

REPUBLIC OF KENYA

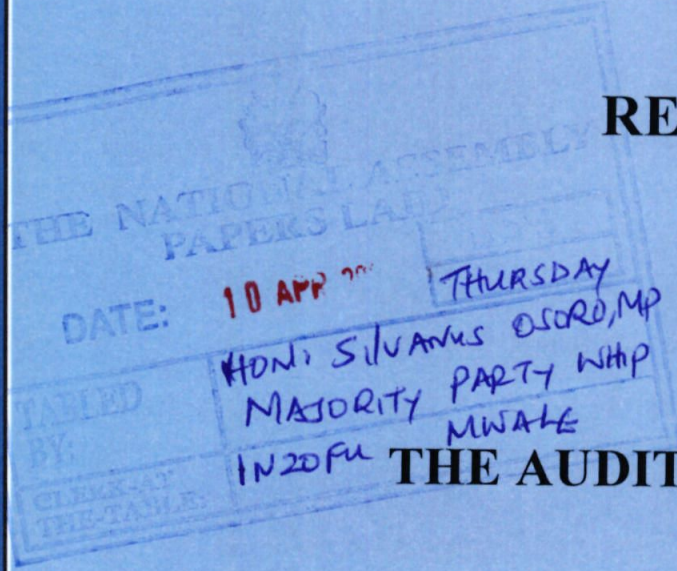


OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT



OF

THE AUDITOR-GENERAL

ON

KIMULOT BOYS HIGH SCHOOL

**FOR THE YEAR
ENDED 30 JUNE, 2023**

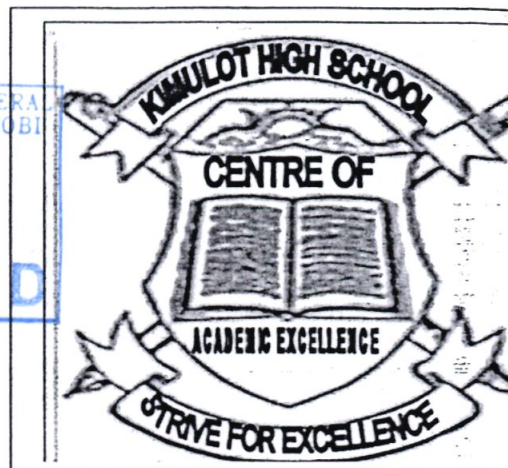
BOMET COUNTY



OFFICE OF THE AUDITOR GENERAL
P.O. Box 10084 - 00100, NAIROBI
REGISTRY

22 JUL 2024

RECEIVED



KIMULOT SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

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1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education

2. 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 in Bomet County, Konoin Sub-County.

The school was registered in October (14th)/2017 under registration number 36S30000108 and is currently categorized as Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 1,202 number of students as at 30th June 2023. It has 22 streams and 44 teachers of which 15 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	Mr. Wilson Tonui	Chairman	09/05/2022
2	Dr. Daniel Chelule	Secretary - Principal	09/05/2022
3	Mr. Benard Kipngeno Cheruiyot	Member –Local Community	09/05/2022
4	Mr. Eric Kipngeno Cheruiyot	Member –Local Community	09/05/2022
5	Mr. Daniel Kibore A. Boror	Member –Local Community	09/05/2022
6	Mr. Leonard Milgo	Member –Local Community	09/05/2022
7	Md. Mitei Caroline Chepkirui	Member –Local Community	09/05/2022
8	Mr. Henry Mosonik	Member –Local Community	09/05/2022
9	Md. Rose Chebet	Member – Rep CEB	09/05/2022
10	Md. Diana Langat	Member Rep Teachers	09/05/2022
11	Pst. David Koskei	Sponsor	09/05/2022
12	Md. Janet Chepkurui	Sponsor	09/05/2022
13	Mr. Gilbert Turgut	Special Interest Group	09/05/2022
14	Mr. David Chepkwony	Co-Opted Member	09/05/2022
15	Mr. Nyakundi Daniel	Co-Opted Member	09/05/2022
16	Md. Betty Towett	Co-Opted Member	09/05/2022
17	Mr. Dominic Ben Langat	Special Needs	09/05/2022

The functions of the School Board of Management are to:

- 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

(Provide 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.Mr. Wilson Tonui 2.Dr. Daniel Chelule 3.Mr. Erick Cheruiyot 4.David Chepkwony 5.David Koskei	Chair person Secretary Vice chair person Member Member	11/12 12/12 9/12 10/12 9/12
2	Audit Committee			
3	Finance, procurement and general purposes Committee	1.Mr Gilbert Turgut 2. Mr.Henry Mosonik 3.Mr. Leonard Milgo	Chairperson Member Member	5/6 5/6 4/6
4	Academic Committee	1. Mr. Henry Mosonik 2. Mr. Daniel Nyakundi 3. Md. Janeth Kalya 4. Md.Chepkirui Diana	Chairperson Member Member Member	5/6 5/6 4/6 5/6
5	Development Committee	1. Mr. Benard Cheruiyot 2. Mr. Daniel Boror 3. Md. Betty Towett	Chairperson Member Member	5/6 5/6 4/6

6	Discipline and welfare Committee	1.Mr.Eric Cheruiyot	Chairperson	5/6
		2.Mr. David Koskei	Member	4/6
		3.Mr. Benard Cheruiyot	Member	5/6
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

DESIGNATION	NAME	DATE OF APPOINTMENT	EMAIL	PHONE
PRINCIPAL	DR.DAN CHELULE	23-01-23	danchelule22@gmail.com	0721362850
D/PRINCIPAL	GILBERT BOR	01-03-17	bor.cheruiyot11@gmail.com	0724600116
D/PRINCIPAL	TIMOTHY KOECH	15-01-19	koechtimothy87@gmail.com	0710460248
BURSAR	JOYCE LELEY	22-08-22	joyceleley@gmail.com	0728002706

(e) Schools contacts

Post Office Box: 922-20200, kericho.
 Telephone:
 E-mail: kimulothigh@gmail.com
 Website: kimulothigh.ac.ke
 Facebook:
 Twitter:

