

REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

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THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 MAR 2025	DAY: Tuesday
TABLED BY:	Hon. Owen Boswa, MP Deputy Majority Leader
THE AUDITOR-GENERAL <i>Gertrude Chebet</i>	

**THE AUDITOR-GENERAL**

**ON**

**KAMUSINDE BOYS HIGH SCHOOL**

**FOR THE SIX (6) MONTHS' PERIOD ENDED  
30 JUNE, 2021**

**BUNGOMA COUNTY**



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**KAMUSINDE BOYS HIGH SCHOOL  
PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS PERIOD ENDED  
30<sup>th</sup> June 2021**

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

**KAMUSINDE BOYS HIGH SCHOOL - PUBLIC Secondary School**  
**Annual Report and Financial Statements**  
**For the Six Months Period Ended 30<sup>th</sup> June 2021**

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**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

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

The school was registered in 1976 under registration number GP/A/4895/07 and is currently categorized as Extra (County) public school established, owned or operated by the Government.

The school is a day/boarding school and had 708 numbers of students as at 30<sup>th</sup> June 2021 it has 4 streams and 22BC employed teachers of which 10 teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Pro.Gelas Muse	Chairman	2018
2	Mr. Tom M O Amadi	Secretary - Principal	2018
3	Dr.George Biketi	Member	2018
4	Mr. Julius Kibebe	Member	2018
5	Mr.Henry Kale	Member	2018
6	Mr. Maurice Musungu	Member	2018
7	Mr. Mathwew Walumoli	Member	2018
8	Hon Didmas Barasa	Member – Rep CEB	2018
9	Mrs. Stelah Wafula	Member Rep Teachers	2018
10	Mrsr Florence Wekesa	3 Members - Sponsor	2018
11	Mrs. Milcah Wanjala	Member - Community	2018
12	Dr.Risper Namasaka	MemberSpecial Needs	2018
13		Rep Students	2018
14	Mr.Boniface Muse		2018
15	Mrs Marcelah Wanakuta		2018
16	Mrs Judith Mamati		2018
17	Mrs.Hussina Hassan		2018
18	Eng. Alex Omuse		2018
19	Mr. Joseph Mukuyuni		2018
20	Mr. Justus Mukwangwachi		2018
21	Mr. Richard Nyamu		2018
22	Mrs. Winnie Wanyama		2018

**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 pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

*The following are the names of the various committees of the Board established by the Board and the names of the committee members:*

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Prof.Gelas Muse	LECTURER	3
		2.Dr. Biketi George	MEMBER DOCTOR	3
		3.Dr. Risper Namasaka	LECTURER EDUCATION	3
		4.Mr. Mathews Walumoli	BUSINESS MAN	3
		5.Mrs.Husnah Hassan	BUSINESS WOMAN	3
		6.Mr. Tom M.O. Amadi	PRINCIPAL	3
2	Audit Committee	1.Mr Bonface Muse	EVALUATOR	
		2.Mr. Henry Kale	ACCOUNTANT	
		3.Mrs.Milcah Wanjala	FARMER	
		4.Mr.Tom M.O Amadi	PRINCIPAL	

**Annual Report and Financial Statements  
For the Six Months Period Ended 30<sup>th</sup> June 2021**

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
3	Finance, procurement and general purposes Committee	1. Mr. Maurice M. Musungu	TEACHER/RTD	3
		2. ENG. Alex Omuse	ENGINEER	3
		3. Mrs. Husnah Hassan	BUSINESSLADY	3
		4. Mr. Tom M.O. Amadi	PRINCIPAL	3
4	Academic Committee	1. Dr. Risper Namasaka	LECTURER	3
		2. Mr. Bonface Muse	LECTURER	3
		3. Mr. Joseph Mukuyuni	LECTURER	3
		4. Mr. Tom M.O. Amadi	PRINCIPAL	3
5	Development Committee			3
6	Discipline and welfare Committee	1. Mr. Richard Nyamu	LAWYER	3
		2. Mr. Julius S. Kibebe	AGRICULTURE	3
		3. Mrs. Marcella Wanakuta	NURSE	3
		4. Mr. Tom M.O. Amadi	PRINCIPAL	3
7	Adhoc Committee (if any during the year)			3

**(d) School Operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Mr. Tom M O Amadi	349924
2	Deputy Principal	Mr. Justus Mukwangwachi	401049
3	School Bursar	Mrs. Matildah Wanjala	

**Note**

*At the time the financial statements were being amended. The principal was Gabriel Barasah and chairperson to the Board was Dr. Risper Wepukhulu*

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 267 KIMILILI  
Telephone: 0719718968  
E-mail: kamusindehigh.com  
Website:  
Facebook:  
Twitter:

**(f) School Bankers**

The following school operated 5 numbers of bank accounts in the following banks:

