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REPORT

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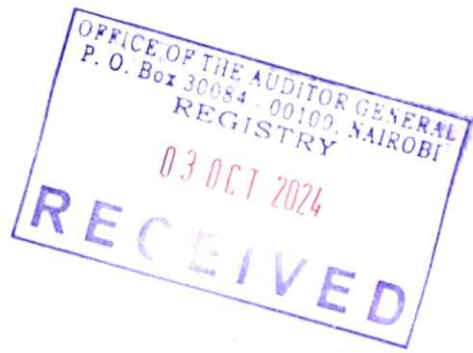
ON

KAMUSINDE BOYS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

BUNGOMA COUNTY

 THE NATIONAL ASSEMBLY	
MEMBERS LAID	
DATE: 11 MAR 2025	DAY: Tuesday
TABLED BY:	Hon Ower Baya, MP Deputy Majority Leader
CLERK-AT THE-TABLE:	Getrude Chebet



KAMUSINDE BOYS 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)

KAMUSINDE BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

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I. Key School Information And Management

[Customise the details in this section to suit your 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 BUNGOMA County, KIMILILI Sub-County

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

The school is a day/boarding school and had 715 number of students as at 30th June 2022. 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	Dr. Risper Wepukhulu	Chairperson	26/04/2022
2	Mr.Cornelius Sindani	Secretary - Principal	26/04/2022
3	Dr.Biketi George	Member	26/04/2022
4	The Scde Kimilili	Member	26/04/2022
5	The Scde(Tsc)Kimilili	Member	26/04/2022
6	Mr.Poipoi Moses	Member	26/04/2022
7	Mr.Fabian Imbwanga	P.A	26/04/2022
8	Mr Everest Wasike	Member – Rep CEB	26/04/2022
9	Mrs. Stellah Chesoli	Member Rep Teachers	26/04/2022
10	Mr.Partrick Juma	3 Members - Sponsor	26/04/2022
11	Mr.Partrick Wandili	Member - Community	26/04/2022
12	Mrs.Sainabu Sirengo	MemberSpecial Needs	26/04/2022
13	Mrs.Hussinah Hassan	Rep Students	26/04/2022
14	Eng. Alex Omuse	Member	26/04/2022
15	Mr. Joseph Mukuyuni	Member	26/04/2022
16	Mr. Richard Nyamu	Member	26/04/2022
17	Mrs. Winnie Wanyama	Member	26/04/2022
18	Mr. Esau Ochorokodi Okodie	Member	26/04/2022

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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 of kamusinde boys high school

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Dr. Risper Namasaka 2. Mr. Poipoi Moses 3. Adv Richard Nyamu 4. Mr. Fabian Imbwanga 5. Husnah Hassan 6. Mr. Cornelius Sindani	Chair person PA Chair Principal	3
2	Audit Committee	***** 2. Mr. Henry Kale 3. Mrs. Milcah Wanjala 4. Mr. Conelius Sindani	Evaluator Accountant Farmer Principal	3
3	Finance, procurement and general purposes Committee	1. Mr. Maurice M Musungu 2. Eng. Alex Omuse 3. Mrs. Husnah Hassan 4. Mr. Tom M O Amadi	Rtd Teacher Engineer Businesslady Principal	3
4	Academic Committee	1. Dr. Risper Namasaka 2. Mr. Bonface Muse	Lecturer Lecturer	3

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Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
		3. Mr. Joseph Mukyuni	Lecturer	
		4. Mr. Tom M O Amadi	Principal	
5	Development Committee			3
6	Discipline and welfare Committee	1. Mr. Richard Nyamu	Advocate	3
		2. Mr. Julius S Kibebe		
		3. Mrs. Marcella Wanakuta		
		4. Mr. Tom M O Amadi	Principal	
7	Adhoc Committee (if any during the year)			3

(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	CORNELIUS SINDANI	303415
2	Deputy Principal	MR JUSTUS MUKWANGWACHI	401049
3	School Bursar	MS. 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

(e) Schools contacts

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

(f) School Bankers

The school operated 7 number of bank accounts in the following banks:

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For the year ended 30th June 2022

