

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

DATE:

25 JUN 2026

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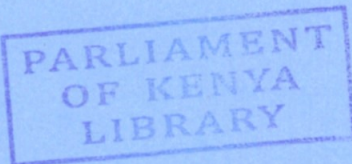
THE-TABLE

Hon. Owen Baya, MP
Dep leader Majority Party

Mr. Chamo

THE AUDITOR-GENERAL

ON



KAMAGUT HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

UASIN GISHU COUNTY

As at 30th June 2022.



**KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2022**

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

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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 of Kenya.

The school is a mixed boarding school and had **748 students** as at 30TH June 2022.

It has **4 streams** and **47 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.

Ref:	Name of Board Member	Designation	Date of appointment
1	Francis Koech Cheplel	Chairman/Sponsor	19/07/2022
2	Nicholas Kiplimo Lagat	Secretary – Principal	19/07/2022
4	Isaiah Bin Sang	Member – Rep Parents/Local community	19/07/2022
5	Margaret Oduori	Member – Rep Parents/Local community	19/07/2022
6	Samson Kemboi	Member – Rep Parents/Local community	19/07/2022
7	Job Kemboi Kitur	Member – Rep Parents/Local community	19/07/2022
8	Joseph Murei Mangira	Member – Rep Parents/Local community	19/07/2022
9	Meshack Kiprotich	Member – Rep persons with special needs	19/07/2022
10	Sharon Chesang Amai	Member – Rep Parents/Local community	19/07/2022
11	Dr. Prisca Chepchirchir Simotwo	Member – Rep CEB	19/07/2022
12	Eunice C. Surtan	Member – Rep Sponsor	19/07/2022

13	Rev. Elisha Kirwa	Member – Rep Sponsor	19/07/2022
14	Dr. Kimeli Peter	Member – Rep Special Interest group	19/07/2022
15	Paul K. Bitok	Member - Co-opted	19/07/2022
16	Mercy Boit	Member - Co-opted	19/07/2022
17	Emily Kibet Kibor	Member - Rep Teachers	19/07/2022

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	Mr. Francis Cheplel Mr. Nicholas Lagat. Mr. John Bor Mr. Meshack Lelei. Mr. Isaiah Bin Sang. Ms. Eunice Surtan.	Chairman Secretary Member Member Member Member	0 out of 6
2	Audit Committee	Mr. Joseph Mang'ira Mr. Meshack Lelei . Ms. Eunice Surtan	Chairman Secretary Member	0 out of 6
3	Finance, procurement and general-purpose Committee	Mr. Isaiah Bin Sang Mr. Paul Bitok. Ms. Sharon Amai. Mr. John Bor Mr. Nicholas Lagat. Mr. Michael Ng'elechei	Chairman Secretary Member Member Member Member	0 out of 6
4	School Infrastructure	Dr. Prisca Simotwo Mr. Francis Cheplel. Mr. Isaiah Bin Sang. Mr. John Bor. Mr. Michael Ng'elechei.	Chairman Member Member Member Member	1 out of 6
5	Academic Standards, quality and environment	Dr. Prisca Simatwo. Ms. Sharon Amai. Dr. Peter Kimeli . Mrs. Emily Kibor. Mr. John Bor. Mr. Nicholas Lagat. Mr. Michael Ng'elechei.	Chairperson Secretary Member Member Member Member Member	0 out of 6
6	Discipline, Ethics And Integrity	Rev. Elisha Biwott Ms. Mercy Boit. Mr. Samson Kemboi . Mr. Kitur Job Mr. John Bor. Mr. Michael N'gelechei. Ms. Emily Kibor.	Chairman Secretary Member Member Member Member Member	0 out of 6
7	Human Rights And Student Welfare	Ms. Mercy Boit Ms. Margaret Nekesa Rev. Elisha Biwott Mr. Michael N'gelechei	Chairman Secretary Member Member	0 out of 6

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

For the financial year ended 30th June 2022 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 9 numbers 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
	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
9	FARM	KAMAGUT HIGH SCHOOL- ENTERPRISE	1290291594	KCB	Eldoret west

1. MPESA PayBill No.:

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

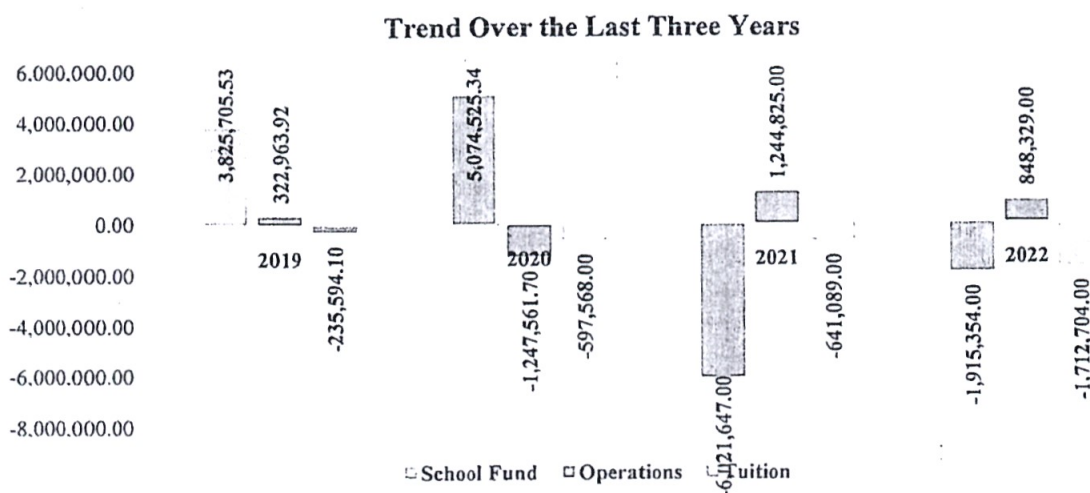
(f) Independent Auditors

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 four years period between 1st January 2019 to 30th June 2022, which covers a period of 12 months while the year 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	2022	2021	2020	2019
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	(1,915,354.00)	(6,021,647.00)	5,074,525.34	3,825,705.53
2	Operations Account	848,329.00	1,244,825 .00	(1,247,561.70)	322,963.92
3	Tuition Account	(1,712,704)	-641,089.00	(597,568.00)	(235,594.10)
	TOTAL	(2,779,729.00)	(5,417,911.00)	3,230,288.74	3,929,900.45
	Increase/Decrease	(2,638,182 .00)	(2,187,622.26)	(699,611.71)	6,385,865.85