1. Name of Bank: Kenya Commercial Bank  
Branch: KIMILILI  
Account Number: 1108104584
2. Name of Bank: Kenya Commercial Bank  
Branch: KIMILILI  
Account Number: 11072223067
3. Name of Bank: Kenya Commercial Bank  
Branch: KIMILILI  
Account Number: 1107222478
4. Name of Bank: Kenya Commercial Bank  
Branch: KIMILILI  
Account Number: 1217554440
5. MPESA Pay Bill No. 522123 /50129K attached to KCB bank account

**(g) Independent Auditors**

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

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

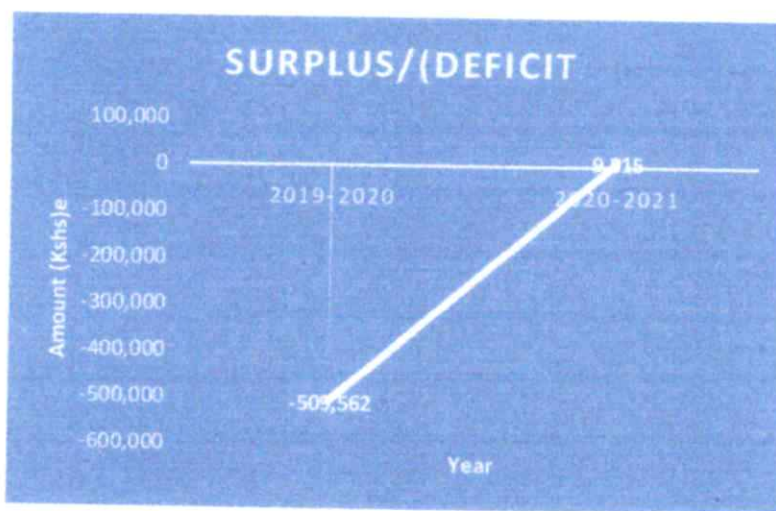
The following is a summary report of the performance of the school against the set performance evaluation criteria:

**a) Financial performance:**

The performance of the School was as follows;

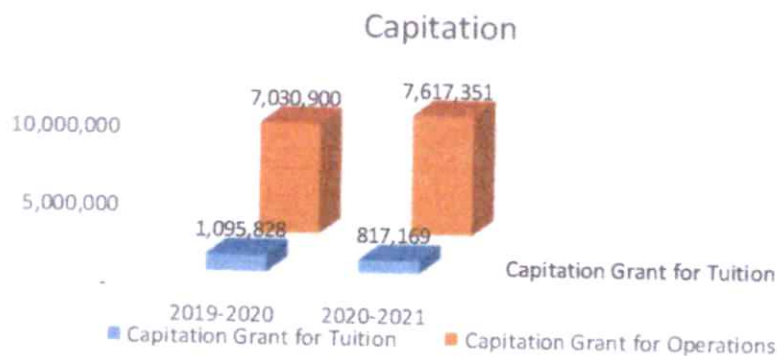
**i). Surplus Deficit**

Year	2019-2020	2020-2021
Surplus/(Deficit) (Kshs)	(509,562)	9,915



**ii). Capitation grants from the Ministry of Education**

Year	2019-2020	2020-2021
Capitation Grant for Tuition	1,095,828	817,169
Capitation Grant for Operations	7,030,900	7,617,351

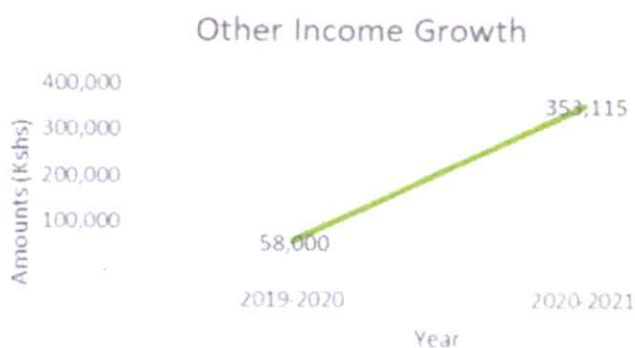


**iii). Ratio of Capitation Grant Per Student**

Year	2019-2020	2020-2021
Number of Students	700	708
Capitation	8,126,728	8,434,520
Ratio	1:11610	1: 11913