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. Name of Bank: Kenya Commercial Bank
Branch: Kimilili
Account Number: 1287329535
6. Name of Bank: Kenya Commercial Bank
Branch: Kimilili
Account Number:
7. MPESA Pay Bill No. 522123/50129K attached to KCB bank account

(g) Independent Auditors

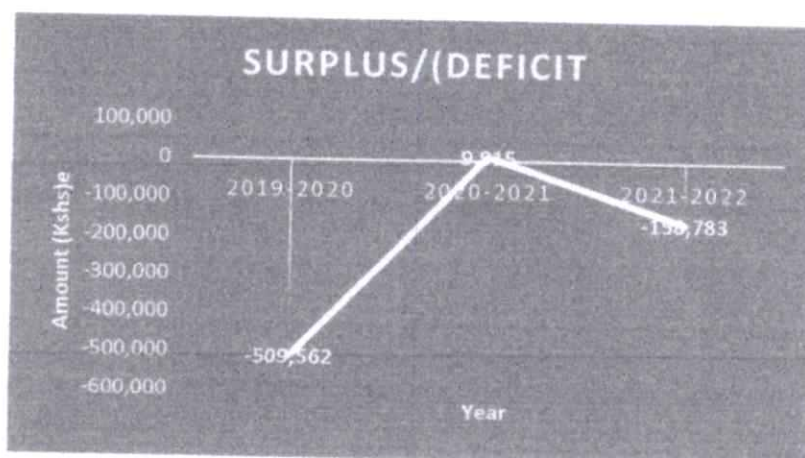
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

II. Summary Report of Performance of The School

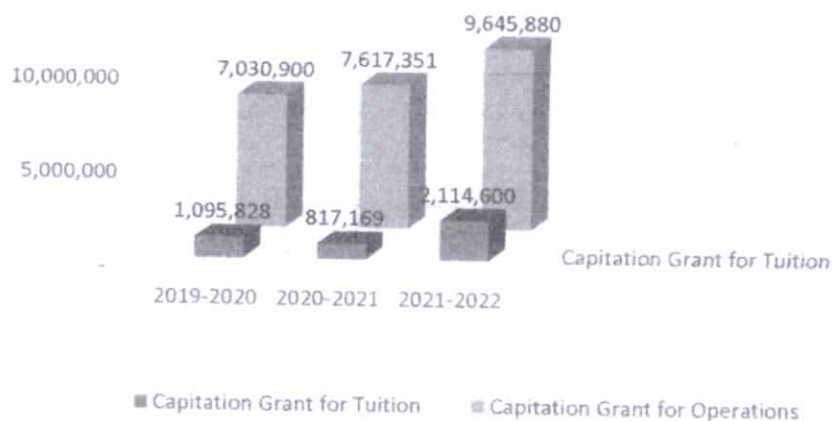
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:**i). Surplus/ deficit**

Year	2019-2020	2020-2021	2021-2022
Surplus/(Deficit) (Kshs)	-509,562	9,915	-158,783

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

Year	2019-2020	2020-2021	2021-2022
Capitation Grant for Tuition	1,095,828	817,169	2,114,600
Capitation Grant for Operations	7,030,900	7,617,351	9,645,880

Capitation

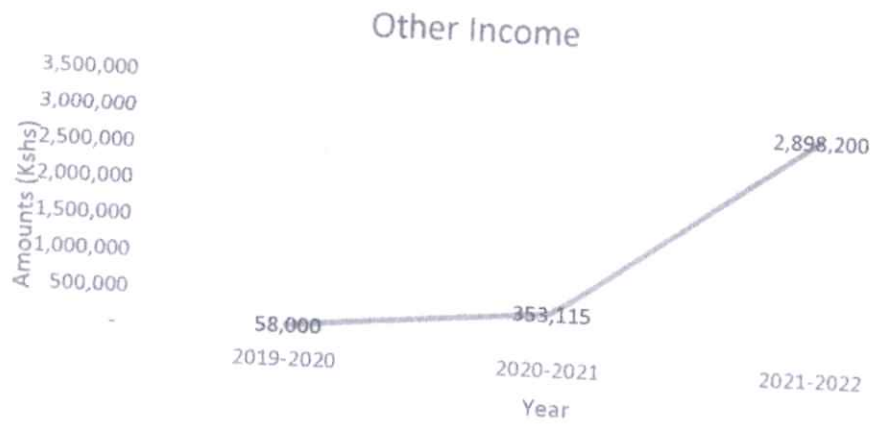
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iii). Ratio of Capitation Grant Per Student