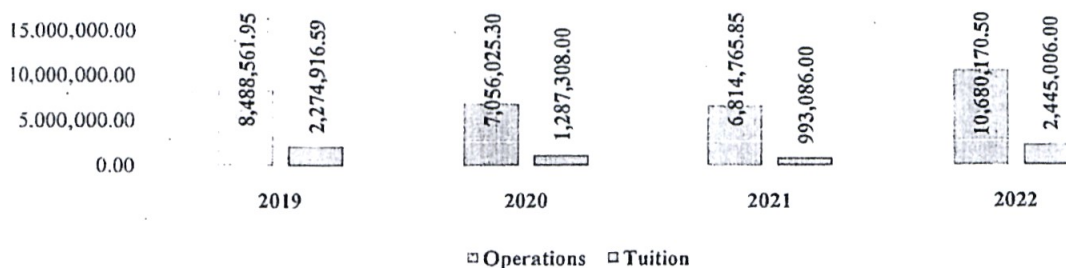


There was a deficit in the year 2020 and 2021 of Kshs 699,611.71, and 2,187,622 respectively from a surplus of Kshs 6,385,865.85 in the year 2019 due to prolonged closure after abrupt shutting of the schools due to Covid-19. In the year 2021-2022 we had a deficit of 2,638,182, this was due to high cost of most commodities above the budgeted amount, e.g. cooking oil, maize, printing papers and fuel and still recovering from covid pandemic.

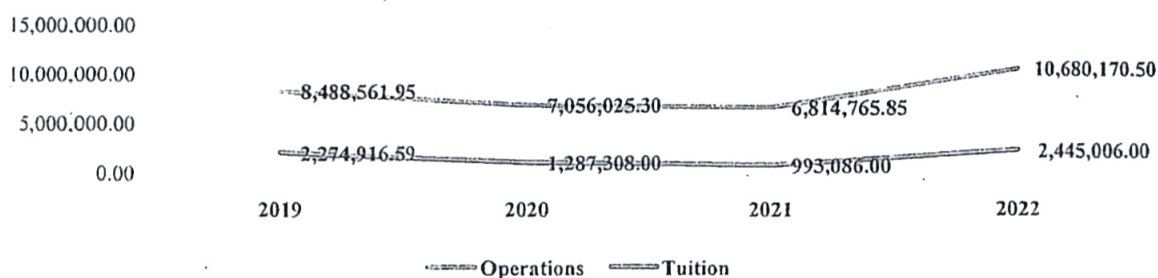
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2022	2021	2020	2019
		KSHS	KSHS	KSHS	KSHS
1	Operations Account	10,680,170.50	6,814,765.85	7,056,025.30	8,488,561.95
2	Tuition Account	2,445,006.00	993,086.50	1,287,308.00	2,274,916.59
	Total	13,125,176.50	7,807,852.35	8,343,333.30	10,763,478.54
	Increase/Decrease	5,317,324.15	(535,480.95)	(2,420,145.24)	(2,998,617.51)
	No of Students	748	772	787	702
	Ratio of Capitation per student	1:17547.02	1:10113.80	1:10601.44	1:15332.59

Trend Over the Last Three Years



Trend Over the Last Three Years

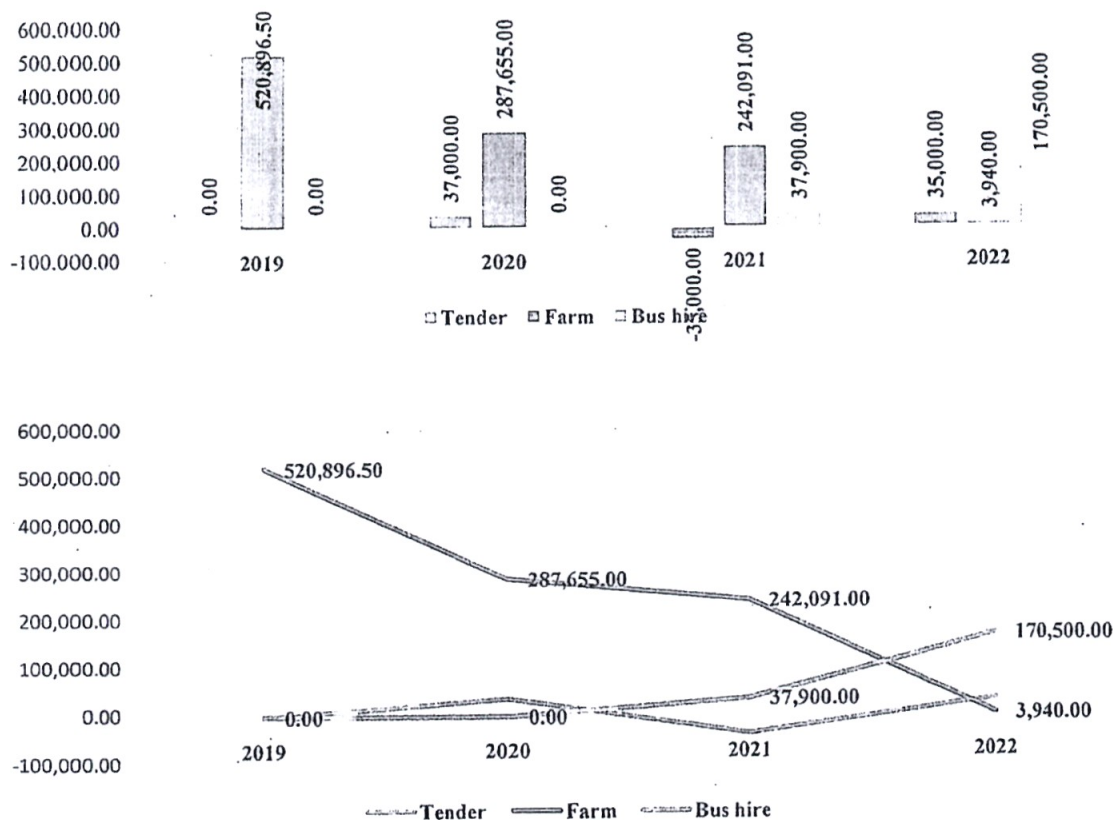


The total capitation for the year 2020 was Kshs 8,343,333.30 as compared to Kshs 10,763,478.00 in the financial year 2019 representing a decrease of Kshs 2,420,145.24 which resulted from not all students' received capitation grant, prolonged abrupt closure of the school due to Covid-19. The capitation 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. The grants for year ending 2021-2022 increased by 5,317,324.15 it being a full year though it was less compared to the budgeted amount because not all students are in nemis and most of form fours are 19yrs of age and thus less disbursement.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF NET GROWTH OF OTHER INCOME(S) (Note 21)					
SNO	ACCOUNTS	2022	2021	2020	2019
		KSHS	KSHS	KSHS	KSHS
1	Tender	35,000.00	(35,000.00)	37,000.00	0.00
2	Farm	3,940.00	242,091.00	287,655.00	520,896.50
3	Bus Hire	170,500.00	37,900.00	-	0.00
	Total	209,440.00	244,991.00	324,655.00	520,896.50
	Increase/Decrease	(35,535.00)	(79,664.00)	(196,241.50)	520,896.50