(f) School Bankers

1. Name of Bank: Kenya Commercial Bank
 Branch: Kericho
 Account Number: 1103478559
2. Name of Bank: Kenya Commercial Bank
 Branch: Kericho
 Account Number: 1103511599
3. Name of Bank: Kenya Commercial Bank
 Branch: Kericho
 Account Number: 110354935
4. Name of Bank: Kenya Commercial Bank
 Branch: Kericho
 Account Number: 1179008057
5. Name of Bank: Equity Bank
 Branch: Litein
 Account Number: 0294398378

MPESA Pay Bill No. 522123-a/c 20102k attached to 1103478559 KCB Bank account

6. Name of Bank: KimbilioDaima Sacco
 Branch: Kapset
 Account Number: 6060
7. Name of Bank: KimbilioDaima Sacco
 Branch: Kapset
 Account Number: 32572

(g) Independent Auditors

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

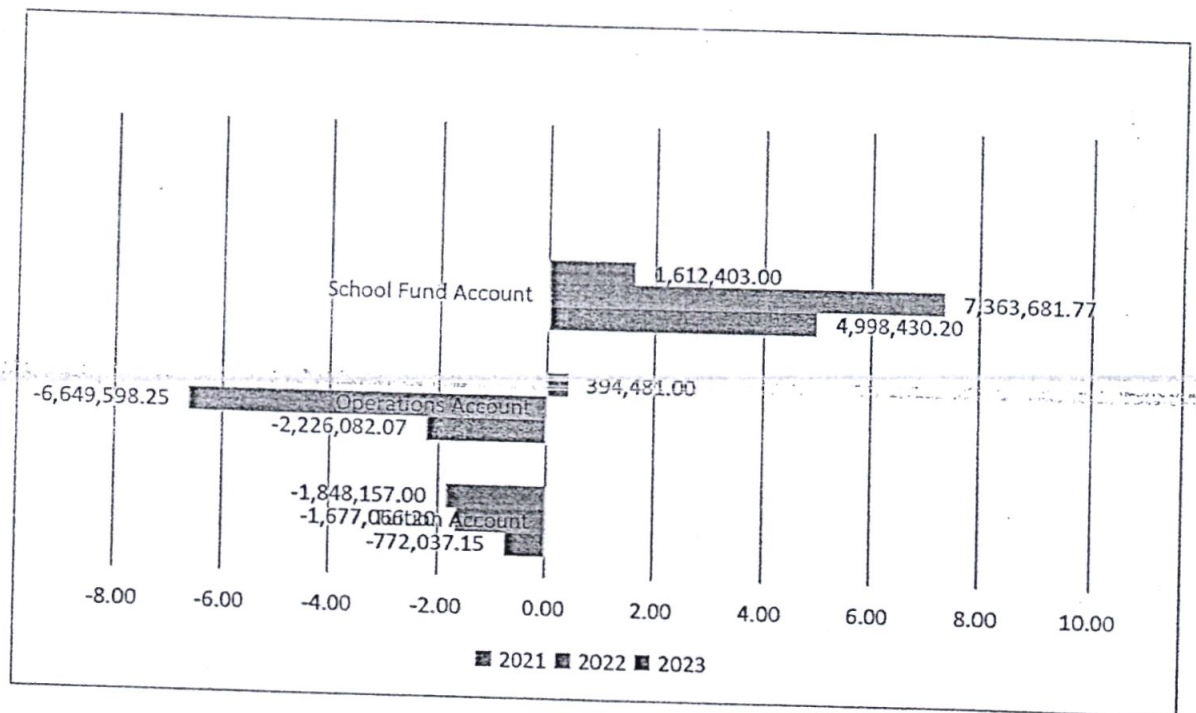
3. Summary Report of Performance of The School

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

a) Financial performance:

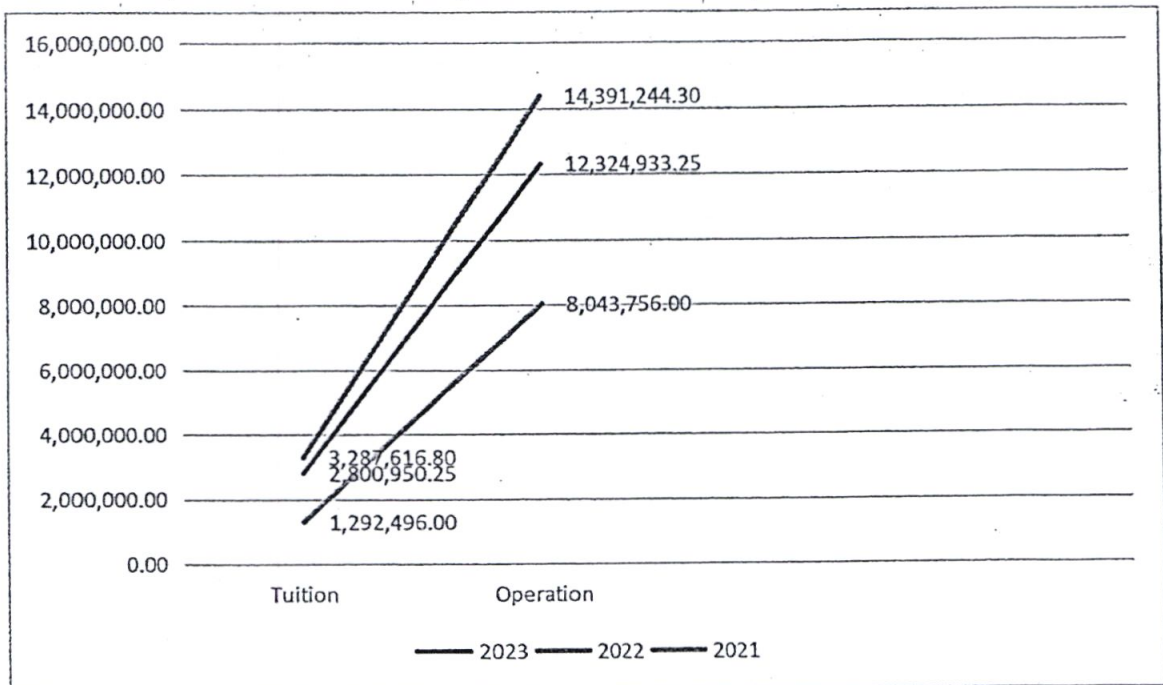
- Surplus/ deficit for the year and a comparison of the same for the last three years