**iv). Growth of Other Income(s)**

Year	2019-2020	2020-2021
Other Income	58,000	353,115



**v). Growth In Expenditure**

Year	2019-2020	2020-2021
Expenditure Growth	26,655,585	19,511,297



**vi). Movement of Debtors And Creditors**

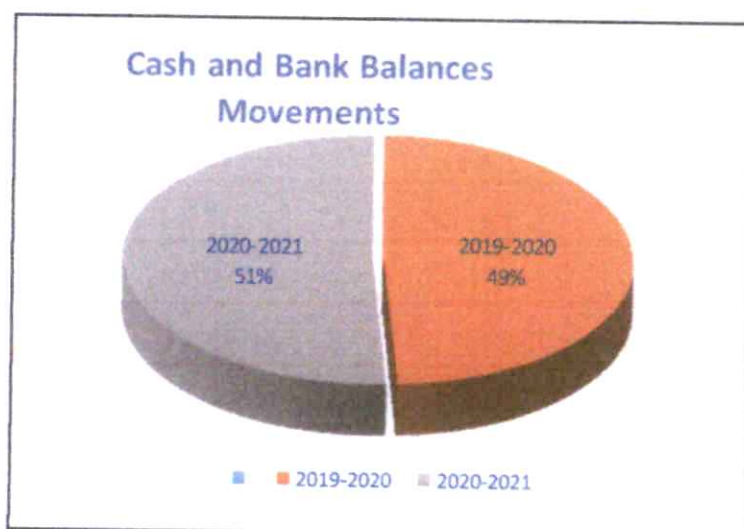
Year	2019-2020	2020-2021
Accounts Receivables	6,982,915	6,352,478
Accounts Payables	6,171,505	5,540,867

**Movement of Receivables and Payables**



**vii). Movement Of Cash And Bank Balances**

Year	2019-2020	2020-2021
Cash and Bank Balances	244,670	254,384



**b) Teacher Student ratio:**

The teacher student ratio for the year ended 30 June 2021 was 1:35. During the year two teachers were transferred and two retired. Further one teacher was employed by TSC while the Board employed one other teacher

**c) Mean score in the YEAR 2021/KCSE:**

The Schools performance was as follows;

year	Mean score	Transition to university	impression
2018	4.777	30	+0.4
2019	4.901	30	+0.13
2020	5.95	50	+1.04

The school showed improved performance which increased by 1.04 points from 4.777 to 5.95 from 2018 to 2020 as follows;

**d) Number of KCSE Candidates**

Year	Number of Candidates
2018	148
2019	140
2020	138
2021	159

**e) Capacity of the School:**

The School has the following facilities

Facility's Name	Number	Number of Students	Ratio
Dormitory	8	708	1:89
Laboratory	4	708	1:177
Dining Hall	1	708	1:708
Toilets	30 doors	708	1:24
Classrooms	18	708	1:40
Borehole	1	708	1:708
Library	1	708	1:708

**f) Development Projects by The School**

No	Name of Project	Source of Funding	Status
1	None		

Sign




School Principal

### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of Kamusinde Boys 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 six months period ended 30<sup>th</sup> June, 2021 and of the school's financial position as at that date.

**Name:** Dr. Risper Wepukhulu  
**Designation:** Chairman, Board of Management  
**Sign:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

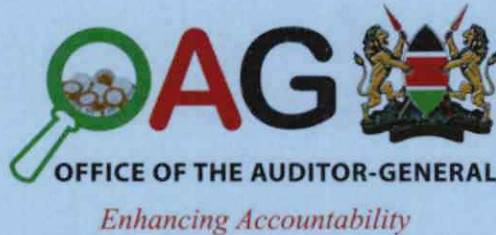
**Name:** MR. Gabriel Barasah  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**Name:** Mrs. Matildah Wanjala  
**Designation:** Bursar/ Finance Officer  
**Sign:** \_\_\_\_\_  
**Date:** \_\_\_\_\_



# REPUBLIC OF KENYA

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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 KAMUSINDE BOYS HIGH SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - BUNGOMA COUNTY**

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in 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 Government achieves value for money and that such Schools 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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 Kamusinde Boys High School set out on pages 12 to 26 which comprise the statement of financial assets and financial

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*Report of the Auditor-General on Kamusinde Boys High School for the Six (6) months' period ended 30 June, 2021 - Bungoma County*

liabilities as at 30 June, 2021 and the statement of receipts and payments statement of cash flows and statement of comparison of budget and actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kamusinde Boys High School as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Unsupported Accounts Receivables**

The statement of financial assets and liabilities reflects Kshs.6,352,478 balance in respect of accounts receivables, as disclosed in Note 11 to the financial statements which includes Kshs.6,352,478 in respect of fees arrears. However, supporting schedules and students' ledgers showing opening balance (arrears from 2020), fee billed and paid and outstanding balance as at 30 June, 2021 was not provided for audit review.

In the circumstances, the accuracy and completeness of fees arrears balance of Kshs.6,352,478 could not be confirmed.

#### **2. Unsupported Accounts Payables**

The statement of financial assets and liabilities reflects accounts payables balance of Kshs.5,540,867 as disclosed in Note 13 to the financial statements. However, supporting documents including accounts payables schedule, ageing analysis of the trade creditors and detailed analysis of the payables showing their categorization, original amount, date contracted, amount paid to date and outstanding balance as at 30 June 2021 were not provided for audit review.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.5,540,867 could not be confirmed.