Trend Over the Last Three Years



Trend Over the Last Three Years

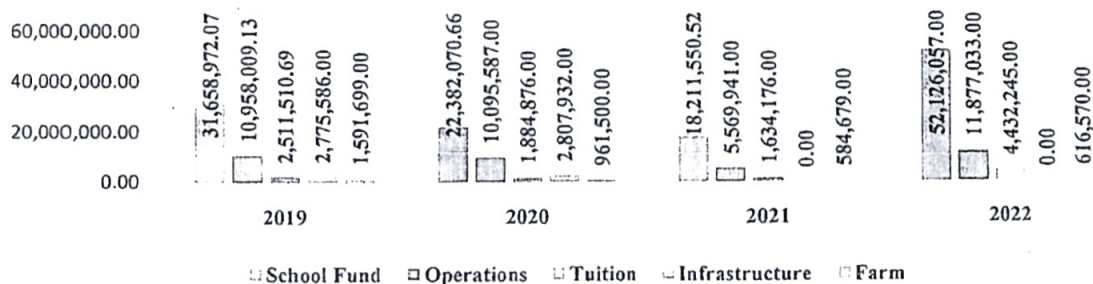
The decrease of other income generating activities for the financial year 2021 was Kshs 244,991.00 as compared to Kshs 324,655.00 in the financial year 2020 which represent a decrease of Kshs 79,664.00. The net growth of other income generating activities for the financial year 2020 was Kshs 324,655.00 as compared to Kshs 520,896.50 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.

In the year 2021-2022 there was a decrease of income from the farm due to less production of milk as compared to other years and the tendering out of bull project.

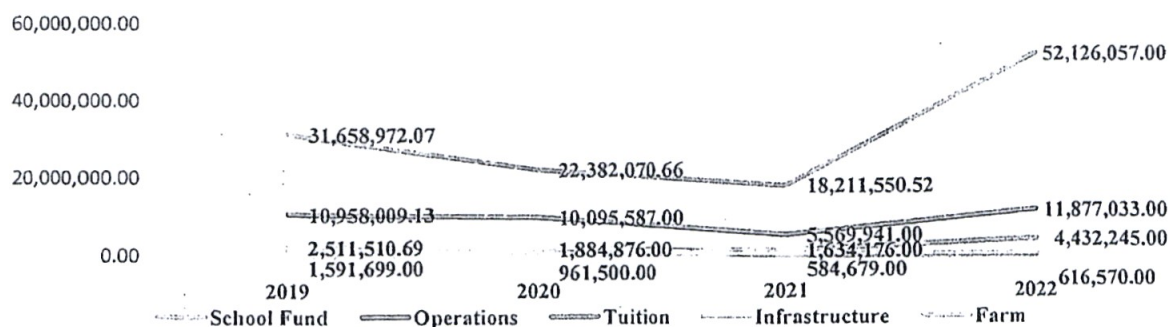
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	2019
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	52,126,057.00	18,211,550.52	22,382,070.66	31,658,972.07
2	Operations Account	11,877,033.00	5,569,941.00	10,095,587.00	10,958,009.13
3	Tuition Account	4,432,245.00	1,634,176.00	1,884,876.00	2,511,510.69
4	Infrastructure Account	0.00	0.00	2,807,932.00	2775586
5	Farm Account	616,570.00	584,679.00	961500	1591699
	Total	65,739,402.00	26,000,346.52	38,131,965.66	49,495,776.89
	Increase/Decrease	39,739,055.48	(12,131,619.14)	(11,363,811.23)	(3,940,435.11)

Trend Over the Last Three Years



Trend Over the Last Three Years

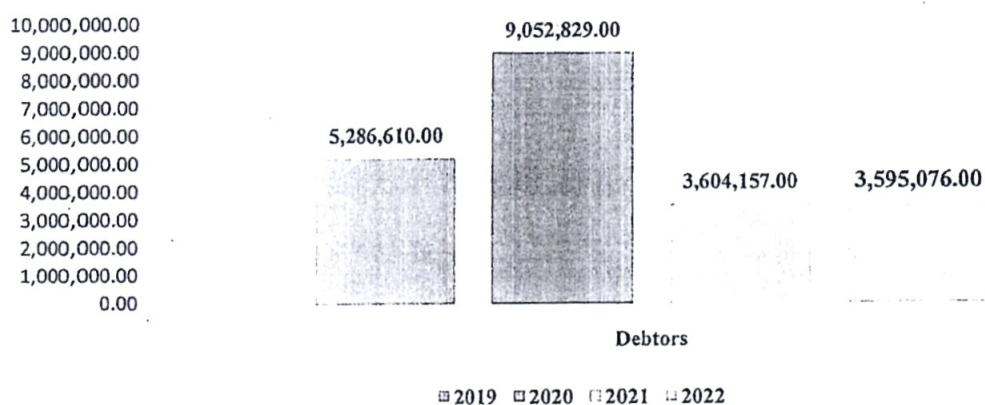


The financial year 2021 shows a decrease of growth in expenditure which has resulted from the current year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19. In the year 2021-2022 the increase of expenditure by 39,739,055.48 is because it's a full year and no interruptions as compared to the year 2020.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	2019
1	School Fund Account	KSHS	KSHS	KSHS	KSHS
a	Debtors	3,595,076.00	3,604,157.00	9,052,829.00	5,286,610.00
	Total	3,595,076.00	3,604,157.00	9,052,829.00	5,286,610.00
	Increase/Decrease	(9,081.00)	(5,448,672.00)	3,766,219.00	5,286,610.00