Description	2023	2,022	2,021
Tuition Account	(772,037.15)	(1,677,066.20)	(1,848,157.00)
Operations Account	(2,226,082.07)	(6,649,598.25)	394,481.00
School Fund Account	4,998,430.20	7,363,681.77	1,612,403.00
TOTAL	2,000,310.98	(962,982.68)	158,727.00



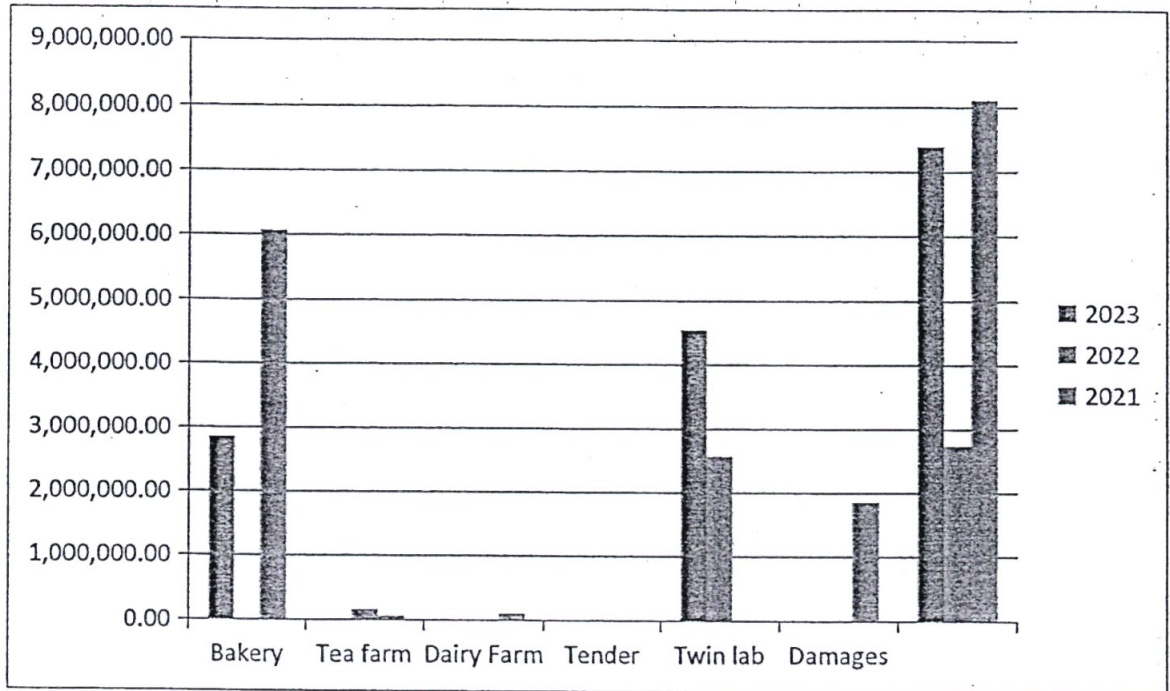
- Capitation grants from the Ministry of Education for the last three years

Description	2,023	2,022	2,021
Tuition	2,800,950.25	3,287,616.80	1,292,496.00
Operation	12,324,933.25	14,391,244.30	8,043,756.00
Total	15,125,883.50	17,678,861.10	9,336,252.00



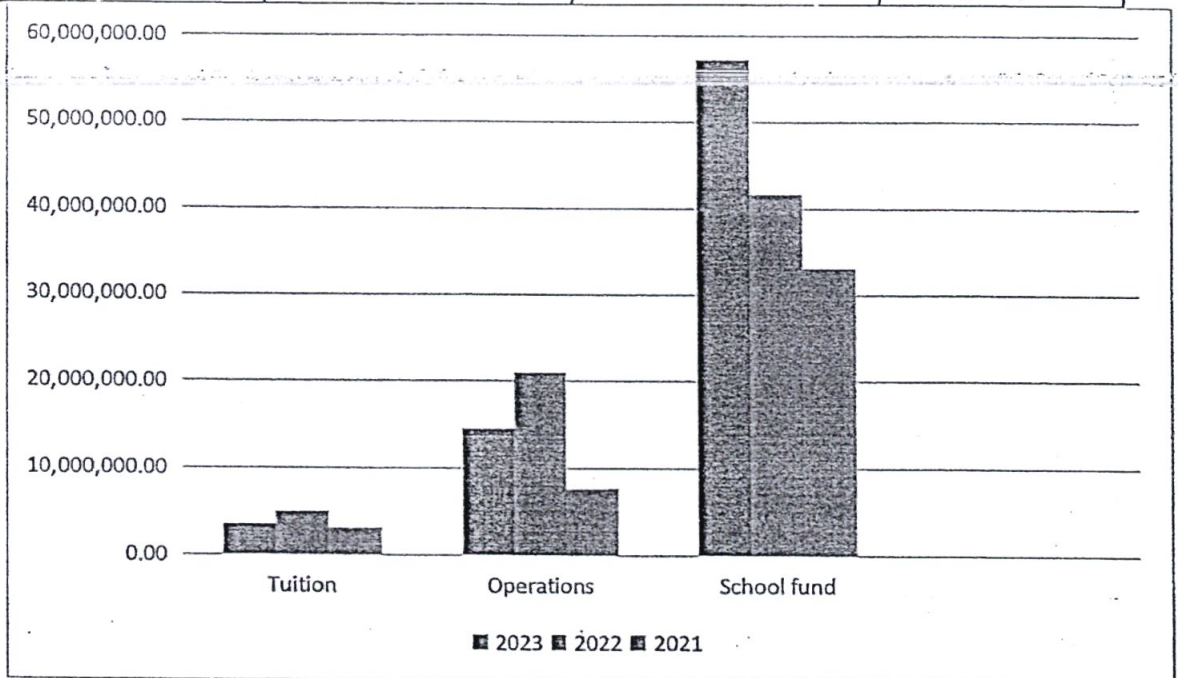
- A three-year overview of growth of other income(s) earned by the school.

