comprise of Key School Information and Management, Summary Report of Performance of the School, Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

The annual reports and financial statements did not comply with the reporting template issued by the Public Sector Accounting Standards Board as follows:

- i. Management presented the annual report and financial statements covering one year from July 2020 to June 2021 contrary to the Public Sector Accounting Standards Board (PSASB) guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 which required the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021. Further, no disclosure Note was made in the financial statements on the change from calendar year to government fiscal year and lack comparability due to the longer period covered by the current financial period.
- ii. The annual reports and financial statements are not appropriately numbered and referred to as consolidated.
- iii. The School Board of Management information did not include the designation of the Board members.
- iv. The summary report of the School's performance does not tabulate the number of candidates who sat for KCSE over the previous three years and does not indicate the number of students in the school vis a vis the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities.
- v. The financial statements components have not been presented in the order prescribed by the reporting template. Notes to the financial statements are erroneously presented before the accounting policies and the statement of budgeted versus actual amounts.

- vi. The statement of budgeted versus actual amounts reflects several instances of significant underutilizations (below 90% of utilization). However, a commentary the underutilizations has not been provided.
- vii. Significant accounting policies under paragraph 1 states that financial statements are presented in Kenya Shillings and rounded off to nearest Kenyan Shilling. However, all figures in the financial statements are not rounded off.

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

2. Lack of an Approved Budget

Management did not prepare and submit for approval, annual estimates of revenue and expenditure contrary to the provisions of paragraph 16 of the fourth schedule to the Basic Education Act, 2013 and the operation manual for utilization of learner capitation grant and other school funds, 2020.

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

3. Late Submission of Financial Statements to the Auditor General

The annual reports and financial statements for Kamagut High School High School for the financial year ended 30 June, 2021 were submitted to the office of the Auditor-General for audit on 6 March, 2023, eighteen (18) months after the statutory deadline of 30 September, 2021. This was contrary to Regulation 101(4) of the Public Finance Management (National Government) Regulations 2015, which states that an Accounting Officer shall prepare and submit financial statements within three months after the closure of the financial year.

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

4. Lack of an Imprest Register

The statement of receipts and payments and Note 6 to the financial statements reflects operations payments of Ksh.5,569,941. Review of the cashbook indicated the existence of cash advances to staff attending to school activities. However, during the year under review, the school did not maintain an imprest register, contrary to Regulation 93 (4) of the Public Finance Management (National Government) Regulations, 2015. Further, in the absence of an imprest register it was not possible to confirm the issuance and accounting of imprest and verify the nil outstanding imprest balance reported.

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

5. Failure to Prepare School Improvement Plan

During the 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 law.

6. Non-Compliance with Affirmative Action Requirements in Procurement

The statement of receipts and payments reflects payments amount of Kshs.25,415,668 as disclosed in Notes 5,6 and 7 to the financial statements which includes an amount of Kshs.19,196,828 in respect of procurement of goods and services from the school's suppliers. Review of payments for goods and services suppliers revealed that the school did not reserve 30% of the Procurement of goods and services for Youth Women and Persons with Disabilities, contrary to Section 53 (6) of Public Procurement and Disposal Act.

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

7. Lack of a Functional Procurement Unit

During the period under review, the School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

Further, the School failed to maintain complete procurement records, including tender documents, tender advertisements, bid evaluation reports, correspondences with supplier, contract documents, payment certificates and contract performance monitoring reports. This was contrary to Section 68 of the Public Procurement and Asset Disposal Act, 2015 which states that an accounting officer of a procuring entity shall maintain a proper filing system with clear links between procurement and expenditure files that facilitates an audit trail.

In the circumstances, Management was in breach of law.

8. Non-Compliance with Ethnic Diversity Requirements in Employment

During the year under review the school had 76 members of staff, 47 teaching staff and 29 non-teaching staff. Among the staff members, 28 of the 29 non-teaching staff and 40 of the 46-teaching staff comprising a combined 87% of the member of staff come from the same ethnic community. This is contrary to section 7(2) of the national cohesion and Integration Act which sets a maximum of one third (33%)

In the circumstances, Management was in breach of law.