Year	2019-2020	2020-2021	2021-2022
Number of Students	700	708	708
Capitation	8,126,728	8,434,520	11,760,480
Ratio	1:11610	1: 11913	1:16611

iv). Growth of Other Income

Year	2019-2020	2020-2021	2021-2022
Other Income	58,000	353,115	2,898,200



v). Expenditure Growth

Year	2019-2020	2020-2021	2021-2022
Expenditure (Kshs)	26,655,585	19,511,297	49,891,033

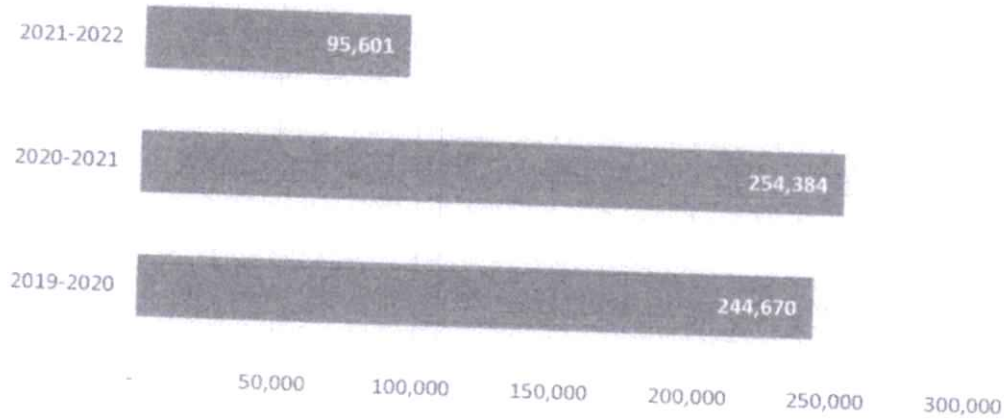


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vii). Movement of cash and bank balances

Year	2019-2020	2020-2021	2021-2022
Cash and Bank Balances	244,670	254,384	95,601

Cash and Bank Balances Movements



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 2022 KCSE:

Performance of the school for each over the last years is 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
2021	4.478	23	-1.4568
2022	4.6613	22	0.1833

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d) Number of Candidates in the 2022 KCSE:

Year	Candidates
2018	148
2019	140
2020	138
2021	159
2022	187

e) Capacity of the school:

Dormitory	8	708
Laboratory	4	708
Dining hall	1	160
Toilets	30	708
Classrooms	18	708
Borehole	1	708
Library	1	708

f) Development projects by the school

No	Name of Project	Source of Funding	Status
1	None		

.....
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 (PSASB) of Kenya from time to time.

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


The Board of Management of 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 financial year ended 30th June, 2022, and of the school's financial position as at that date.


.....
Name: **Dr. Risper N. Wepukhulu**
Designation: Chairperson, School Board of Management
Date:


.....
Name: **Mr. Gabriel Barasah**
Designation: School Principal & Secretary to Board of Management
Date:




.....
Name: **Mrs. Matildah Wanjala**
Designation: Bursar/ Finance Officer
Date: 27/9/2024

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KAMUSINDE BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - BUNGOMA COUNTY

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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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 Kamusinde Boys High School set out on pages 1 to 16 which comprise the statement of financial assets and financial

liabilities as at 30 June, 2022 and the statement of receipts and payments statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kamusinde Boys High School as 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported and Long Outstanding Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts receivables balance of Kshs.8,717,162. Included in the balance are fees arrears amounting to Kshs.8,568,210 out of which Kshs.2,340,575 had been outstanding for more than two (2) years. However, supporting schedules and students' ledgers were not provided for audit review. Further, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the accounts receivables balance of Kshs.8,717,162 could not be confirmed.