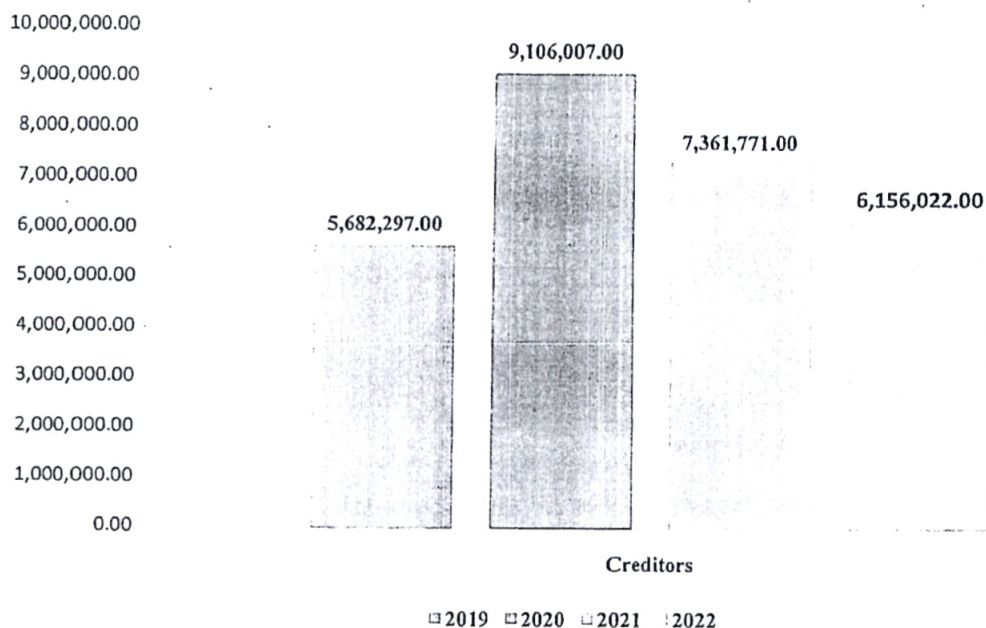
Trend Over the Last Three Years



Total debtors as at 31st Dec 2020 increased to 9,052,829 representing 71% compared to Kshs 5,286,610.00 at the end of the financial year 2019. The main contributors to the increase in total debtors are non-collection of fees due to covid pandemic in the year 2020. In the year 2021 and 2021-2022 the decrease in debtor was attributed to strict measure put by school management on fees collection.

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	2019
1	School Fund Account	KSHS	KSHS	KSHS	KSHS
a	Creditors	6,156,022.00	7,361,771.00	9,106,007.00	5,682,297.00
	Total	6,156,022.00	7,361,771.00	9,106,007.00	5,682,297.00
	Increase/Decrease	(1,205,749.00)	(1,744,236.00)	3,423,710.00	1,059,423.00

Trend Over the Last Three Years

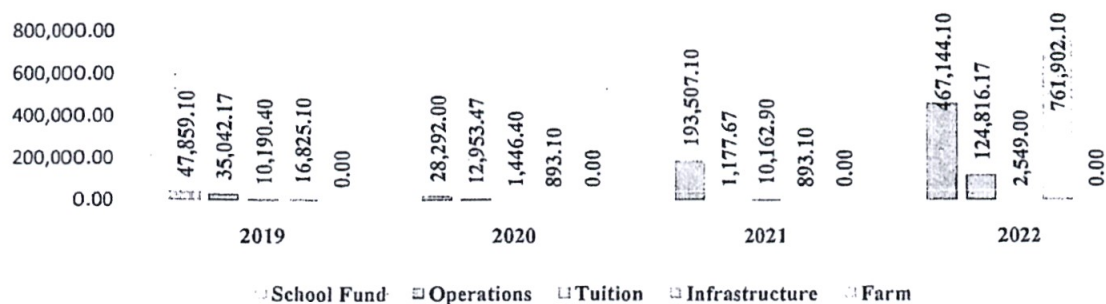


Total creditors as at 31th Dec 2020 increased to Kshs. 9,106,007.00 compared to Kshs. 5,682,297.00 as at the end of the financial year 2019 was due to non-payment of creditors due to covid. The slight decrease of Creditors as at 31 June 2021 to 7,361,771 from 9,106,007.00 was due to slow recovery from covid and change of financial calendar of school. In the year 2021-2022 there was a slight decrease of debtors from 7,361,771.00 in the 2021 to 6,156,022.00 i.e by 1,205,749.00 this was due to collection fees which was used to pay creditors.

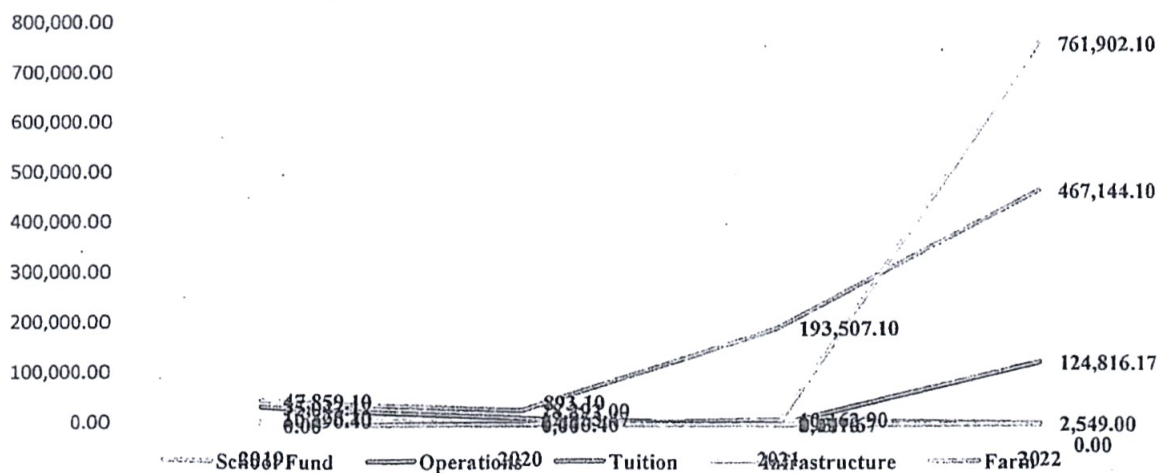
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2022	2021	2020	2019
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	467,144.10	193,507.10	28,292.00	47,859.10
2	Operations Account	124,816.17	1,177.67	12,953.47	35,042.17
3	Tuition Account	2,549.00	10,162.90	1,446.40	10,190.40
4	Infrastructure Account	761,902.10	893.10	893.10	16,825.10
5	Farm Account	-	-	-	-
	Total	1,316,811.37	205,740.77	43,584.97	109,916.77
	Increase/Decrease	1,111,070.60	162,155.80	(66,331.80)	59,744.17

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 1st July 2021 and 30th June 2022, 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: 19. We have a shortage of 4 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4.

b) Mean score in the year 2019, 2020 and 2021 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2021	191	6.0942	74	39%	7.5	There was a -Ve deviation of 0.968 as compared to the year 2020
2020	183	6.191	45	25%	7.5	There was a +Ve deviation of 0.739 as compared to the year 2019
2019	164	5.4512	44	27%	7.0	There was a +Ve deviation of 0.4102 as compared to the year 2018