9. Inadequacy of Facilities in the School

During the review of the School's records and physical inspection, it was noted that no documented facility assessment reports were available to demonstrate that the School's infrastructure meets the minimum standards under Regulation 64 of Basic Education Regulation, 2015. In addition, there was no evidence that the Board of Management monitored or verified the adequacy of classrooms, boarding facilities, laboratories, libraries, sanitation facilities, or outdoor play areas, as required by Section 59(c) of the Basic Education Act, 2013. Further, the School did not maintain documentation to support compliance with Sections 39 of the Act, and Regulations 82(2) and 83 of the Basic Education Regulation, 2015, including evidence that premises and equipment are appropriate for the programmes offered.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Weaknesses in System Security and Controls

Review of the school's financial system revealed that no requests were made by users before they are allowed system access, login sessions persisted for many days until users logged out, users could concurrently log in on multiple computers and regular backups of important information from the system were not made.

In circumstances, the effectiveness of controls in management of the financial system could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements - summary of fixed assets register reflects property, plant and equipment balance of Kshs.109,217,510. However, review of the school's assets register revealed assets which includes land, buildings, motor vehicles, plant and equipment balance of Kshs.12,467,934 resulting to unexplained variance of Kshs.96,749,576. Further, land ownership documents for three (3) parcels of land are still registered in the name of the School sponsor. In addition, Management did not prepare an updated fixed assets register and all assets at the school were not tagged.

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

3. Effectiveness of the Internal Audit Function and Audit Committee

During the year under review, no evidence was provided that internal audit had been carried out and the constituted audit committee did not hold any meetings. Failure to carry out an internal audit is contrary to Section 73(1)(a) of the Public Finance Management Act, which states that every national government entity shall ensure that it has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. In addition, inactivity of the audit committee contravenes the provisions of regulation 179(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the audit committee shall meet at least once in every three months.

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

4. Weaknesses in the Board of Management

During the year under review, the Board lacked an annual board work plan or schedule of activities/board charter for the year under review as envisioned by section 59 of the Basic Education Act, 2013. In addition, the board did not submit an annual report on governance to Director of Basic Education as required by section 60 of the Basic Education Act, 2013. Further, the Board did not constitute sub committees as required by section 61(2) of the Act and did not provide evidence of meetings held.

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

5. Lack of Risk Management Policy and Failure to Carry out Risk Assessment

Review of the internal controls revealed that the school management had not developed a risk management policy nor were risk assessments performed for the period under review. This is contrary to Regulations 165(1) and 170(1) of the Public Finance Management (National Government) Regulations, 2015 which requires each national

government entity to develop risk management strategies and a system of risk management. In addition, a disaster recovery plan or business continuity plan was not in place.

In the circumstances, the School may not be able to mitigate any risk in case of any eventuality.

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 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

**CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR
ENDED 30TH JUNE 2021**

DESCRIPTION OF VOTE HEAD	Note	2021 - 2021	2020 - 2020
			Kshs
RECEIPTS			
Capitation grants for tuition	1	993,087.00	1,287,308.00
Capitation grants for operations	2	6,814,766.00	8,848,025.30
School Fund Income- Parents' Contributions	3	11,305,634.00	27,456,596.00
School Fund Income- Other receipts	4	884,270	-
Proceeds from borrowings			
TOTAL RECEIPTS		19,997,756	37,591,929.30
PAYMENTS			
Payments for Tuition	5	1,634,176	1884876
Payments for operations	6	5,569,941	10095587.00
Boarding and school fund payments	7	18,211,551	22382070.66
TOTAL PAYMENTS		25,415,668	34,362,533.66
SURPLUS/DEFICIT		(5,417,911)	3,229,395.64

The accounting policies and explanatory notes to these financial statements for an integral part of the financial statements. The report covers the six months for the period ended 30th June 2021 and accompanying comparatives cover the twelve months period ended 31st December 2020. The financial statements should be read in conjunction with the accompanying notes.