2. Unsupported and Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.7,905,551 as disclosed in Note 13 to the financial statements. However, schedules provided for audit review reflects Kshs.4,786,382 resulting to an unreconciled variance of Kshs.1,562,022. Further, supporting documents for the payables were not been provided for audit review. Additionally, trade payables amounting to Kshs.1,622,022 had been outstanding for over two (2) years and did not form the first charge during the year as a requirement of Regulation 42 (1)(b) of the Public Finance Management (National Government) which requires that debts service payments to form first charge during the year.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.7,905,551 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.48,630,080 and Kshs.49,734,180 respectively resulting to an overfunding of Kshs.1,271,100 or 3% of the budget. Similarly, the statement reflects final budget expenditure and actual on comparable basis of Kshs.48,630,080 and Kshs.49,891,033 resulting to over-absorption of Kshs.1,427,953 or 3% 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 to the Auditor-General

The annual report and financial statements for year ended 30 June, 2022 were submitted to the Auditor-General on 17 March, 2023, five (5) months after the statutory deadline of

30 September, 2022. 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 (3) 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.49,891,033 in respect of total payments as disclosed in Notes 7 and 9 to the financial statements includes Kshs.117,250 and Kshs.3,425,695 in respect of personnel emoluments both totaling to Kshs.3,542,945. However, one employee earned net salary less than a third of the basic salary contrary to Section 19(3) of the Employment Act, 2007 which requires the total amount of deduction of the wages of an employee not to exceed 2/3 of such wages.

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 year 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.

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. Excess Supply of Books by the Ministry

Physical verification at the library revealed that the School had various three thousand, nine hundred and three (3,903) books received from Ministry of Education and were lying

unutilized in the book store. The Management explained that the books were not required by learners and the School had chosen another set book.

In the circumstances, the value for money of the excess books could not be confirmed.

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. 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.

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 could 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


24 October, 2024

V. Statement of Receipts And Payments for the Year Ended 30th June 2022

Description Of Vote Head	Note	2021-2022 Kshs	2020-2021 Kshs
Receipts			
Government Grants For Tuition	1	2,114,600	817,169
Government Grants For Operations	2	9,645,880	5,637,351
Government Grants For Infrastructure	3	3,477,000	1,980,000
School Fund Income- Parents' Contributions	4	31,601,501	10,733,576
Miscellaneous Incomes	5	2,898,200	353,115
Total Receipts		49,737,180	19,521,211
Payments			
Tuition	6	2,182,135	732,165
Operations	7	9,644,445	5,638,511
Infrastructure	8	3,474,046	1,978,670
Boarding and School Fund	9	34,590,408	11,161,952
Total Payments		49,891,033	19,511,297
Surplus/Deficit		(153,853)	9,914

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

Sign: 
 Name: Dr. Risper Wepukhulu
 Chair BOM

Sign 
 Name: Mr. Gabriel Barasah
 School Principal/
 Secretary to BOM

Sign 
 Name: Mrs. Matildah Wanjala
 Bursar/ Finance Officer

Date

Date.....

Date..... 27/9/2024





KAMUSINDE BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

VI. Statement of Financial Assets And Financial Liabilities As At 30th June 2022

Description	Note	2021-2022 Kshs	2020-2021 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances			
Cash balances	10	100,531	254,384
Total cash and cash equivalent	11	-	-
		100,531	254,384
Account's receivables	12	8,717,162	6,352,478
Total financial assets		8,817,693	6,606,862
Financial liabilities			
Accounts payables	13	7,905,551	5,540,867
Net financial assets		912,142	1,065,995
Represented by			
Accumulated fund b/fwd			
Surplus/deficit for the year	14	1,065,995	1,056,081
		(153,853)	9,914
Net financial position		912,142	1,065,995

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

Sign: 
 Name: Dr. Risper Wepukhulu
 Chair BOM

Sign 
 Name: Mr. Gabriel Barasah
 School Principal/
 Secretary to BOM

Sign 
 Name: Mrs. Matildah Wanjala
 Bursar/ Finance Officer

Date

Date.....

Date.....