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
9	FENCING SCHOOL PERIMETER	2021	Completed	1,367,070.00	TIG,Maintenance & Improvement
10	CONSTRUCTION OF DINING HALL	2022	Completed	827,120.00	TIG,Maintenance & Improvement

Mr Francis Cheplel
Chair,
Board of Management

Kiplimo Lagat (Mr)
Secretary,
Board of Management
/Principal

Loice Rutto (Ms)
Finance Officer

Kamagut High School

Kamagut High School

Kamagut High School

Sign:

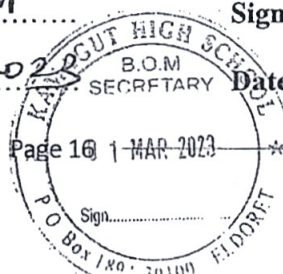
Sign:

Sign:

Date: 1/3/2023

Date: 1/3/2023

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: 1/3/2023

Loice Rutto (Ms)

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, 2022 - 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 34, which comprise of the statement of financial

assets and liabilities as at 30 June, 2022, 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, 2022 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. Key School Information and Management on School bankers indicates that the school operated 9 number of bank accounts. However, note 8 to the financial statements discloses balances in respect of only three (3) bank accounts.
- ii. The statement of cash flows reflects a net cash flow from borrowing activities of Kshs.659,665. However, no liabilities were reported in the financial statements. In addition, no records were provided to support the borrowing.
- iii. The statement of budgeted versus actual amounts reflects total actual receipts on comparable basis of Kshs.54,257,604. However, the total excludes Kshs.644,025 in relation to other income. The discrepancy results into a casting error of Kshs.644,025. Similarly, the statement reflects total actual payments on comparable basis, of Kshs.88,587,510 which differs with an aggregate of Kshs.54,964,034 in respect of the amounts reported, resulting to a casting error of Kshs.33,623,476.
- iv. The amounts reflected in the statement of receipts and payments differs with the Notes to the financial statements, leaving unreconciled variances as follows;

Item	Amounts as per Statements of Receipts and Payments (Kshs.)	Amounts as per Notes to the Financial statements (Kshs.)	Variance (Kshs.)
School Fund Income- Parents Contributions	46,296,576	45,087,293	1,209,283
School fund other income	3,914,127	1,049,508	2,864,619
Boarding and school fund payments	52,126,057	50,518,644	1,607,413
Payments for Tuition	4,432,245	2,727,155	1,705,090

- v. The statement of financial position reflects accounts receivable balance of Kshs.3,743,076 as disclosed in Note 11 to the financial statements. The receivables comprise of fees arrears of Kshs.3,595,076 and salary advance of Kshs.188,000. However, the fees arrears exclude an amount of Kshs.21,114,415 relating to prior periods as disclosed in the Note 11.
- vi. The statement of budgeted versus actual amounts reflects actual receipts and payments on a comparable basis of Kshs.54,257,605 and Kshs.88,587,510 respectively, which are at variance with receipts of Kshs.60,017,175 and payments of Kshs.59,357,510 (operating activities Kshs.57,254,290; investing activities Kshs.2,103,220), reported in the statement of cash flows. This is despite the fact that the two statements are prepared on a cash basis. The variance of Kshs.5,759,570 and Kshs.29,230,000 in respect of the receipts and payments respectively were not reconciled.
- vii. The statement of budgeted versus actual amounts does not accurately report the correct percentage of utilization of budgeted amounts.
- viii. Review of the comparative amounts against the previous year's audited financial statements revealed the following variances which were not supported by any evidence of restatement of the amounts;

Component	Comparative Balance as per the Financial Statements (Kshs)	Amounts as per the 2021 financial statements (Kshs)	Variance (Kshs.)
Bank Balances	153,107	152,214	893
Accounts Receivable	3,593,125	4,140,057	546,932
Accounts Payable	2,284,288	8,271,231	5,986,943
Fund balance B/F	1,513,912	1,490,919	22,993
Cash and cash equivalent as at the beginning of the period ending 30 June, 2021	205,075	-89,940	295,015

- ix. The statement of financial assets and liabilities erroneously indicates that it represents balances as at 30 June, 2021.

In the circumstances, accuracy and completeness of balances reflected in the financial statements could not be confirmed.

2. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,356,411 as disclosed in Note 8 and 9 to the financial statements. The balance comprises of bank balances of Kshs.1,303,564 and cash balance of Kshs.52,847 that were not supported by bank statements, bank balance confirmation certificates, bank reconciliations and cash count certificates. In addition, the Notes to the balances reflect bank balances of Kshs.541,662 and cash in hand of Kshs.12,847, leaving unreconciled variances of Kshs.761,902 and Kshs.40,000 respectively.

In the circumstances, the accuracy and existence of cash and cash equivalents balance of Kshs.1,356,411 could not be confirmed.

3. Unsupported Accounts Receivables Balance

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.3,743,076 as disclosed in Note 11 to the financial statements. According to the Note, the balance comprises of fees arrears and salary advances of Kshs.3,595,076 and Kshs.188,000 respectively. However, supporting schedules, detailed aging analysis and invoices issued were not provided for audit.

In the circumstances, the accuracy, completeness and existence of the accounts receivable balance of Kshs.3,783,076 could not be confirmed.

4. Unsupported Accounts Payables Balance

The statement of financial assets and financial liabilities reflects payables balance of Kshs.6,365,305 as disclosed in Note 12 to the financial statements. According to the Note, the payables comprise of trade creditors of Kshs.6,156,022 and prepaid fees of Kshs.209,283. 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.209,283.

In the circumstances, the accuracy and completeness of accounts payables amounting to Kshs. 6,365,305 could not be confirmed

5. Unsupported Budget Amounts

The statement of budgeted versus actual amounts reflects total receipts and expenditure budget of Kshs.67,815,670 and Kshs.66,815,670 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 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 PSASB 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. All the pages did not have the header indicating; the name of the school and "Annual Report and Financial Statements for the Year ended 30th June, 2021"
- ii. The annual reports and financial statements are not appropriately numbered and were erroneously referred to as consolidated.
- iii. A trial balance has been erroneously presented as part of the components of the financial statements and 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 accounting period is not appropriately disclosed and the financial statements do not indicate the date they were approved.
- vi. 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.
- 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.
- viii. The financial statements do not include an analysis of pending accounts payable and a summary of fixed asset register and the Notes to the financial statements do not include an ageing analysis for accounts payable.