Mr Francis Cheplel

Kiplimo Lagat (Mr)

Loice Rutto (Mrs)

Chair,
Board of Management

Secretary,
Board of Management
/Principal

Finance Officer

Kamagut High School
Sign:

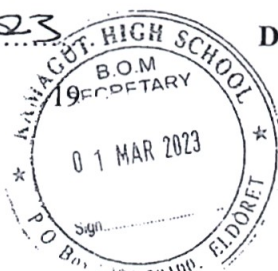
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Kamagut High School
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Date: 11/3/2023

Date: 13/3/2023

Date: 01/03/2023



**CONSOLIDATED STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2021**

	Note	2021-2021	2020-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	152,214	(92,984)
Cash Balances	9	51,968	3,044
Short term Investment	10	-	-
Total Cash and Cash Equivalents		204,182	(89,940)
Account's receivables	11	4,140,057	6,229,186
TOTAL FINANCIAL ASSETS		4,344,239	6,139,246
FINANCIAL LIABILITIES			
Accounts Payable	12	8,271,231	4,648,327
NET FINANCIAL SSETS		(3,926,992)	1,490,919
REPRESENTED BY			
Fund balance b/fwd. 1st July...	13	1,490,919	1,490,919
Surplus/Deficit for the year		(5,417,911)	-
NET FINANCIAL POSITION		(3,926,992)	1,490,919

Mr Francis Cheplel

Kiplimo Lagat (Mr)

Loice Rutto (Mrs)

Chair,
Board of Management

Secretary,
Board of Management
/Principal

Finance Officer

Kamagut High School
Sign:

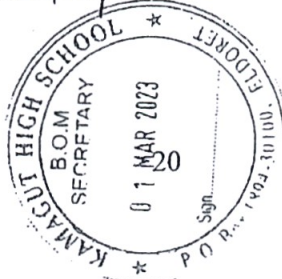
Kamagut High School
Sign:

Kamagut High School
Sign:

Date: 1/3/2023

Date: 1/3/2023

Date: 01/03/2023



KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2021 - 2021	2020 - 2020
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	993,087	-
Capitation grants for operations	2	6,814,766	-
School fund income- Parents contributions fees	3	14,462,223	-
School fund income- other receipts	4	884,270	-
Total receipts		23,154,345	-
Payments			
Payments for Tuition		1,634,176	-
Payments for operations		5,569,941	-
Boarding and school fund payments		15,656,107	-
		22,860,224	-
Net cash flow from operating activities		294,121	-
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM BORROWING ACTIVITIES		294,121.00	
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		294,121	-
Cash and cash equivalent at BEGINNING of the year	10	(89,940)	(89,940)
Cash and cash equivalent at END of the year		204,182	(89,940)

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

KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

CONSOLIDATED TRIAL BALANCE AS AT 30TH JUNE 2021

Cash and Cash equivalents		DR	CR
	Bank Balances	152,214	
	Cash Balances	51,968	
	Short term investments	-	
	Receivables	4,140,057	
Payments			
	Payments for Tuition	1,634,176	
	Payments for operations	5,569,941	
	Boarding and school fund payments	18,211,551	
Receipts	Capitation grants for tuition		993,087
	Capitation grants for operations		6,814,766
	School Fund Income- Parents' Contributions		11,305,634
	School Fund Income- Other receipts		884,270
	Proceeds from borrowings		
Prior year Adjustment			
	Fund Balance b/f		1,490,919
	Payables		8,271,231
TOTAL		29,759,906	29,759,906

Mr Francis Cheplel

Chair,
Board of Management

Kamagut High School
Sign:

Date: 1/3/2023

Kiplimo Lagat (Mr)

Secretary,
Board of Management
/Principal

Kamagut High School
Sign:

Date: 1/3/2023

Loice Rutto (Mrs)

Finance Officer

Kamagut High School
Sign:

Date: 1/3/2023



III. NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION GRANT FOR TUITION

		2021-2021	2020-2020
		Kshs	Kshs
Textbooks		-	
Exercise books		351,092.00	488,908.00
Laboratory equipment		230,683.00	321,650.00
Internal exams		180,546.00	244,454.00
Teaching / learning materials		-	-
Chalks		-	-
Exams and assessment		-	-
Reference/Library		230,765.50	234,296.00
Teachers guides		-	-
Total		993,086.50	1,287,308.00