Description	2023	2022	2021
Bakery	2,853,980.00		6,069,283.13
Tea farm		160,626.95	66,576.25
Dairy Farm		7,170.00	117,664.50
Tender	-	8,000.00	-
Twin lab	4,548,000.00	2,566,879.60	-
Damages			1,856,150.00
Total	7,401,980.00	2,742,676.55	8,109,673.88



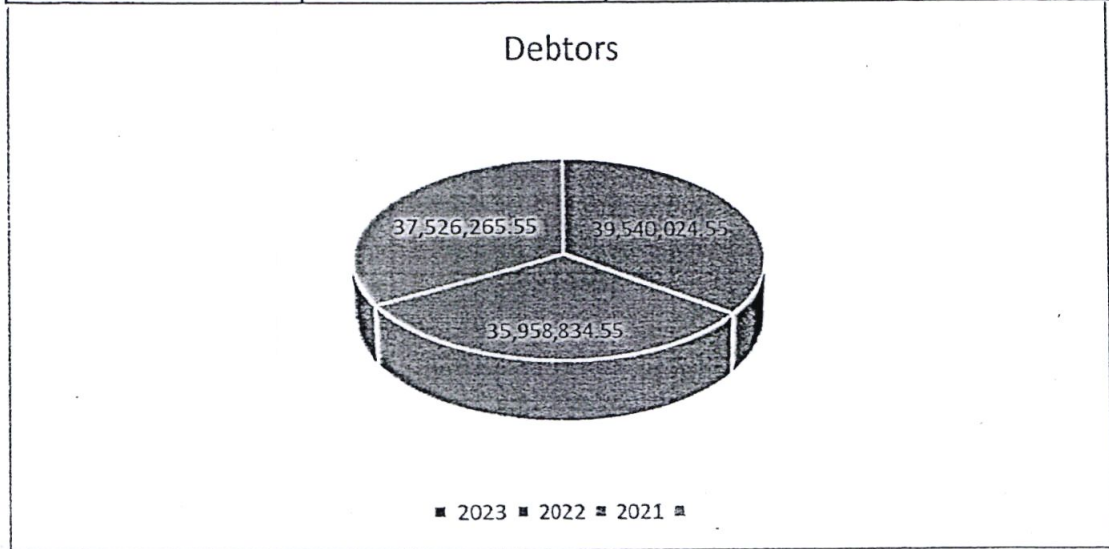
- A three-year overview of growth in expenditure of the school

Description	2023	2022	2021
Tuition	3,572,987.40	4,964,683.00	3,140,653.00
Operations	14,551,015.32	21,040,842.55	7,649,275.30
School fund	57,203,255.80	41,674,149.28	33,029,573.33
Total	75,327,258.52	67,679,674.83	43,819,501.63



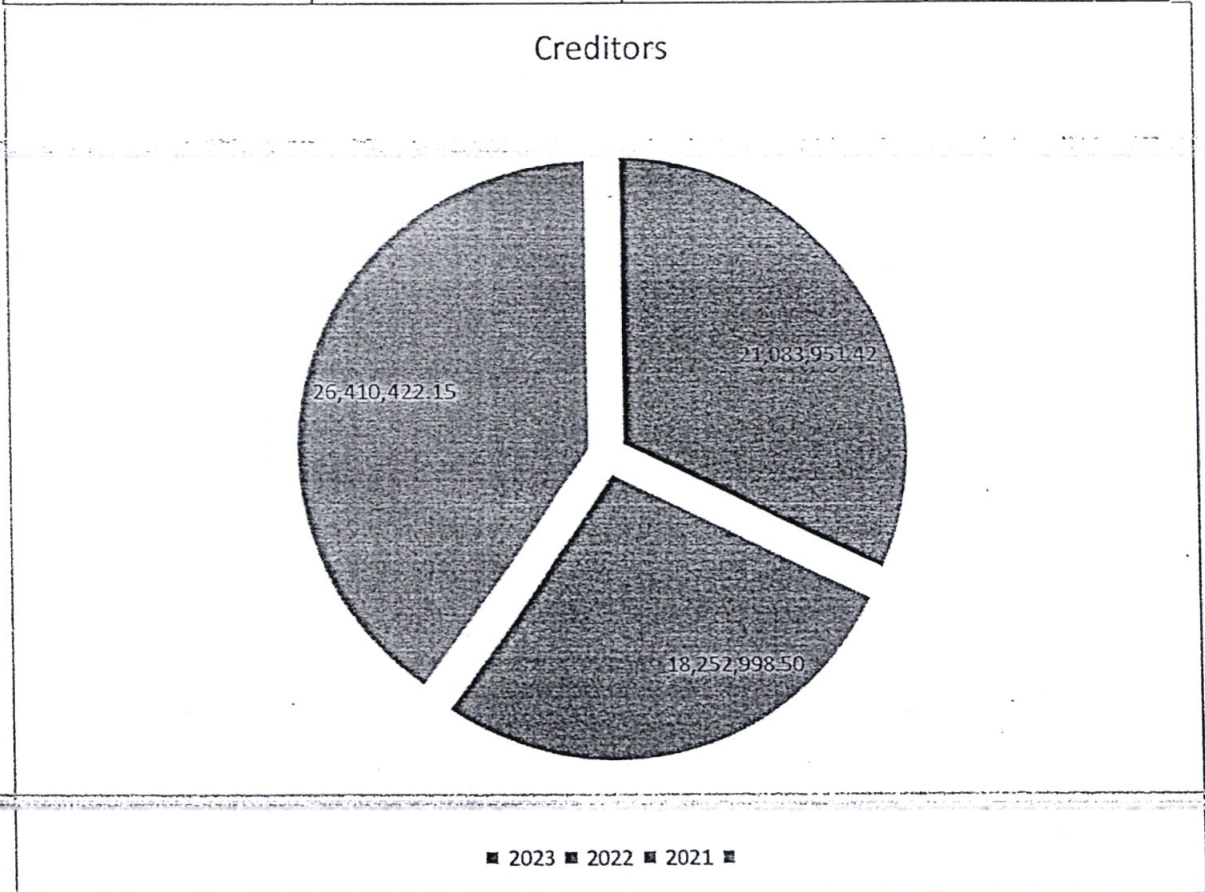
- *Movement of debtors of the school over the last three years*

Description	2023	2022	2021
Debtors	39,540,024.55	35,958,834.55	37,526,265.55



- *Movement of creditors of the school over the last three years*

Description	2023	2022	2021
Creditors	21,083,951.42	18,252,998.50	26,410,422.15



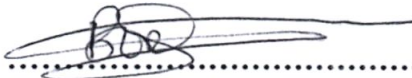
4. Statement of School Management Responsibility

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 Kimulot Secondary 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, 2023, and of the school's financial position as at that date.