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

The annual reports and financial statements for Kamagut High School High School for the financial year ended 30 June, 2022 were submitted to the office of the Auditor-General for audit on 6 march, 2023, five (5) 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 Imprest Register

The statement of receipts and payments and Note 6 to the financial statements reflect payments for operations of Ksh.11,877,033. 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. 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 the Ministry of Education guidelines.

6. Non-Compliance with Affirmative Action Requirements in Procurement

The statement of receipts and payments reflects payments amounting to Kshs.68,435,355 as disclosed in Notes 5,6 and 7 to the financial statements which includes an amount of Kshs.56,290,183 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, 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. Inadequate Facilities in the School

Review of the School 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.

9. Under Funding of Capitation Grants

The statement of financial receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,719,541 and Kshs.12,725,362, respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number 694 students while the enrolment records provided by the school indicated a total number of 938 students, resulting in an unexplained variance of 128 students. As a result of the variances, the School was under funded by an amount of Kshs.2,319,727.

In the circumstances, the under-funding of the School may have affected service delivery to the public.

10. Lack of Medical Examination Certificates for Food Handlers

Review of the personal files for food handlers revealed that the Cateress had only one certificate of medical examination issued at the time of employment, while the files for the cooks did not contain any certificates of medical examination. This was contrary to Regulation 15(1)(b) of the Food, Drugs and Chemical Substances (Food Hygiene)

Regulations, 1978, Legal Notice No. 106 of 1978, which requires medical examination of employees in a food plant prior to employment and at regular intervals, and Form D to the Regulations which provides that the certificate of medical examination is valid for six months.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Weaknesses in System Security and Controls

Review of the School's financial systems 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

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. In addition, land ownership documents for three (3) parcels of land are still registered in the name of the school sponsor. Further, 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 was 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 the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error

and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 May, 2026

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2022				
DESCRIPTION OF VOTE HEAD	Note	2021 - 2022	2021 - 2021	2020 - 2020
				Kshs
RECEIPTS				
Capitation grants for tuition	1	2,719,541.00	993,087.00	1,287,308.00
Capitation grants for operations	2	12,725,362.00	6,814,766.00	8,848,025.30
School Fund Income- Parents' Contributions	3	46,296,576.00	11,305,634.00	27,456,596.00
School Fund Income- Other receipts	4	3,914,127.00	884,270	-
Proceeds from borrowings				
TOTAL RECEIPTS		65,655,606.00	19,997,756.00	37,591,929.30
PAYMENTS				
Payments for Tuition	5	4,432,245.00	1,634,176	1884876
Payments for operations	6	11,877,033.00	5,569,941	10095587.00
Boarding and school fund payments	7	52,126,057.00	18,211,551	22382070.66
TOTAL PAYMENTS		68,435,355.00	25,415,668	34,362,533.66
SURPLUS/DEFICIT		(2,779,729.00)	(5,417,911)	3,229,395.64

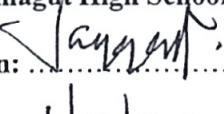
The accounting policies and explanatory notes to these financial statements for an integral part of the financial statements. The report covers the 12 MONTHS for the period ended 30th June 2022 and accompanying comparatives cover the 6 months period ended 30TH JUNE 2021 and 12 months ending 31ST DEC 2020.

The financial statements should be read in conjunction with the accompanying notes.

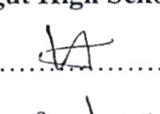
Mr Francis Cheplel
Chair,
Board of Management
Kamagut High School

Sign: 
Date: 1/3/2023

Kiplimo Lagat (Mr)
Secretary,
Board of Management
/Principal
Kamagut High School

Sign: 
Date: 1/3/2023

Loice Rutto (Ms)
Finance Officer
Kamagut High School

Sign: 
Date: 01/03/2023



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

	Note	2021 - 2022	2021 - 2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	1,303,564.00	153,107.00
Cash Balances	9	52,847.00	51,968.00
Short term Investment	10	-	-
Total Cash and Cash Equivalents		1,356,411.00	205,075.00
Account's receivables	11	3,743,076.00	3,593,125.00
TOTAL FINANCIAL ASSETS		5,099,487.00	3,798,200.00
FINANCIAL LIABILITIES			
Accounts Payable	12	6,365,305.00	2,284,288.00
NET FINANCIAL SSETS		(1,265,818.00)	1,513,912.00
REPRESENTED BY			
Fund balance b/fwd. 1st July 2021	13	1,513,912.00	1,513,912.00
Surplus/Deficit for the year		(2,779,729.00)	-
NET FINANCIAL POSITION		(1,265,818.00)	1,513,912.00

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:

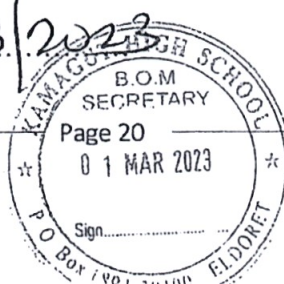
Sign:

Sign:

Date: 1/3/2023

Date: 1/3/2023

Date: 01/03/2023



**KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022**

STATEMENT OF CASH FLOW			
		2021 - 2022	2021 - 2021
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	2,719,541.00	993,087.00
Capitation grants for operations	2	12,725,362.00	6,814,766.00
School fund income- Parents contributions fees	3	40,658,145.00	14,462,223.00
School fund income- other receipts	4	3,914,127.00	884,270.00
Total receipts		60,017,175.00	23,154,345.00
Payments			
Payments for Tuition		2,727,155.00	1,634,176.00
Payments for operations		11,877,033.00	5,569,941.00
Boarding and school fund payments		42,650,102.00	15,656,107.00
		57,254,290.00	22,860,224.00
Net cash flow from operating activities		2,762,885.00	294,121.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(2,103,220.00)	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		(2,103,220.00)	-
NET CASHFLOW FROM BORROWING ACTIVITIES		659,665.00	294,121.00
Proceeds from borrowings/ loans		-	
Repayment of principal borrowings		-	
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		659,665.00	-
Cash and cash equivalent at BEGINNING of the year	10	205,075.00	205,075.00
Cash and cash equivalent at END of the year		1,356,411.00	205,075.00
		-	-

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 cash flow as recommended by IPSAS

**KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the year ended 30th June 2022

TRIAL BALANCE AS AT 30TH JUNE 2022			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	1,303,564	
	Cash Balances	52,847	
	Short term investments	-	
	Receivables	3,743,076	
Payments			
	Payments for Tuition	4,432,245	
	Payments for operations	11,877,033	
	Boarding and school fund payments	52,126,057	
Receipts	Capitation grants for tuition		2,719,541
	Capitation grants for operations		12,725,362
	School Fund Income- Parents' Contributions		40,450,813
	School Fund Income- Other receipts		9,759,890
	Proceeds from borrowings		
Prior year Adjustment			
	Fund Balance b/f		1,513,912
	Payables		6,365,305
TOTAL		73,534,822	73,534,822