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

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of budget versus actual amounts reflects final total income budget and actual on comparable basis of Kshs.24,231,540 and Kshs.19,521,211 respectively resulting to an underfunding of Kshs.4,710,329 or 19% of the budget. Similarly, the statement reflects final budget expenditure and actual on comparable basis of Kshs.24,231,540 and Kshs.19,511,297 resulting to under-absorption of Kshs.5,398,509 or 19% of the budget.

The under-utilization of the approved budget and under receipt of revenue affected the planned activities of the Fund and may have negatively affected service delivery to the public.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit section of the report, including in relation to these matters. Accordingly, the audit included the performance of procedures designed to respond to the assessment of the risks of material misstatement of the financial statements. The results of the audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Late Submission of Financial Statements**

The annual report and financial statements for the six months' period ended 30 June, 2021 were submitted to Auditor-General on 17 March, 2023, instead by the statutory deadline of 30 September, 2021. This was contrary to Section 47(1) of the Public Audit

Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

## **2. Employee Earning Less Than a Third of Basic Salary**

The statement of receipts and payment reflects an amount of Kshs.19,511,297 in respect of total payments as disclosed in Notes 7 and 9 to the financial statements includes Kshs.1,971,660 and Kshs.895,037 in respect of personnel emoluments both totaling Kshs.2,866,697. However, one employee earned net salary less than a third of the basic salary contrary to Section 19(3) of Employment act, 2019 and part C.1(3) of The Human Resource Policies and Procedures.

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

### **1. Failure to Maintain Separate Records for Income Generating Activities**

During the period under review the Management received revenue from bus hire and transferred produce from the farm to the School. However, the School did not maintain separate income and expenditures for each income generating activities contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day Secondary Education (FDSE) which requires that schools with income generating activities to open separate bank accounts for the stream of income and account for it in accordance with financial regulations.

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

## **2. Government Capitation Grants**

### **4.1 Failure to Receive All Capitation Grants**

Review of capitation grants disbursement record in NEMIS made to and received by the School from the Ministry of Education revealed that the School received Kshs.445,170 less than the amount disbursed. Explanation for the over-disbursement was not provided.

### **4.2 Failure and Delay in Transferring Funds to Infrastructure Bank Account**

The statement of receipts and payments reflects Kshs.5,637,351 in respect of capitation grants for operations received from the State Department of Basic Education as disclosed in Note 2 to the financial statements which included infrastructure grants of Kshs.2,080,602 which was supposed to be transferred to the School infrastructure account. However, only Kshs.1,780,000 was transferred resulting to a variance of Kshs.300,602 contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which states that infrastructure grants should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

### **3. Incomplete Annual Procurement Plan**

Review of records revealed that the annual procurement plan for the period under review was incomplete. The procurement methods and category of bidders were not included in the plan contrary to Section 53 (2) and (5) of the Public Procurement and Asset Disposal Act, 2015 requires entities to have in place procurement and asset disposal plans that are based on indicative or approved budgets which shall be integrated with the applicable budget process.

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

### **4. Irregular Initiation of the Procurement Process**

Review of documents provided for audit revealed that the School advertised for prequalification of suppliers for supply of all works, goods and service contrary to Section 93. (1) of the Public procurement and asset Disposal Act, 2015 which require pre-qualification to be used only for complex and specialized goods, works and services. The School did not maintain and update list of registered suppliers, contractors and consultants in the category of goods, works and services according to its procurement need as required by Section 57 (1) of same Act.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the 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 overall governance were not effective.

### **Basis for Conclusion**

#### **1. Incomplete Fixed Assets Register**

Review of fixed assets register provided revealed that the School owned various assets with historical cost of Kshs.13,000,000. However, details of date of purchase, cost, serial

numbers and locations were not included in the register. Further, assets were not tagged making it difficult to identify assets such as student chairs and desks, office tables, cabinets and office chairs. This is contrary to Regulation 139 (1) of the of Public Finance Management (National Government) Regulations, 2015. In addition, assets have not been disclosed under other disclosures in the financial statements.

In the circumstances, the effectiveness of the management and safe custody of the fixed assets could not be confirmed.

## **2. Lack of Effective Text Books Management**

Inspection at the library carried out in May 2024 revealed that the School had various text books of unknown value. However, updated records showing the number of text books in store at any given time was not maintained by the School. This is contrary to Regulation 139 (1) of the of Public Finance Management (National Government) Regulations, 2015 which stipulates that the Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exist for assets and preventative mechanisms are in place to eliminate theft, security threats, losses, wastage, misuse and movement and conditions of assets can be tracked

In the circumstance, the effectiveness of text book management could not be confirmed

## **3. Lack of Audit Committee**

During the period under review, the School did not have an audit committee contrary to Section 73(5) of the Public Finance Management Act, 2012 which states that every national government entity shall establish an internal auditing committee whose composition and functions are to be prescribed by the regulations

In the circumstances, the School did not benefit from the independent assurance over its financial reporting and risk management processes.