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VII. Statement of Cash Flows for The Year Ended 30th June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash From Operating Activities			
Receipts			
Government Grants For Tuition		2,114,600	817,169
Government Grants For Operations		9,645,880	5,637,351
Government Grants For Infrastructure		3,477,000	1,980,000
School Fund Income- Parents Contributions/ Fees		31,601,501	10,733,576
Miscellaneous Incomes		2,898,200	353,115
Total Receipts		49,737,180	19,521,211
Payments			
Cash Outflows For Tuition		2,182,135	732,165
Cash Outflows For Operations		9,644,445	5,638,511
Cash Outflows For Infrastructure		3,474,046	1,978,670
Cash Outflows Boarding/Lunch And School Fund Payments		34,590,408	11,161,952
Total Payments		49,891,033	19,511,297
Net Cash Inflow/Outflow From Operating Activities Before Adjustments		(153,853)	9,914
Cash Flow From Investing Activities			
Acquisition Of Assets			-
Proceeds From Sale Of Assets		-	-
Proceeds From Investments		-	-
Purchase Of Investments		-	-
Net Cash Inflow/Outflows From Investing Activities		-	-
Cash Flow From Financing Activities			
Proceeds From Borrowings/ Loans		-	-
Repayment Of Principal Borrowings		-	-
Net Cash Inflow/Outflow From Financing Activities		-	-
Net Increase/Decrease In Cash And Cash Equivalents		(153,853)	9,914
Cash And Cash Equivalent At Beginning Of The FY		254,384	244,470
Cash And Cash Equivalent At End Of The FY		100,531	254,384

(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).

VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d %	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Capitation Grant on Tuition						
Exercise Books	1,008,000	-	1,008,000	1,057,300	- 49,300	105%
Library and Reference Materials	-	-	-	412,132	- 412,132	100%
Laboratory Equipment	-	-	-	319,114	- 319,114	100%
Exams And Assessment	895,680	-	895,680	-	895,680	0%
Revision Materials	-	-	-	326,054	- 326,054	100%
Oher Vote Heads	1,369,000	-	1,369,000	-	1,369,000	0%
Chalk	72,000	-	72,000	-	72,000	0%
Subtotal	3,344,680	-	3,344,680	2,114,600	1,230,080	63%
Capitation Grant on Operations						
Personnel Emoluments	-	-	-	2,292,854	- 2,292,854	100%
Maintenance and Improvements	3,600,000	-	3,600,000	3,638,781	- 38,781	101%
Local Transport / Travelling	-	-	-	1,086,871	- 1,086,871	100%
Electricity And Water	-	-	-	1,212,369	- 1,212,369	100%
Medical	1,440,000	-	1,440,000	-	1,440,000	0%
Administration Costs	-	-	-	1,212,495	- 1,212,495	100%
Activity	1,080,000	-	1,080,000	-	1,080,000	0%
Advance	-	-	-	202,510	- 202,510	100%
Other Vote Heads	6,768,000	-	6,768,000	-	6,768,000	0%
Subtotal	12,888,000	-	12,888,000	9,645,880	3,242,120	75%

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Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=c-d Kshs	f=d/c % Kshs
FDSE for infrastructure						
Transferred from Operations Grants						
Transferred from School Fund				3,356,000	- 3,356,000	100%
Subtotal				121,000	- 121,000	100%
				3,477,000	- 3,477,000	
Fees Charged on Parents						
Personnel emoluments	2,590,000		2,590,000	2,599,716	- 9,716	100%
Fee on Boarding Equipment and Stores	20,397,000		20,397,000	18,575,818	1,821,183	91%
Maintenance and Improvement	1,440,000		1,440,000	1,834,962	- 394,962	127%
Administration Costs	3,300,000		3,300,000	3,528,393	- 228,393	107%
Electricity and water	3,848,000		3,848,000	3,680,443	167,557	96%
Local Transport / Travelling	469,200		469,200	554,250	- 85,050	118%
Activity	186,200		186,200	491,614	- 305,414	264%
Excess Fees				336,307	- 336,307	100%
Subtotal	32,230,400		32,230,400	31,601,501	628,900	98%
Miscellaneous Income						
Income from Bus Hire						
Parent and Teachers Association				278,500	- 278,500	100%
Subtotal				2,616,700	- 2,616,700	100%
				2,895,200	- 2,895,200	100%
Total Receipts	48,463,080		48,463,080	49,734,180	- 1,271,100	103%
PAYMENTS						
Payments for Tuition						
Library and Revision Materials	1,008,000		1,008,000	157,160	850,840	16%