2. CAPITATION GRANT FOR OPERATIONS

		2021-2021	2020-2020
		Kshs	Kshs
Personnel Emoluments		4,591,262.95	3,514,109.30
Maintenance & Improvement		510,396.50	3,145,500.00
Others		458,676.00	
Local Transport & Travelling		-	346,608.00
Electricity Water & Conservancy		482,473.40	758,258.00
Medical		-	
Administration Costs		603,337.00	665,950.00
Insurance		168,620.00	139,200.00
Activity		-	278,400.00
Total		6,814,765.85	8,848,025.00

3. PARENTS CONTRIBUTION/FEEs - SCHOOL FUND ACCOUNT

		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		1,627,578.00	4,106,074.00
Fee on Boarding Equipment and Stores		8,513,202.00	17,784,938.00
Maintenance & Improvement		272,879.00	2,209,893.00
Local transport / travelling		330,347.00	1,036,838.00
Electricity and water		258,752.00	1,161,258.00
Medical		19,126.00	-
Activity			189,600.00
Administration costs		273,688.00	930,995.00
KCSE		10,062.00	-
Total		11,305,634.00	27,419,596.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT

		2021-2021	2020-2020
		Kshs	Kshs
Income from farming activities		826,770.00	-
Income from Bus Hire		47,500.00	-
Tender fees		10,000.00	37,000.00
Total		884,270.00	37,000.00

5. PAYMENTS FOR TUITION

		2021-2021	2020-2020
		Kshs	Kshs
Laboratory Equipment and Chemicals		82,200.00	72,450.00
Internal exams		60,060.00	213,315.00
Teaching / learning materials		1,420,266.00	1,223,100.00
Library/reference materials		71,650.00	376,011.00
Total		1,634,176.00	1,884,876.00

6. PAYMENTS FOR OPERATIONS

		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		3,890,964.00	4,647,853.00
Administration Cost		565,954.00	186,000.00
Maintenance & improvements		335,408.00	3,968,860.00
Local transport / travelling		282,950.00	105,470.00
Electricity and water		343,167.00	299,204.00
Medical/Insurance		151,498.00	528,200.00
Activity		-	360,000.00
TOTAL		5,569,941.00	10,095,587.00

7. BOARDING AND SCHOOL FUND PAYMENTS

		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		1,917,786.00	3,084,864.00
Maintenance & Improvements		266,845.00	1,516,174.00
Local transport / travelling		437,820.00	1,370,185.00
Electricity and water		399,738.00	1,290,053.00
Medical Expenses		-	-
Administration costs		586,452.52	1,364,697.56
Expenses on Income Generating Activities		639,279.00	961,500.00
Fee on Boarding Equipment and Stores		13,900,730.00	13,197,957.10
Activity Expenses		62,900.00	558,140.00

8. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2021	2020-2020
		Kshs	Kshs
National Bank (Tuition Account)	01025027727300	10,162.90	1,446.40
National Bank (Operations Account)	01025027727301	511.67	40.82
K.C.B (School Fund Account/Boarding)	1176710869/01021027727300	141,539.10	(94,471.38)
Total		152,213.67	(92,984.16)

9. CASH IN HAND

Description		2021-2021	2020-2020
		Kshs	Kshs
Tuition Account		-	-
Operation Account		666.00	17.00
School Fund account		51,302.00	3,027.00
Total		51,968.00	3,044.00

10. SHORT TERM INVESTMENT

Description		2021-2021	2020-2020
		Kshs	Kshs
Cooperative shares		-	-
Treasury Bills		-	-
Fixed deposit		-	-
Equity stock		-	-
Other investments		-	-

11. ACCOUNTS RECEIVABLE

Description		2021-2021	2020-2020
		Kshs	Kshs
Fees arrears		3,604,157.00	6,104,186.00
Salary advances		158,000.00	125,000.00
Imprest		377,900.00	-
Total		4,140,057.00	6,229,186.00

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

Description		2021-2021	2020-2020
		Kshs	Kshs

Fees arrears for the previous year			
Fees arrears for prior periods (over two years)			
Total			

12.ACCOUNTS PAYABLE

Description		2021-2021	2020-2020
		Kshs	Kshs
Trade creditors (See ageing below and appendix 1)		7,361,771.00	4,648,327.00
Prepaid fees		909,460.00	-
Total		8,271,231.00	4,648,327.00