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as 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 terminate the School or to cease operations.

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

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

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

23 October, 2024

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

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Government grants for tuition	1	817,169	1,095,828
Government grants for operations	2	5,637,351	7,030,900
Government grants for Infrastructure	3	1,980,000	
School fund income- parents' contributions	4	10,733,576	17,961,295
Miscellaneous incomes	5	353,115	58,000
<b>Total Receipts</b>		<b>19,521,211</b>	<b>26,146,023</b>
<b>PAYMENTS</b>			
Tuition	6	732,165	1,689,061
Operations	7	5,638,511	5,752,496
Infrastructure	8	1,978,670	
Boarding and school fund	9	11,161,951	19,214,027
<b>Total Payments</b>		<b>19,511,297</b>	<b>26,655,585</b>
<b>SURPLUS/DEFICIT</b>		<b>9,914</b>	<b>(509,562)</b>

The school financial statements were approved on 30/06/2021 and signed by:

Sign: 

Name: Dr. Rispah Wepukhulu

Chair BOM

Date .....

Sign

Name: Mr. Gabriel Barasah

School Principal/  
Secretary to BOM

Date.....  


Sign

Name: Mrs. Matildah Wanjala

Bursar/  
Finance Officer

Date.....  
  
27/09/2024



KAMUSINDI BOYS HIGH SCHOOL - PUBLIC SECONDARY SCHOOL  
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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT  
 30<sup>TH</sup> JUNE 2021

Description	Note	2020-2021 Kshs	2019-2020 Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	254,384	244,470
Cash balances	11	-	200
<b>Total cash and cash equivalent</b>		<b>254,384</b>	<b>244,670</b>
Account's receivables	12	6,352,478	6,982,915
<b>Total financial assets</b>		<b>6,606,862</b>	<b>7,227,586</b>
<b>Financial liabilities</b>			
Accounts payables	13	5,540,867	6,171,505
<b>Net financial assets</b>		<b>1,065,995</b>	<b>1,056,081</b>
<b>Represented by</b>			
Accumulated fund b/fwd	14	1,056,081	1,565,643
Surplus/deficit for the year		9,914	(509,562)
<b>Net financial position</b>		<b>1,065,995</b>	<b>1,056,081</b>

The School's financial statements were approved on \_\_\_30/06/2021 and signed by:

Sign:



Name: Dr. Risper Wepukhulu

Chair BOM

Date .....

Sign

Name: Mr. Gabriel Barasah

School Principal/  
Secretary to BOM

Date.....

Sign



Name: Mrs. Matildah Wanjala

Bursar/ Finance Officer

Date..... 28/09/2021



VII. STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30<sup>TH</sup> JUNE 2021

Description	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>CASH FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Government grants for tuition	1	817,169	1,095,828
Government grants for operations	2	5,637,351	7,030,900
Government grants for Infrastructure	3	1,980,000	
School fund income- parents contributions/ fees	4	10,733,576	17,961,295
Miscellaneous incomes	5	353,115	58,000
<b>Total receipts</b>		<b>19,521,211</b>	<b>26,146,023</b>
<b>Payments</b>			
Cash outflows for tuition	6	732,165	1,689,061
Cash outflows for operations	7	5,638,511	5,752,496
Cash outflows for infrastructure	8	1,978,670	
Cash outflows Boarding/lunch and school fund payments	9	11,161,951	19,214,027
<b>Total payments</b>		<b>19,511,297</b>	<b>26,655,585</b>
<b>Net cash inflow/outflow from operating activities before Adjustments</b>		<b>9,914</b>	<b>- 509,562</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets			-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash inflow/outflows from investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash inflow/outflow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>9,914</b>	<b>- 509,562</b>
Cash and cash equivalent at beginning of the FY		<b>244,470</b>	<b>754,032</b>
<b>Cash and cash equivalent at end of the FY</b>	10	<b>254,384</b>	<b>244,470</b>

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 PSASB.