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: 1/3/2023

Date: 1/3/2023

Loice Rutto (Ms)

Finance Officer

Kamagut High School
Sign: 1/3/2023

Date: 01.03.2023



III. NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION GRANT FOR TUITION

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Textbooks	-	-	-
Exercise books	924,575.00	351,092.00	488,908.00
Laboratory equipment	317,784.00	230,683.00	321,650.00
Internal exams	297,394.00	180,546.00	244,454.00
Teaching / learning materials	274,535.00	-	-
Chalks	-	-	-
Exams and assessment	-	-	-
Reference/Library	905,253.20	230,765.50	234,296.00
Teachers guides	-	-	-
Total	2,719,541.20	993,086.50	1,287,308.00

2. CAPITATION GRANT FOR OPERATIONS

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Personnel Emoluments	4,941,526.10	4,591,262.95	3,514,109.30
Maintenance & Improvement	4,422,694.40	510,396.50	3,145,500.00
Others	-	458,676.00	-
Local Transport & Travelling	550,670.00	-	346,608.00
Electricity Water & Conservancy	1,076,166.00	482,473.40	758,258.00
Medical	418,680.00	-	-
Administration Costs	692,429.00	603,337.00	665,950.00
Insurance	-	168,620.00	139,200.00
Activity	623,196.00	-	278,400.00
Total	12,725,361.50	6,814,765.85	8,848,025.00

3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Personnel emoluments	6,949,555.00	1,627,578.00	4,106,074.00
Fee on Boarding Equipment and Stores	21,604,542.00	8,513,202.00	17,784,938.00
Maintenance & Improvement	2,669,891.00	272,879.00	2,209,893.00
Local transport / travelling	1,391,514.00	330,347.00	1,036,838.00
Electricity and water	4,723,975.00	258,752.00	1,161,258.00
Medical	102,588.00	19,126.00	-
Activity	715,590.00	-	189,600.00
Administration costs	2,189,638.00	273,688.00	930,995.00
KCSE	-	10,062.00	-
Total	45,087,293.00	11,305,634.00	27,419,596.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4: OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Income from farming activities	620,510.00	826,770.00	-
Income from Bus Hire	233,500.00	47,500.00	-
Tender fees	35,000.00	10,000.00	37,000.00
Uniforms	160,498.00	-	-
Total	1,049,508.00	884,270.00	37,000.00

5. PAYMENTS FOR TUITION

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Exercise Books	728,760.00		
Laboratory Equipment and Chemicals	352,746.00	82,200.00	72,450.00
Internal exams	756,078.00	60,060.00	213,315.00
Teaching / learning materials	154,500.00	1,420,266.00	1,223,100.00
Library/reference materials	735,071.00	71,650.00	376,011.00
Total	2,727,155.00	1,634,176.00	1,884,876.00

6. PAYMENTS FOR OPERATIONS

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Personnel emoluments	5,515,454.00	3,890,964.00	4,647,853.00
Administration Cost	559,460.00	565,954.00	186,000.00
Maintenance & improvements	3,872,913.00	335,408.00	3,968,860.00
Local transport / travelling	496,060.00	282,950.00	105,470.00
Electricity and water	769,220.00	343,167.00	299,204.00
Medical/Insurance	271,280.00	151,498.00	528,200.00
Activity	392,646.00	-	360,000.00
TOTAL	11,877,033.00	5,569,941.00	10,095,587.00

7. BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2021-2021	2020-2020
	Kshs	Kshs	Kshs
Personnel emoluments	6,629,718.00	1,917,786.00	3,084,864.00
Maintenance & Improvements	2,472,595.00	266,845.00	1,516,174.00
Local transport / travelling	1,860,535.00	437,820.00	1,370,185.00
Electricity and water	2,524,816.00	399,738.00	1,290,053.00
Medical Expenses	295,896.00	-	-
Administration costs	1,907,012.00	586,452.52	1,364,697.56
Expenses on Income Generating Activities	745,620.00	639,279.00	961,500.00
Fee on Boarding Equipment and Stores	33,926,012.00	13,900,730.00	13,197,957.10

Activity Expenses	156,440.00	62,900.00	558,140.00
TOTAL	50,518,644.00	18,211,550.52	23,343,570.66

8. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2021-2021
		Kshs	Kshs
National Bank (Tuition Account)	01025027727300	2,549.00	10,162.90
National Bank (Operations Account)	01025027727301	121,550.17	511.67
K.C.B (School Fund Account/Boarding)	1176710869/01021027727300	417,563.10	141,539.10
Total		541,662.27	152,213.67

9. CASH IN HAND

Description	2021-2022	2021-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	3,266.00	666.00
School Fund account	9,581.00	51,302.00
Total	12,847.00	51,968.00

10. SHORT TERM INVESTMENT

Description	2021-2022	2021-2021
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-

11. ACCOUNTS RECEIVABLE

Description	2021-2022	2021-2021
	Kshs	Kshs
Fees arrears	3,595,076.00	3,446,125.00
Salary advances	188,000.00	147,000.00
Imprest	-	377,900.00
Total	3,783,076.00	3,971,025.00

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

Description	2021-2022	2021-2021
	Kshs	Kshs
Fees arrears for current year	3,595,076.00	3,604,157.00
Fees arrears for the previous year	158,032.00	9,052,829.00
Fees arrears for prior periods (over two years)	21,114,415.00	
Total		

12. ACCOUNTS PAYABLE

Description		2021-2022	2021-2021
		Kshs	Kshs
Trade creditors (See ageing below and appendix 1)		6,156,022.00	2,284,288.00
Prepaid fees		209,283.00	-
Total		6,365,305.00	2,284,288.00

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

Description		2021-2022	2021-2021
		Kshs	Kshs
Trade creditors for current year			
Trade creditors for the previous year			
Trade creditors for prior periods (Over two years)			
Total			

1. FUND BALANCE BROUGHT FORWARD

Description		2021-2022	2021-2021
		Kshs	Kshs
Bank balances		152,213.67	152,213.67
Cash balances		51,968.00	51,968.00
Short Term Investments		-	-
Receivables		3,593,125.00	3,593,125.00
Payables		2,284,288.00	2,284,288.00
Total		1,513,018.67	1,513,018.67

Other important disclosure notes			
14	Non-current Liabilities Summary		
	Description	2021-2022	2021-2021
		Kshs	Kshs
	Bank loan(s)	-	-
	Outstanding Leases	-	-
	Hire purchase	-	-
	Gratuity and leave provision	-	-
	Total	-	-