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

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

13.FUND BALANCE BROUGHT FORWARD

Description		2021-2021	2020-2020
		Kshs	Kshs
Bank balances		9,033,154.40	8,282,632.35
Cash balances		152,347.00	200.00
Receivables		8,947,469.93	17,851,066.93
Payables		6,906,027.00	5,539,572.90
Investments		-	15,411.80
Total	-	27,430,419.33	43,863,562.98

	Other important disclosure notes			
14	Non-current Liabilities Summary			
	Description		2021-2021	2020-2020
			Kshs	Kshs
	Bank loan(s)		-	-
	Outstanding Leases		-	-
	Hire purchase		-	-
	Gratuity and leave provision		-	-

15	Biological assets			
	Description	Numbers	2021-2021	2020-2020
			Kshs	Kshs
	Cattle		400,000.00	-
	Total		400,000.00	-
16	Borrowings			
	Description		2021-2021	2020-2020
			KShs	KShs
	a) Borrowings			
	Borrowing at beginning of the year		-	-
	Borrowings during the year		-	-
	Repayments of during the year		-	-
	Balance at end of the year		-	-
17	1 Stock/ Inventory			
	Description		2021-2021	2020-2020
			KShs	KShs
	Stock/Inventory			
	Stock/ inventory at beginning of the year		1,276,815.00	-
	Stock/ inventory purchased during the year		4,233,056.00	-
	Stock/ inventory issued during the year		3,986,496.00	-
	Balance at end of the year		1,523,375.00	-

KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Previous years Outstanding Disbursements				
(1) CAPITATION GRANT ON TUITION						
Exercise books	571,500.00		571,500.00	351,092.00	220,408.00	61.4%
Laboratory equipment	200,000.00		490,000.00	230,683.00	(30,683.00)	47.1%
Internal exams	200,000.00		300,000.00	180,546.00	19,454.00	60.2%
Teaching / learning materials					-	
Chalks					-	
Exams and assessment					-	
reference/Library	250,000.00		570,000.00	196,765.50	53,234.50	34.5%
					-	
					-	
(2) CAPITATION GRANT ON OPERATIONS					-	
Personnel emoluments	4,500,000.00		4,500,000.00	3,742,287.95	757,712.05	83.2%
Repairs and maintenance	600,000.00		2,000,000.00	510,396.50	89,603.50	25.5%

Local transport / travelling	426,600.00		592,500.00	458,676.00	(32,076.00)	77.4%
Electricity and water	500,000.00		670,000.00	482,473.40	17,526.60	72.0%
Medical/Insurance	500,000.00		500,000.00	168,620.00	331,380.00	33.7%
Administration costs	682,560.00		682,560.00	603,337.00	79,223.00	88.4%
Activity				-	-	
(3) FEES CHARGED ON PARENTS					-	
Personnel emoluments	2,800,800.00		3,000,000.00	1,255,898.00	1,544,902.00	41.9%
Repairs and maintenance	702,000.00		1,000,000.00	272,879.00	429,121.00	27.3%
Local transport / travelling	350,000.00		550,000.00	330,347.00	19,653.00	60.1%
Electricity, water & Conservancy	400,000.00		1,200,000.00	258,752.00	141,248.00	21.6%
Medical	-		-	-	-	
Administration costs	565,560.00		1,000,000.00	273,688.00	291,872.00	27.4%
Activity	-		-	-	-	
Fee on Boarding Equipment and Stores	5,531,145.00		11,000,000.00	4,531,145.00	1,000,000.00	41.2%
					-	
OTHER INCOME					-	
Income from farming activities	1,000,000		1,000,000	826,770	173,230.00	82.7%
Insurance compensation					-	0.0%
Income from Posho mill						0.0%