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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30<sup>TH</sup> JUNE 2021

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	Budget Utilization Difference e=c-d % Kshs	% Of Utilization f=d/c % Kshs
<b>RECEIPTS</b>						
<i>(1) Capitation Grant on Tuition</i>						
Exercise Books	1,008,000	(504,000)	504,000	408,585	95,415	81%
Library and Reference Materials	-	-	-	155,074	(155,074)	100%
Laboratory Equipment	-	-	-	90,076	(90,076)	100%
Exams And Assessment	895,680	(447,840)	447,840	-	447,840	0%
Revision Materials	-	-	-	163,434	(163,434)	100%
Other Vote Heads	1,369,000	(684,500)	684,500	-	684,500	0%
Chalk	72,000	(36,000)	36,000	-	36,000	0%
<b>Subtotal</b>	<b>3,344,680</b>	<b>(1,672,340)</b>	<b>1,672,340</b>	<b>817,169</b>	<b>855,171</b>	<b>49%</b>
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments	-	-	-	1,493,867	(1,493,867)	100%
Maintenance and Improvements	3,600,000	(1,800,000)	1,800,000	2,380,602	(580,602)	132%
Local Transport / Travelling	-	-	-	587,627	(587,627)	100%
Electricity And Water	-	-	-	587,627	(587,627)	100%
Medical	1,440,000	(720,000)	720,000	-	720,000	0%
Administration Costs	-	-	-	587,627	(587,627)	100%
Activity	1,080,000	(540,000)	540,000	-	540,000	0%
Tuition	-	-	-	-	-	100%
Other Vote Heads	6,768,000	(3,384,000)	3,384,000	-	3,384,000	0%
<b>Subtotal</b>	<b>12,888,000</b>	<b>(6,444,000)</b>	<b>6,444,000</b>	<b>5,637,351</b>	<b>806,649</b>	<b>87%</b>

Annual Report and Financial Statements  
For the Six Months Period Ended 30<sup>th</sup> June 2021

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	Budget Utilization Difference e=c-d % Kshs	% Of Utilization f=d/c % Kshs
<b>3) FDSE for infrastructure</b>						
Transferred from Operations Grants	-	-	-	1,780,000	(1,780,000)	100%
Transferred from School Fund	-	-	-	200,000	(200,000)	100%
<b>Subtotal</b>	-	-	-	<b>1,980,000</b>	<b>(1,980,000)</b>	<b>100%</b>
<b>(4) Fees Charged on Parents</b>						
Personnel emoluments	2,590,000	(1,295,000)	1,295,000	991,698	303,302	77%
Fee on Boarding Equipment and Stores	20,397,000	(10,198,500)	10,198,500	6,991,968	3,206,532	69%
Maintenance and Improvement	1,440,000	(720,000)	720,000	317,925	402,075	44%
Administration Costs	3,300,000	(1,650,000)	1,650,000	1,345,684	304,316	82%
Electricity and water	3,848,000	(1,924,000)	1,924,000	898,956	1,025,044	47%
Local Transport / Travelling	469,200	(234,600)	234,600	134,055	100,545	57%
Activity	186,200	(93,100)	93,100	53,290	39,810	57%
<b>Subtotal</b>	<b>32,230,400</b>	<b>(16,115,200)</b>	<b>16,115,200</b>	<b>10,733,576</b>	<b>5,381,624</b>	<b>67%</b>
<b>5) Miscellaneous Income</b>						
Income from farming activities	-	-	-	353,115	(353,115)	100%
<b>Subtotal</b>	-	-	-	<b>353,115</b>	<b>(353,115)</b>	<b>100%</b>
<b>Total Receipts</b>	<b>48,463,080</b>	<b>(24,231,540)</b>	<b>24,231,540</b>	<b>19,521,211</b>	<b>4,710,329</b>	<b>81%</b>
<b>PAYMENTS</b>						
Library and Revision Materials	1,008,000	(504,000)	504,000	50,000	454,000	10%
Exercise Books	-	-	-	567,553	(567,553)	100%
Revision Materials	-	-	-	104,000	(104,000)	100%
Teaching / Learning Materials	895,680	(447,840)	447,840	10,000	437,840	2%

Annual Report and Financial Statements  
For the Six Months Period Ended 30<sup>th</sup> June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	e=a+b	d	e-e-d %	f=d/e %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Chalk	1,369,000	(684,500)	684,500	-	684,500	0%
Bank Charges	72,000	(36,000)	36,000	612	35,388	2%
<b>Subtotal</b>	<b>3,344,680</b>	<b>(1,672,340)</b>	<b>1,672,340</b>	<b>732,165</b>	<b>940,175</b>	<b>44%</b>
<b>(7) Expenditure For Operations</b>						
Personnel Emoluments	-	-	-	1,971,660	(1,971,660)	100%
Service Gratuity	3,600,000	(1,800,000)	1,800,000	-	1,800,000	0%
Administration Cost	-	-	-	73,038	(73,038)	100%
Maintenance & Improvements	-	-	-	3,415,613	(3,415,613)	100%
Local Transport and Travelling	1,440,000	(720,000)	720,000	113,000	607,000	16%
Electricity And Water	-	-	-	60,000	(60,000)	100%
Medical	1,080,000	(540,000)	540,000	5,200	534,800	1%
Farm Expenses	6,768,000	(3,384,000)	3,384,000	-	3,384,000	0%
<b>Subtotal</b>	<b>12,888,000</b>	<b>(6,444,000)</b>	<b>6,444,000</b>	<b>5,638,511</b>	<b>805,489</b>	<b>88%</b>
<b>(8) Expenditure For infrastructure</b>						
Maintenance and Improvements	-	-	-	1,975,070	(1,975,070)	100%
School Fund	-	-	-	3,600	(3,600)	100%
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,978,670</b>	<b>(1,978,670)</b>	<b>100%</b>
<b>(9) Expenditure For school fund/lunch/boarding</b>						
Personnel emoluments	2,590,000	(1,295,000)	1,295,000	895,037	399,963	69%
Administration costs	3,300,000	(1,650,000)	1,650,000	285,226	1,364,774	17%
Maintenance & Improvements	1,440,000	(720,000)	720,000	488,610	231,390	68%
Local transport / travelling	469,200	(234,600)	234,600	822,600	(588,000)	351%
Electricity and water	3,848,000	(1,924,000)	1,924,000	233,550	1,690,450	12%