Name: Mr. Wilson Tonui

Designation: Chairman, School Board of Management

Date:



Name: Dr. Daniel Chelule

Designation: School Principal & Secretary to Board of Management

Date: 24.08.23



Name: Ms. Joyce Leley

Designation: Bursar/ Finance Officer

Date: 24/08/23

a) **Teacher Student ratio:**

Description	TSC	BOM	TOTAL
NO.OF TEACHERS	29	15	44
NO. OF STUDENTS			1202
TEACHER TO STUDENT RATIO			1:27

b) **Mean score in the 2023 KCSE:**

Description	YEAR		
	2021	2022	2023
KCSE MEAN SCORE	6.348	7.005	7.102
DEVIATION	-0.007	0.657	0.097
STUDENTS TO HICHER LEARNING	304	219	272

c) **Number of Candidates in the 2023 KCSE:**

Description	YEAR		
	2021	2022	2022
KCSE MEAN SCORE	6.348	7.005	7.102
NO. OF STUDENTS	304	219	272

d) **Capacity of the school:**

FACILITY	NO. OF FACILITIES
DINNING HALL	1
LABORATORY	3
TOILETS	43
DORMITORIES	5

e) **Development projects carried out by the school:**

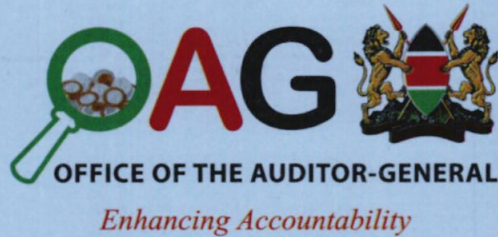
PROJECT	FUND SOURCE
TWIN LABORATORY	PARENTS
STOREY DORMITORY	MOE


 School Principal

24.08.23

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON KIMULOT BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - BOMET 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 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.
- 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.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kimulot Boys High School - Bomet County set out on Pages 1 to 26 which comprise the statement of financial assets and financial liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the period then ended and a summary of significant accounting policies and other explanatory

Report of the Auditor-General on Kimulot Boys High School for the year ended 30 June, 2023 – Bomet County

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 the Kimulot Boys High School – Bomet County as at 30 June, 2023 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of receipts and payments reflect amounts which differs from with corresponding amounts in the statement of cash flows. These variances have not been reconciled as indicated in the table below:

Item	Statement of Receipt and Payment (Kshs.)	Statement of Cashflow (Kshs.)	Variances
School Fund Income-Parent Contribution	54,799,706	60,126,553	5,326,847
Miscellaneous/Other Income	7,401,980	0	7,401,980
Payments for Tuition	3,572,987	2,597,638	975,349
Payments for Operations	10,851,466	8,365,484	2,485,982

In addition, review of the financial statements revealed that Note 19 on other important disclosures reflects a balance of Kshs.3,981,602 in respect of stock. However, the stock take report at the end of the period under review was not provided while no records were maintained to show the level of stock at the beginning of the year, purchased during the year, issued during the year and balance as at the end of the period as required by reporting template.

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

2. Unsupported Receipts

The statement of receipts and payments reflects receipts totalling Kshs.77,327,569 which includes receipts in respect of parents' contributions and other receipts totalling

Kshs.54,799,706 and Kshs.7,401,980 respectively. However, bank statements and ledgers were not provided in support of these amounts.

In the circumstances, the accuracy and completeness of receipts totalling Kshs.77,327,569 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,244,717. Included in this balance is a bank balance of Kshs.2,242,376 and cash balance of Kshs.2,341 as disclosed in Notes 10 and 11 to the financial statements. However, the bank reconciliation statements and board of survey report were not provided for audit review.

In the circumstances, the accuracy, completeness and existence of the cash and cash equivalents balance of Kshs.2,244,717 could not be confirmed.

4. Accounts Receivables

4.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.39,540,025 as disclosed in Note 13 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.39,540,025 could not be confirmed.

4.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.39,540,025 as disclosed in Note 13 to the financial statements. Included in this balance are fees arrears for the previous year of Kshs.10,190,465 fees arrears for prior periods of over two (2) years of Kshs.9,500,294 and fees arrears for prior periods of over three (3) years of Kshs.10,352,344. However, 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, completeness and full recoverability of the outstanding receivables balance of Kshs.39,540,025 could not be confirmed.

5. Unsupported Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.21,083,951 as disclosed in Note 14 to the financial statements. However,

the supporting schedules, detailed aging analysis, ledgers, and unpaid invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of the account's payables balance of Kshs.21,083,951 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.72,511,956 and Kshs.77,327,570 respectively resulting to excess receipts of Kshs.4,815,614 or 7% of the budget. Similarly, the school spent Kshs.70,448,845 against actual receipts of Kshs.77,327,570 resulting to an under-utilization of Kshs.6,878,725 or 9% of actual receipts.