TOTAL INCOME	29,626,560.00		29,626,560.00	14,674,356.35	14,952,203.65	49.5%
EXPENDITURE FOR:						
(1) TUITION						
Exercise Books	571,500.00		571,500.00	-	571,500.00	0.0%
Lab.Equipment	490,000.00		490,000.00	82,200	117,800.00	41.1%
T/L Materials					-	0.0%
Internal Exam	300,000.00		300,000.00	60,061	139,939.00	30.0%
Ref/Lib(Textbooks)	570,000.00		570,000.00	71,650	178,350.00	28.7%
SUB-TOTAL	1,931,500.00		1,931,500.00	213,911.00	1,007,589.00	
(2) OPERATIONS					-	
Local, Transport& Travelling	592,500.00		592,500.00	282,950.00	143,650.00	47.8%
Electricity, Water& Conservancy	670,000.00		670,000.00	343,167.00	156,833.00	51.2%
Repair, Maintenance& Improvement	500,000.00		500,000.00	335,408	264,592.00	67.1%
Activity (i)	0		0	0	-	0.0%
Medical/Insurance	500,000.00		500,000.00	151,498	348,502.00	30.3%
Personal Emoluments	4,500,000.00		4,500,000.00	3,136,584	1,363,416.00	69.7%
Administration Costs	682,560.00		682,560.00	565,954	116,606.00	82.9%
SUB-TOTAL	7,445,060.00		7,445,060.00	4,815,561.00	2,393,599.00	
(3) SCHOOL FUND						
Boarding, Equipment& Stores	11,000,000.00		11,000,000.00	1,778,956.00	3,752,189.00	16.2%

V. 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.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

1 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.

[illegible]

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2021	Comment
		Kshs	Kshs	Kshs	Kshs	
		a	b	c	d=a-c	
	Sub-Total (A)	268,565.00		-	268,565.00	
b	Supply of goods			-	-	
	Tuition Account					
1	Spearhead Ent	624,240.00	18.2.20	-	624,240.00	
2	Wiseup Graphics	35,000.00	26.2.20	-	35,000.00	
3	Spearhead Enterprises	115,000.00	8.1.2021	-	115,000.00	
4	Spearhead Enterprises	62,000.00	5.2.2021	-	62,000.00	
5	Remo Chemicals	24,500.00	18.1.2021		24,500.00	
6	Remo Chemicals	27,900.00	19.1.2021		27,900.00	
7	Remo Chemicals	7,320.00	9.2.2021		7,320.00	
8	Remo Chemicals	32,566.00	19.3.2021		32,566.00	
9	Remo Chemicals	3,900.00	4.3.2021		3,900.00	
10	Remo Chemicals	387,070.00	8.4.2021		387,070.00	
11	Remo Chemicals	16,470.00	14.4.2021		16,470.00	
12	Remo Chemicals	27,200.00	26.6.2021		27,200.00	
13	Remo Chemicals	2,500.00	17.6.2021		2,500.00	
14	Entryedge Interior	29,700.00	5.2.2021		29,700.00	
15	Home Health	24,900.00	10.3.2021		24,900.00	
	Sub-Total (B)	1,420,266.00		-	1,420,266.00	
	School Fund/Boarding Account					
1	Notion Enterprises	527,840.00	5.5.2020	-	527,840.00	
2	Notion Enterprises	181,800.00	8.1.2021	-	181,800.00	
3	Notion Enterprises	31,750.00	8.1.2021	-	31,750.00	
4	Spearhead Enterprises	70,300.00	15.3.2021	-	70,300.00	
5	Spearhead Enterprises	21,240.00	12.2.2021	-	21,240.00	
6	Inland Electrical	150,350.00	15.3.2021	-	150,350.00	
7	Joslaide Enterprises	191,000.00	15.2.2021	-	191,000.00	
8	Joslaide Enterprises	27,500.00	15.2.2021	-	27,500.00	
9	Joslaide Enterprises	475,530.00	5.5.2020	-	475,530.00	