**Reports 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
Exercise Books	-	-	-	1,172,594	- 1,172,594	100%
Laboratory Equipment	-	-	-	482,595	- 482,595	100%
Revision Materials	-	-	-	368,310	- 368,310	100%
Teaching / Learning Materials	895,680	-	895,680	-	895,680	0%
Chalk	1,369,000	-	1,369,000	-	1,369,000	0%
Bank Charges	72,000	-	72,000	1,476	70,524	2%
Subtotal	3,344,680	-	3,344,680	2,182,135	1,162,545	65%
<i>Expenditure For Operations</i>						
Personnel Emoluments	-	-	-	-	-	-
Other Vote Heads	-	-	-	117,250	- 117,250	100%
Administration Cost	3,600,000	-	3,600,000	-	3,600,000	0%
Maintenance & Improvements	-	-	-	1,615,269	- 1,615,269	100%
Local Transport and Travelling	-	-	-	3,196,739	- 3,196,739	100%
Electricity And Water	1,440,000	-	1,440,000	811,167	628,833	56%
Medical	-	-	-	326,450	- 326,450	100%
Infrastructure	1,080,000	-	1,080,000	-	1,080,000	0%
Advance	-	-	-	3,356,000	- 3,356,000	100%
Subtotal	6,768,000	-	6,768,000	221,570	3,302,875	3%
12,888,000			12,888,000	9,644,445		75%
<i>Expenditure For infrastructure</i>						
Maintenance and Improvements	-	-	-	3,473,290	- 3,473,290	100%
Bank Charges	-	-	-	756	- 756	100%
Total	-	-	-	3,474,046	3,474,046	100%
<i>Expenditure For school</i>						

Reports and Financial Statements
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Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d %	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<i>fund/lunch/boarding</i>						
Personnel emoluments	2,590,000	-	2,590,000	3,425,695	- 835,695	132%
Administration costs	3,300,000	-	3,300,000	635,902	2,664,098	19%
Maintenance & Improvements	1,440,000	-	1,440,000	3,364,011	- 1,924,011	234%
Local transport / travelling	469,200	-	469,200	1,370,235	- 901,035	292%
Electricity and water	3,848,000	-	3,848,000	719,692	3,128,308	19%
Parent and Teachers Association	-		-	2,611,770	- 2,611,770	100%
Fee on Boarding Equipment and Stores	20,397,000		20,397,000	20,399,820	- 2,820	100%
Activity Expenses	186,200		186,200	45,750	140,450	25%
Excess Fees	-		-	170,533	- 170,533	100%
Acquisition of Assets(infrastructure exp)				1,847,000		
Subtotal	32,230,400	-	32,230,400	34,590,408	- 513,008	107%
Total Payments	48,463,080	-	48,463,080	49,891,033	- 6,127,383	103%

i. *Underfunding from the government*

IX. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

- 5. Accounts Receivable**
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
- 6. Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.
- 7. Non-current assets**
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
- 8. Budget**
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The school's budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
- 9. Comparative figures**
The figure for current year may not be comparable since year 2021-2022 are for twelve months while comparative 2019-2020 are for period of six 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 30th June 2022.

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Exercise Books	1,057,300	408,585
Library and Reference Materials	412,132	155,074
Laboratory Equipment	319,114	90,076
Revision Materials	326,054	163,434
Total	2,114,600	817,169

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,292,854	1,493,867
Maintenance and Improvements	3,638,781	2,380,602
Local Transport / Travelling	1,086,871	587,627
Electricity And Water	1,212,369	587,627
Administration Costs	1,212,495	587,627
Advance	202,510	-
Total	9,645,880	5,637,351

3 Government Grants for Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Transferred from Operations Grants	3,356,000	1,780,000
Transferred from School Fund	121,000	200,000
Total	3,477,000	1,980,000

4 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,599,716	991,698
Fee on Boarding Equipment and Stores	18,575,818	6,991,968
Maintenance and Improvement	1,834,962	317,925
Administration Costs	3,528,393	1,345,684
Electricity and water	3,680,443	898,956
Local Transport / Travelling	554,250	134,055
Activity	491,614	53,290
Excess Fees	336,307	-
Total	31,601,501	10,733,576

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Notes To The Financial Statements (Continued)

5 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Income from farming activities	-	353,115
Income from Bus Hire	278,500	-
Income from bakery	3,000	-
Parent and Teachers Association	2,616,700	-
Total	2,898,200	353,115