The under-utilization affected the planned activities and may have impacted negatively on 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for 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. Irregular Procurement of Construction Works for the Three Storey Dormitory Block Phase I

The tender for proposed erection to completion of a three - storey dormitory block phase 1 at a cost of Kshs.15,759,952 was awarded to a local contractor. However, the approval letter of the project from the Principal Secretary Ministry of Education was not provided for audit. The award of contract notification was made on 21 January, 2021 and accepted on 22 January, 2021. However, on the date of acceptance the contractor raised concerns of omission to the bills of quantities valued at Kshs.4,283,150 and the contract amount revised to Kshs.20,298,952 without approval by the Evaluation Committee and the Accounting Officer contrary to Section 139(1) and 139(2) of the Public Procurement and Asset Disposal Act. On 19 January, 2024 the contractor informed Management of its intention to terminate the contract due to structural design challenges and increase of cost of materials and Management consented on 2 February, 2024. However, no evidence of financial assessment to value materials on site and works done, payments made and pending works was carried out.

On 9 February, 2024 the contract was awarded to a new contractor at a cost of Kshs.6,787,830 without being subjected to advertisement. As at the time of audit on June, 2024, the first contractor had been cumulatively paid Kshs.11,826,234 and the new contractor was paid Kshs.3,929,800 all totalling Kshs.15,756,034.

Physical inspection carried out in the month of June, 2024 revealed that the following project activities are either complete or pending as detailed below:

No.	Description	Status
1.	Substructure	Complete
2.	Reinforced concrete super structure	Complete
3.	Super structure walling	Complete
4.	Steel roofing and associate works Pre-painted box profile roof sheets Rainwater goods-steel gutter	Not yet complete
5.	Windows Fixing of steel casement window	Not yet complete

No.	Description	Status
	Glazing Window stays	
6.	Door Fixing of steel casement door	Not fixed
7.	Internal finishes Plaster Paint work Floor screed Tile work	Incomplete
8.	External finishes Rendering Paintwork Key pointing External paving	Not yet complete ongoing
9.	Washrooms	Not yet complete Excavation ongoing
10.	Builders works in connection with electrical works	Not yet done

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

2. Non-Compliance with Prescription on Principals, Board of Management and Committees' Terms of Services and Entitlement

Even though the school had a duly constituted Board whose appointment letters were provided, the Board of Management were allowances at a rate of Kshs.7,000 for the chair and Kshs.6,000 for the other members the basis of which could not be ascertained as there were no board resolutions approving the rates of allowances.

In the circumstances, Management was in breach the law.

3. Late Submission of the Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 5 June, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref No: MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2023 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

4. Failure to Prepare a School Improvement Plan

During the year/period under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual

for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

5. Irregular Payments for Tuition

The statement of receipts and payments reflects payments for tuition totalling Kshs.3,572,987. However, the amount includes Kshs.2,451,999 incurred on cash procurements in excess of the allowable Kshs.50,000 threshold for low value procurements and for which procurement records were not provided for audit. In addition, procedures followed in identifying the suppliers were unclear and the goods procured were not inspected, certified and taken on charge contrary to Section 48 of the Public Procurement and Asset Disposal Act, 2015 which provides that an accounting officer of a procuring entity may establish an ad hoc committee known as the inspection and acceptance committee which shall ensure that the correct quantity of the goods is received, that the goods, works or services meet the technical standards defined in the contract, that the goods, works or services have been delivered or completed on time, or that any delay has been noted, that all required manuals or documentation has been received and issue interim or completion certificates or goods received notes, as appropriate and in accordance with the contract.

In the circumstances, the validity and propriety of the payments for tuition totalling Kshs.3,572,987 could not be confirmed and Management was in breach of the law.

6. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 14 to the financial statements reflects payables balance of Kshs.21,083,951. However, included in the balance are trade payables balance of Kshs.2,772,697 which had been outstanding for between one (1) and two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

7. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects government grants for tuition of Kshs.2,800,950, government grants for operations of Kshs.8,208,933 and government grants for infrastructure of Kshs.4,116,000. Comparison of data from National Education

Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year/period 2022/2023, NEMIS reflected one thousand and forty-four (1,044) students while records from the County Director of Education had one thousand two hundred and two (1,202) students, resulting to an underfunding of the School by an amount of Kshs.1,200,277.54. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2022 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

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 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 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. Lack of Approved ICT Policy

Review of the school ICT environment revealed that there was no formal approved ICT policy in place. Further, the Management had no data security and disaster recovery plan in place. In addition, Management did not provide an ICT organization structure for audit review. The school also had a payroll application system where the service provider had full access the system.

In the circumstances, the security and reliability of the school's data including the management information system could not be confirmed.

2. Lack of Fixed Asset Register

Annex 2 – Summary of fixed assets register indicates the institution has in its possession land, building and structures, motor vehicles, office equipment, furniture and fittings, ICT equipment, tools and apparatus, textbooks, other machinery and equipment all totaling to Kshs.145,135,700. However, the school has not prepared Fixed Assets Register to record all the assets in its possession in terms of the year of acquisition, location, identification

number and amount. Further, the historical cost of assets as disclosed during financial year 2021/2022 was Kshs.128,350,700, during the current the financial year under review the historical cost of assets for the previous year was disclosed as Kshs.143,695,700 leading to unexplained variance of Kshs.15,345,000. In addition, although no addition of assets was disclosed in the summary of fixed assets register the assets were increased from Kshs.128,350,700 disclosed during the financial year 2021/2022 to Kshs.145,135,700 leading to variance of Kshs.16,785,000

In the circumstances, the effectiveness of internal relating to purchase of assets, management and safe custody not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 The Board of Management

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

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of an 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.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the school to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

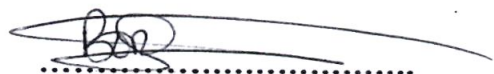
24 January, 2025

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

DESCRIPTION OF VOTE HEAD	Note	2,023	2,022
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	2,800,950.25	3,287,616.80
Government grants for operations	2	8,208,933.25	9,226,144.30
Government Grants for infrastructure	3	4,116,000.00	5,165,100.00
School fund income- parents' contributions	4	54,799,706.00	46,295,154.50
Miscellaneous incomes	5	7,401,980.00	2,742,676.55
TOTAL RECEIPTS		77,327,569.50	66,716,692.15
PAYMENTS			
Tuition	6	3,572,987.40	4,964,683.00
Operations	7	10,851,466.32	13,697,723.75
Infrastructure	8	3,699,549.00	7,343,118.80
Boarding and school fund	9	57,203,255.80	41,674,149.28
TOTAL PAYMENTS		75,327,258.52	67,679,674.83
SURPLUS/DEFICIT		2,000,310.98	(962,982.68)