15	Biological assets			
	Description	Numbers	2021-2022	2021-2021
			Kshs	Kshs
	Cattle		400,000.00	-
	Total		400,000.00	-
16	Borrowings			
	Description		2021-2022	2021-2021
			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		2021-2022	2021-2021
			KShs	KShs
	Stock/Inventory			
	Stock/ inventory at beginning of the year		1,523,375.00	1,276,815.00
	Stock/ inventory purchased during the year		15,860,971.00	4,233,056.00
	Stock/ inventory issued during the year		15,677,506.00	3,986,496.00
	Balance at end of the year		1,706,840.00	1,523,375.00

KAMAGUT HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

IV. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

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						
Textbooks and reference materials						
Exercise books	1,143,000.00		1,143,000.00	924,575.00	218,425.00	8.1%
Laboratory equipment	130,000.00		130,000.00	317,784.00	(187,784.00)	24.4%
Internal exams	575,500.00		575,500.00	297,394.00	278,106.00	5.2%
Teaching / learning materials	100,000.00		100,000.00	274,535.00	(174,535.00)	27.5%
Chalks	-		-	-	-	
Exams and assessment	-		-	-	-	
reference/Library	1,140,000.00		1,140,000.00	905,253.00	(755,253.00)	7.9%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	4,806,120.00		4,806,120.00	2,896,336.10	(90,216.10)	6.0%
Repairs and maintenance	5,000,000.00		5,000,000.00	4,422,694.40	(822,694.40)	8.8%
Local transport / travelling	1,338,090.00		1,338,090.00	853,200.00	484,890.00	6.4%

Electricity and water	1,570,230.00		1,570,230.00	1,076,166.00	494,064.00	6.9%
Medical/Insurance	500,000.00		500,000.00	418,680.00	81,320.00	8.4%
Administration costs	1,147,560.00		1,147,560.00	692,429.00	455,131.00	6.0%
Activity	700,000.00		700,000.00	623,196.00	76,804.00	8.9%
Gratuity	-		-	-	-	
SMASSE	-		-	-	-	
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	9,000,000.00		9,000,000.00	4,261,995.00	266,709.00	9.4%
Repairs and maintenance	5,004,000.00		5,004,000.00	2,669,891.00	(1,209,891.00)	18.3%
Local transport / travelling	1,861,200.00		1,861,200.00	1,391,514.00	8,486.00	9.9%
Electricity and water	3,840,000.00		3,840,000.00	4,723,975.00	(883,975.00)	12.3%
Medical	-		-	-	-	
Administration costs	1,813,680.00		1,813,680.00	2,189,638.00	(1,145,953.00)	21.0%
Activity	365,000.00		365,000.00	715,590.00	(350,590.00)	19.6%
SMASSE	0		0	-	-	
Fee on Boarding Equipment and Stores	26,781,290.00		26,781,290.00	23,958,749	(2,177,459.00)	11.0%
TOTAL	66,815,670.00		66,815,670.00	54,257,604.50	13,558,065.50	
OTHER INCOME						
Income from farming activities	1,000,000.00		1,000,000.00	620,510.00	(620,510.00)	6.2%
Insurance compensation				-	-	
Income from Posho mill				-	-	
Income from Bus Hire				23,500.00	(23,500.00)	
Fee for hire of ground and equipment				-	-	

Interest income				-	-	0
Income from any other investment				-	-	0
TOTAL INCOME	67,815,670.00		67,815,670.00	54,257,604.50	13,558,065.50	8.0%
	-					
EXPENDITURE FOR:						
(1) TUITION						
Exercise Books	1,143,000.00		1,143,000.00	728,760	(728,760.00)	6.4%
Lab.Equipment	130,000.00		130,000.00	352,746	(352,746.00)	27.1%
T/L Materials	100,000.00		100,000.00	154,500	(154,500.00)	15.5%
Internal Exam	575,500.00		575,500.00	756,078	(756,078.00)	13.1%
Ref/Lib(Textbooks)	1,140,000.00		1,140,000.00	735,071	(735,071.00)	6.4%
SMASSE				-	-	0
Bank Charges				-	-	0
SUB-TOTAL	3,088,500.00		3,088,500.00	2,727,155.00	(2,727,155.00)	
(2) OPERATIONS	-				-	
Local, Transport& Travelling	1,338,090.00		1,338,090.00	496,060.00	(496,060.00)	3.7%
Electricity, Water& Conservancy	1,570,230.00		1,570,230.00	769,220.00	(769,220.00)	4.9%
Repair, Maintenance& Improvement	5,000,000.00		5,000,000.00	3,872,913.00	(3,872,913.00)	7.7%
Activity (i)	700,000.00		700,000.00	392,646.00	(392,646.00)	5.6%
Medical/Insurance	500,000.00		500,000.00	271,280	(271,280.00)	5.4%
Personal Emoluments	4,806,120.00		4,806,120.00	3,807,804	(3,807,804.00)	7.9%
Administration Costs	1,147,560.00		1,147,560.00	559,460	(559,460.00)	4.9%
SUB-TOTAL	15,062,000.00		15,062,000.00	10,169,383.00	(10,169,383.00)	
(3) SCHOOL FUND	-					

Boarding, Equipment& Stores	26,781,290.00		26,781,290.00	27,769,990.00	(27,769,990.00)	10.4%
Local, Transport& Travelling	1,861,200.00		1,861,200.00	1,860,535.00	(1,860,535.00)	10.0%
Electricity, Water& Conservancy	3,840,000.00		3,840,000.00	2,524,816.00	(2,524,816.00)	6.6%
Repair, Maintenance& Improvement	5,004,000.00		5,004,000.00	2,472,595.00	(2,472,595.00)	4.9%
Activity (ii)	365,000.00		365,000.00	56,440.00	(56,440.00)	1.5%
Personal Emoluments	9,000,000.00		9,000,000.00	4,859,538	(4,859,538.00)	5.4%
Administration Costs	1,813,680.00		1,813,680.00	1,907,012	(1,907,012.00)	10.5%
Expenditure from Income Generating Activities	0.00		0.00	616,570.00	(616,570.00)	0
SUB-TOTAL	48,665,170.00		48,665,170.00	42,067,496.00	(42,067,496.00)	
GRAND TOTAL	66,815,670.00		66,815,670.00	88,587,510.00	(60,157,535.00)	8.2%

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

- i. The school has only received 8.0% of the expected revenue from 1ST July 2021 to 30th June 2022
- ii. The school has only utilized 8.2% of the fees collected from 1ST July 2021 to 30th June 2022

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.

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