6 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Library and Revision Materials	157,160	50,000
Exercise Books	1,172,594	567,553
Laboratory Equipment	482,595	-
Revision Materials	368,310	104,000
Teaching / Learning Materials	-	10,000
Bank Charges	1,476	612
Total	2,182,135	732,165

7 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	117,250	1,971,660
Other Vote Heads	-	-
Administration Cost	1,615,269	73,038
Maintenance & Improvements	3,196,739	3,415,613
Local Transport and Travelling	811,167	113,000
Electricity And Water	326,450	60,000
Medical	-	5,200
Infrastructure	3,356,000	-
Advance	221,570	-
Total	9,644,445	5,638,511

8 Payments for Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Maintenance and Improvements	3,473,290	1,975,070
Bank Charges	756	3,600
Total	3,474,046	1,978,670

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Notes To The Financial Statements (Continued)

9 Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,425,695	895,037
Administration costs	635,902	285,226
Maintenance & Improvements	3,364,011	488,610
Local transport / travelling	1,370,235	822,600
Electricity and water	719,692	233,550
Parent and Teachers Association	2,611,770	-
Expenses on Income Generating Activities	-	298,395
Fee on Boarding Equipment and Stores	20,399,820	7,856,934
Activity Expenses	45,750	1,600
Excess Fees	170,533	-
Acquisition of Assets(infrastructure exp)	1,847,000	240,000
Imprest	-	40,000
Total	34,590,408	11,161,952

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2022	2020-2021
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1107222478	27,486	95,021
Operations Account	Active	1107223067	5,797	4,362
School Fund Account/Boarding	Active	1108104584	50,334	152,737
Infrastructural Account	Active	1217554440	5,219	2,265
Parents Association Account	Active	1287329535	4,930	-
Bus Account	Active		6,765	-
Total			100,531	254,384

11 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	-	-
Total	-	-

Notes To The Financial Statements (Continued)

12 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	8,568,210	6,222,586
Advance	148,952	129,892.00
Total	8,717,162	6,352,478

12b Ageing Analysis of Accounts Receivables

Description	2021-2022		2020-2021	
	Kshs	% of total	Kshs	% of total
Less than 1 year	5,031,542	58%	3,882,011	62%
Between 1- 2 years	2,399,939	28%	2,340,575	38%
Over 2 years	1,285,681	15%	-	0%
Total (should tie to note 13 a)	8,717,162	100%	6,222,586	100%

13 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	6,348,404	4,663,117
Prepaid fees	855,756	551,045
Excess fees	179,977	14,203
NHIF	108,800	81,000
NSSF	171,852	120,252
Union	5,600	111,250
Welfare	235,163	-
Total	7,905,551	5,540,867

13b Ageing Analysis of Accounts Payables

Description	2021-2022		2020-2021	
	Kshs	% of the total	Kshs	% of the total
Less than 1 year	6,283,529	79%	5,540,867	100%
Between 1- 2 years	1,622,022	21%	-	0%
Over 2 years	-	0%	-	0%
Total (should tie to note 13)	7,905,551	100%	5,540,867	100%

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Notes To The Financial Statements (Continued)

14 Fund Balance Brought Forward

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Balances	254,384	244,470
Cash Balances	-	200
Receivables	6,352,478	6,982,915
Payables	(5,540,867)	(6,171,505)
Total	1,065,995	1,056,081

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Other important disclosure notes

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

15 Biological assets

Description	Numbers	2021-2022	Numbers	2020-2021
		Kshs		Kshs
Cattle	12	1,150,000	10	880,000
Trees	268	3,581,347	257	3,336,102
Farm				
Poultry				
Total		4,731,347		4,216,102

16 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Laboratory Items		
Food Stuff	2,089,026	1,921,925
Consumables	3,304,568	3,926,179
Hardware Materials	347,325	235,032
	63,500	192,780
	5,804,419	6,275,916

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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			



Sign and Date
Principal



KAMUSINDE BOYS HIGH SCHOOL
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Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
6.						
Sub-Total						
Supply Of Services						
7.						
8.						
Sub-Total						
Grand Total						

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1			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						
Total			13,000,000			

(The school should ensure that a detailed fixed assets register is maintained)