Note:-This is presented based on cash basis modified by receivables and payables

The school financial statements were approved on _____ 2023 and signed by:



Name: Mr. Wilson Tonui

Chair BOM

Date: 24/08/23



Name: Dr. Daniel Chelule
School Principal/ Secretary to
BOM

Date: 24.08.23



Name: Ms. Joyce Leley

Bursar/ Finance Officer

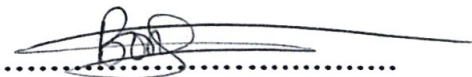
Date: 24/08/23

7. Statement of Assets and Liabilities as At 30th June 2023

Description	Note	2023	2022
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	10	2,242,375.66	970,701.76
Cash Balances	11	2,341.35	23,941.35
Short term Investment	12	-	-
Total Cash and Cash Equivalents		2,244,717.01	994,643.11
Account's receivables			
	13	39,540,024.55	35,958,834.55
Total Financial Assets		41,784,741.56	36,953,477.66
Financial Liabilities			
Accounts Payable			
	14	21,083,951.42	18,252,998.50
Net Financial Assets		20,700,790.14	18,700,479.16
Represented By			
Fund balance b/fwd 1st July...			
	15	18,700,479.16	19,663,461.84
Surplus/Deficit for the year			
		2,000,310.98	(962,982.68)
Net Financial Position		20,700,790.14	18,700,479.16

Note:-the presentation is through cash basis modified by fees arrears and payables.

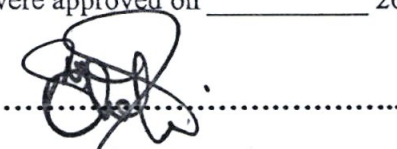
The school's financial statements were approved on _____ 2023 and signed by:


.....

Name: Mr. Wilson Tonui

Chair BOM

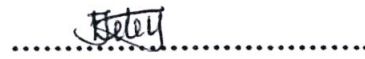
Date: 24/08/23


.....

Name: Dr. Daniel Chelule

School Principal/ Secretary to BOM

Date: 24.08.23


.....

Name: Ms Joyce Leley

Bursar/ Finance Officer

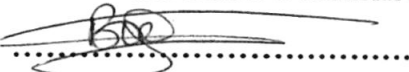
Date: 24/08/23

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description		2023	2022
		Kshs	Kshs
Receipts from operating activities			
Government grants for tuition	1	2,800,950.25	3,287,616.80
Government grants for operations	2	8,208,933.25	9,226,144.30
Government grants for infrastructure	3	4,116,000.00	5,165,100.00
School fund income- parents contributions/ fees	4	60,126,553.00	49,037,831.05
Other income	5		
Total receipts		75,252,436.50	66,716,692.15
Payments			
Cash outflows for tuition	6	2,597,638.80	4,964,683.00
Cash outflows for operations	7	8,365,484.00	21,040,842.55
Cash outflows Boarding/lunch and school fund payments	8	59,339,690.80	41,674,149.28
Total Payments		70,302,813.60	67,679,674.83
Net cash flow from operating activities		4,949,622.90	(962,982.68)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of assets		3,699,549.00	7,343,118.80
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities		3,699,549.00	7,343,118.80
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities		0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENT		1,250,073.90	(8,306,101.48)
Cash and cash equivalent at BEGINNING of the year		994,643.11	970,701.76
Cash and cash equivalent at END of the year		2,244,717.01	994,643.11

Note:-The cash flow is presented using direct basis (Actual cash received and actual expenditure)

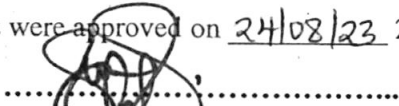
The school's financial statements were approved on 24/08/23 2023 and signed by:


.....

Name: Mr. Wilson Tonui

Chair BOM

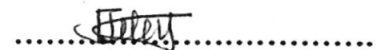
Date: 24/08/23


.....

Name: Dr. Daniel Chelule

School Principal/ Secretary to BOM

Date: 24.08.23


.....

Name: Ms. Joyce Leley

Bursar/ Finance Officer

Date: 24/08/23

9. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
(1) Capitation Grant on Tuition						
Reference Materials		0	0	-	-	0.00%
Exercise books	2,110,000.00		2,110,000	1,400,475	709,525	150.66%
Laboratory equipment and apparatus	2,392,670.00		2,392,670	840,285	1,552,385	284.74%
Internal exams			0	-	-	0.00%
Teaching/learning materials	605,730.00		605,730	560,190	45,540	108.13%
Others			0	-	-	0.00%
			0			
(2) Capitation Grant on Operations			0			
Personnel emoluments	1,137,505.00		1,137,505	2,879,617	(1,742,112)	39.50%
Repairs and maintenance	2,815,000.00		2,815,000	-	2,815,000	0.00%
Local transport / travelling	253,100.00		253,100	917,174	(664,074)	27.60%
Electricity and water	1,060,300.00	0	1,060,300	574,431	485,869	184.58%
Medical			0	-	-	0.00%
Administration costs	783,900.00		783,900	3,200,000	(2,416,100)	24.50%
Acquisition of assets	2,815,000.00		2,815,000	-	2,815,000	0.00%
Activity	2,118,575.00		2,118,575	637,712	1,480,863	332.22%
			0			
3) FDSE for infrastructure	5,105,000.00		5,105,000	4,116,000	989,000	124.03%