**Annual Report and Financial Statements  
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Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% Of Utilization f=d/c % Kshs
Expenses on Income Generating Activities	-	-	-	298,395	(298,395)	100%
Fee on Boarding Equipment and Stores	20,397,000	(10,198,500)	10,198,500	7,856,934	2,341,566	77%
Activity Expenses	186,200	(93,100)	93,100	1,600	91,500	2%
Acquisition of Assets(infrastructure exp)	-	-	-	240,000	240,000	100%
Imprest	-	-	-	40,000	40,000	100%
<b>Subtotal</b>	<b>32,230,400</b>	<b>(16,115,200)</b>	<b>16,115,200</b>	<b>11,161,952</b>	<b>4,953,248</b>	<b>69%</b>
<b>Total Payments</b>	<b>48,463,080</b>	<b>(8,116,340)</b>	<b>40,346,740</b>	<b>19,511,297</b>	<b>20,835,443</b>	<b>48%</b>

**Notes**

Causes of under collections were

- i. Underfunding from the government
- ii. None payment of school fees

## **IX. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

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

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

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

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

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

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

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

### **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**  
The figure for current year may not be comparable since year 2020-2021 are for six months while comparative 2019-2020 are for period of twelve months.
- 10. Subsequent events**  
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021.
- 11. First Time Adoption IPSAS Cash**  
The School is preparing the financial statements under IPSAS (cash) basis for the first time

**Kamusinde Boys High School - Public Secondary School**  
**Annual Report and Financial Statements**  
**For the Six Months Period Ended 30<sup>th</sup> June 2021**

**X. Notes To The Financial Statements**

**1 CAPITATION GRANT FOR TUITION**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Exercise Books	408,585	-
Library and Reference Materials	155,074	548,228
Laboratory Equipment	90,076	328,560
Teaching / Learning Materials	-	164,280
Revision Materials	163,434	-
Chalk	-	54,760
<b>Total</b>	<b>817,169</b>	<b>1,095,828</b>

**2 CAPITATION GRANT FOR OPERATIONS**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	1,493,867	2,095,270
Maintenance and Improvements	2,380,602	2,682,000
Local Transport / Travelling	587,627	295,260
Electricity And Water	587,627	902,850
Medical	-	118,400
Administration Costs	587,627	700,320
Activity	-	236,800
<b>Total</b>	<b>5,637,351</b>	<b>7,030,900</b>

**3 Government Grants for Infrastructure**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Transferred from Operations Grants	1,780,000	
Transferred from School Fund	200,000	
<b>Total</b>	<b>1,980,000</b>	<b>-</b>

**Kamusinde Boys High School - Public Secondary School  
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**Notes To The Financial Statements (Continued)**

**4 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	991,698	1,314,344
Fee on Boarding Equipment and Stores	6,991,968	12,424,840
Maintenance and Improvement	317,925	906,812
Administration Costs	1,345,684	1,006,954
Electricity and water	898,956	1,961,335
Local Transport / Travelling	134,055	251,085
Activity	53,290	95,925
<b>Total</b>	<b>10,733,576</b>	<b>17,961,295</b>

**5 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

Description	2020-2021	2019-2020
	Kshs	Kshs
Income from farming activities	353,115	-
Income from Bus Hire	-	58,000
<b>Total</b>	<b>353,115</b>	<b>58,000</b>

**6 PAYMENTS FOR TUITION**

Description	2020-2021	2019-2020
	Kshs	Kshs
Library and Revision Materials	50,000	317,142
Exercise Books	567,553	1,076,655
Laboratory Equipment	-	111,520
Revision Materials	104,000	-
Teaching / Learning Materials	10,000	-
Internal Exams	-	183,000
Bank Charges	612	744
<b>Total</b>	<b>732,165</b>	<b>1,689,061</b>