10	Chepleng Photographers	19,100.00	21.1.2021	-	19,100.00	
11	Avenmar Solution	35,500.00	3.11.2021	-	35,500.00	
12	Operator Spares	1,400.00	5.11.2020	-	1,400.00	
13	Operator Spares	6,500.00	5.11.2021	-	6,500.00	
14	Operator Spares	9,000.00	10.11.2020	-	9,000.00	
15	Operator Spares	21,450.00	18.1.2021	-	21,450.00	
16	Operator Spares	6,400.00	30.1.2021	-	6,400.00	
17	Operator Spares	36,360.00	30.7.2021	-	36,360.00	
18	Operator Spares	5,500.00	7.8.2021	-	5,500.00	
19	Operator Spares	11,300.00	29.8.2021	-	11,300.00	
20	Operator Spares	2,900.00	28.8.2021	-	2,900.00	
21	St. Johns Cheptabach Parish	102,000.00	18.1.2021	-	102,000.00	
22	Fridah Rutto	190,000.00	20.1.2021	-	190,000.00	
23	Naomi Rutto	190,000.00	20.1.2021	-	190,000.00	
24	Peris Jebet	500,000.00	18.1.2021	-	500,000.00	
25	Michael Ngelechei	299,000.00	18.2.2021	-	299,000.00	
26	Koech Lelei & Advocates	414,000.00	12.4.2021	-	414,000.00	
27	Peris Jebet	172,500.00	30.6.2021	-	172,500.00	
28	Truecare Medical	61,040.00	21.1.2021		61,040.00	
29	Truecare Medical	20,730.00	31.5.2021		20,730.00	
30	Boaz Kimutai	90,000.00	23.2.2021		90,000.00	
31	Abraham Muten	26,610.00	12.3.2021		26,610.00	
32	Abraham Muten	56,140.00	31.4.2021		56,140.00	
33	Abraham Muten	37,444.00	31.4.2021		37,444.00	
34	Abraham Muten	10,428.00	30.4.2021		10,428.00	
35	Abraham Muten	22,435.00	12.4.2021		22,435.00	
36	Abraham Muten	32,155.00	24.6.2021		32,155.00	
37	Abraham Muten	25,058.00	31.5.2021		25,058.00	
38	Abraham Muten	39,300.00	31.5.2021		39,300.00	
39	Abraham Muten	29,656.00	30.6.2021		29,656.00	
40	Abraham Muten	49,025.00	30.6.2021		49,025.00	
41	Nicholas Birgen	30,889.00	31.3.2021		30,889.00	
42	Nicholas Birgen	27,094.00	31.5.2021		27,094.00	
43	Nicholas Birgen	30,662.00	30.6.2021		30,662.00	
44	Nelson Rop	130,000.00	23.2.2021		130,000.00	
45	Jackson Maritim	22,680.00	8.4.2021		22,680.00	
46	Jackson Maritim	600.00	2.3.2021		600.00	
47	Jackson Maritim	9,680.00	30.4.2021		9,680.00	
48	Jackson Maritim	27,680.00	30.5.2021		27,680.00	
49	Support staff sacco	306,390.00	30.6.2021		306,390.00	
50	Support staff sacco	46,800.00	28.6.2021		46,800.00	
51	Weldon Langat	222,939.00	30.6.2021		222,939.00	

52	Pauls Bakery	256,870.00	31.1.2021		256,870.00	
53	Pauls Bakery	241,323.00	3.3.2021		241,323.00	
54	Pauls Bakery	188,100.00	31.3.2021		188,100.00	
55	Pauls Bakery	52,000.00	30.4.2021		52,000.00	
56	Pauls Bakery	147,557.00	31.5.2021		147,557.00	
	Sub-Total (D)	5,941,505.00		-	5,941,505.00	
	Grand Total (E=A+B+C+D)	7,361,771.00	-	-	7,361,771.00	

ANNEX 2 - SUMMARY OF FIXED ASSETS REGISTER

S/no	Asset class	Date purchased	Historical Cost b/f	Historical Cost c/f
			Kshs	Kshs
1	Land	Balance b/f01/01/2021	50,000,000.00	50,000,000.00
2	Buildings and Structure	Balance b/f01/01/2021	42,300,000.00	42,300,000.00
3	Motor Vehicles	Balance b/f01/01/2021	3,800,000.00	3,800,000.00
4	Office Equipment, furniture and fittings	Balance b/f01/01/2021	5,287,000.00	5,287,000.00
5	ICT Equipment and Other ICT Assets	Balance b/f01/01/2021	1,850,000.00	1,850,000.00
6	Textbooks	Balance b/f01/01/2021	4,543,710.00	4,543,710.00
7	Other Machinery and Equipment	Balance b/f01/01/2021	1,286,800.00	1,286,800.00
8	Intangible assets-software	Balance b/f01/01/2021	150,000.00	150,000.00
	Total		109,217,510.00	109,217,510.00