**Kamusinde Boys High School - Public Secondary School**  
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**Notes To The Financial Statements (Continued)**

**7 PAYMENTS FOR OPERATIONS**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	1,971,660	1,328,103
Service Gratuity	-	160,000
Administration Cost	73,038	749,356
Maintenance & Improvements	3,415,613	2,608,840
Local Transport and Travelling	113,000	136,500
Electricity And Water	60,000	146,326
Medical	5,200	276,721
Farm Expenses	-	8,000
Activity Expenses	-	338,650
<b>Total</b>	<b>5,638,511</b>	<b>5,752,496</b>

**8 INFRASTRUCTURE**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance and Improvements	1,975,070	-
School Fund	3,600	-
<b>Total</b>	<b>1,978,670</b>	<b>-</b>

**9 BOARDING AND SCHOOL FUND PAYMENTS**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	895,037	1,695,747
Administration costs	285,226	773,417
Maintenance & Improvements	488,610	2,531,660
Local transport / travelling	822,600	589,140
Electricity and water	233,550	288,221
Exams	-	101,000
Expenses on Income Generating Activities	298,395	1,906,905
Fee on Boarding Equipment and Stores	7,856,934	7,152,245
Activity Expenses	1,600	292,240
Prepayments	-	1,966,240
Acquisition of Assets(infrastructure exp)	240,000	1,917,212
Imprest	40,000	-
<b>Total</b>	<b>11,161,952</b>	<b>19,214,027</b>

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**Notes To The Financial Statements (Continued)**

**10 BANK ACCOUNTS**

Account Name and Currency	Status	Account Number	2020-2021	2019-2020
	Active/ Dormant		Kshs	Kshs
Tuition Account	Active	1107222478	95,021	10,017
Operations Account	Active	1107223067	4,362	5,521
School Fund Account/Boarding	Active	1108104584	152,737	227,998
Infrastructural Account	Active	1217554440	2,265	934
<b>Total</b>			<b>254,384</b>	<b>244,470</b>

**11 CASH IN HAND**

Description	2020-2021	2019-2020
	Kshs	Kshs
School Fund account	-	200.00
<b>Total</b>	<b>-</b>	<b>200.00</b>

**12 ACCOUNTS RECEIVABLES**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	6,222,586	6,721,319
Advance	129,892	261,596
<b>Total</b>	<b>6,352,478</b>	<b>6,982,915</b>

**12 b Ageing Analysis of Accounts Receivables**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	4,011,903	6,982,915
Fees arrears for the previous year	2,340,575	-
Fees arrears for prior periods (over two years)	-	-
<b>Total</b>	<b>6,352,478</b>	<b>6,982,915</b>

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**Annual Report and Financial Statements**  
**For the Six Months Period Ended 30<sup>th</sup> June 2021**

**Notes To The Financial Statements (Continued)**

**13 ACCOUNTS PAYABLES .**

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,663,117	6,171,505
Prepaid fees	551,045	-
Excess fees	14,203	-
NHIF	81,000	-
NSSF	120,252	-
Welfare	111,250	-
<b>Total</b>	<b>5,540,867</b>	<b>6,171,505</b>

**13 b Ageing Analysis of Accounts Payables**

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	5,540,867	6,171,505
Trade creditors for the previous year	-	-
Trade creditors for prior periods (over two years)	-	-
<b>Total</b>	<b>5,540,867</b>	<b>6,171,505</b>

**14 FUND BALANCE BROUGHT FORWARD**

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Balances	244,470	754,232
Cash Balances	200	-
Receivables	6,982,915	10,866,841
Payables	(6,171,505)	(10,055,431)
<b>Total</b>	<b>1,056,081</b>	<b>1,565,643</b>

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**Notes To The Financial Statements (Continued)**

**Other important disclosure notes**

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

**15 Biological Assets**

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	10	880,000	-
Trees	257	3,336,102	-
Farm			-
Poultry			-
<b>Total</b>		<b>4,216,102</b>	-

**16 Stock/ Inventory**

Description	2020-2021	2019-2020
	Kshs	Kshs
Laboratory Items	1,921,925	
Food Stuff	3,926,179	-
Consumables	235,032	-
Hardware Materials	192,780	
<b>Total</b>	<b>6,275,916</b>	-

**17 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)
	The Financial statements are being audited for the first time by external auditors hence no prior year auditor recommendations			

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2021	Comments
	a Kshs	b Kshs	c Kshs	d=a-c Kshs	Kshs	
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f 1 <sup>st</sup> July 2020 (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f 30 <sup>th</sup> June 2021 (Kshs)
Land 1			13,000,000			13,000,000
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
<b>Total</b>			<b>13,000,000</b>			<b>13,000,000</b>