Kimulot Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Maintenance & Improvement MoE				4,548,000	(4,548,000)	0.00%
M&I parents' contribution					-	0.00%
Economic Stimulus Programs				-	-	0.00%
Transition Infrastructure Grants					-	0.00%
Administration Block					-	0.00%
(4) Fees Charged on Parents						
Personnel emoluments	6,989,919.15		6,989,919	5,669,870	1,320,049	123.28%
Repairs and maintenance	3,513,286.53		3,513,287	3,586,172	(72,885)	97.97%
Local transport / travelling	1,209,600.00		1,209,600	1,051,738	157,862	115.01%
Electricity and water	9,319,892.20		9,319,892	7,870,588	1,449,304	118.41%
Medical			0	-	-	0.00%
Administration costs	4,659,946.10		4,659,946	3,207,155	1,452,791	145.30%
Activity	1,164,986.53		1,164,987	406,926	758,061	286.29%
SMASSE			0	-	-	0.00%
Boarding	24,457,545.00		24,457,545	33,007,257	(8,549,712)	74.10%
					-	0.00%
5) Miscellaneous Income					-	0.00%
Loans / Borrowing			0	-	-	0.00%
Rent income			0	-	-	0.00%
Income From Farming Activities			0	-	-	0.00%
Insurance Compensation			0	-	-	0.00%
Income From Posho Mill			0	-	-	0.00%
Income From Bus Hire			0		-	0.00%
Fee For Hire of Ground and Equipment			0		-	0.00%
Interest Income			0		-	0.00%

Kimulot Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Income From Bakery			0	2,853,980	(2,853,980)	0.00%
Income from farming activities			0	-	-	0.00%
Insurance compensation		-	0	-	-	0.00%
Tender			0	-	-	0.00%
Project - Twin lab			0	-	-	0.00%
Fee for hire of ground and equipment			0	-	-	0.00%
Income from grants and donations*		-	0	-	-	0.00%
Damages			0		-	0.00%
Dividends income		-	0	-	-	0.00%
TOTAL INCOME	72,511,955.50	-	72,511,956	77,327,569.50	(4,815,614.00)	93.77%
(6) Expenditure For Tuition						
Textbooks			0	-	-	0.00%
Reference Materials			0	-	-	0.00%
Exercise Books	1,100,000.00		1,100,000	1,236,480	(136,480)	88.96%
Laboratory Equipment	936,337.00		936,337	1,019,842	(83,505)	91.81%
Internal Exams		-	0	-	-	0.00%
Teaching / Learning Materials	764,000.00		764,000	1,311,805	(547,805)	58.24%
Chalks			0	-	-	0.00%
Exams And Assessment			0		-	0.00%
Teachers Guides			0	-	-	0.00%
Administration Costs			0			0.00%
Bank Charges			0	4,860	(4,860)	0.00%
(7) Expenditure For Operations						
Personnel Emoluments	1,137,505.00		1,137,505	1,173,332	(35,827)	96.95%

Kimulot Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Repairs, Maintenance & Improvements	-	0	-	-	0.00%
Local Transport / Travelling	1,075,700.00	1,075,700	26,750	1,048,950	4021.31%
Electricity, Water and Conservancy	1,060,300.00	1,060,300	782,884	277,416	135.44%
Medical		0	-	-	0.00%
Administration Costs	783,900.00	783,900	8,358,400	(7,574,500)	9.38%
Activity Expenses		0	500,070	(500,070)	0.00%
Gratuity		0	-	-	0.00%
SMASSE	-	0	-	-	0.00%
Bank charges		0	10,030	(10,030)	0.00%
(8) Expenditure For infrastructure					
Construction of classrooms		0	-	-	0.00%
Construction of LAB		0	-	-	0.00%
Construction of DORMS	5,105,000.00	5,105,000	3,699,549	1,405,451	137.99%
Purchase of furniture		0	-	-	0.00%
Purchase of equipment		0	-	-	0.00%
Purchase of machinery		0	-	-	0.00%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	6,558,696.00	6,558,696	8,675,755	(2,117,059)	75.60%
Repairs, Maintenance and Improvements	3,481,150.00	3,481,150	4,399,926	(918,776)	79.12%
Local Transport / Travelling	1,209,600.00	1,209,600	1,101,510	108,090	109.81%
Electricity, Water and Conservancy	4,556,784.00	4,556,784	1,247,470	3,309,314	365.28%
Medical Expenses		0	-	-	0.00%

Kimulot Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Administration Costs	7,148,250.00		7,148,250	5,968,109	1,180,141	119.77%
Activity	2,118,575.00		2,118,575	501,305	1,617,270	422.61%
Gratuity			0	-	-	0.00%
Lunch Programme	16,755,050.00		16,755,050	29,861,704	(13,106,654)	56.11%
Boarding Equipment and Stores			0	-	-	0.00%
Expenditure For Income Generating Activity			0	540,320	(540,320)	0.00%
Insurance Costs			0		-	0.00%
Other Expenses On Investments			0		-	0.00%
Rent Expenses			0		-	0.00%
Bank Charges			0	28,744	(28,744)	0.00%
Loan Interest Repayment			0		-	0.00%
Loan Principal Repayment			0		-	0.00%
Acquisition Of Assets			0		-	0.00%
TOTAL EXPENDITURE	53,790,847.00	-	53,790,847.00	70,448,844.52	(16,657,997.52)	76.35%

10. 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 school fees from parents, 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 Kimulot, 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, Kimulot recognises all expenses when the event occurs, and the related cash has actually been paid out by the school. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2023	2022
	Kshs	Kshs
Reference Materials		
Exercise books	1,400,475.00	1,643,808.40
Laboratory equipment and apparatus	840,285.25	986,285.40
Internal exams		
Teaching/learning materials	560,190.00	657,523.00
Others		
Total	2,800,950.25	3,287,616.80

2 Government Grants for Operations

Description	2023	2022
	Kshs	Kshs
Personnel emoluments	2,879,616.55	3,658,178.00
Repairs and maintenance		
Local transport / travelling	917,173.70	
Electricity and water	574,431.35	914,540.00
Medical		
Other Vote heads		
Administration costs	3,200,000.00	4,196,150.30
Acquisition of assets		
Activity	637,711.65	457,276.00
Total	8,208,933.25	9,226,144.30

3 Government Grants for infrastructure

Description	2023	2022
	Kshs	Kshs
Maintenance & Improvement	4,116,000.00	5,165,100.00
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NGCDF and County govt.		
Total	4,116,000.00	5,165,100.00

4 School Fund Income - Parents Contribution/Fees

Description	2023	2022
	Kshs	Kshs
Personnel emoluments	5,669,870.00	8,897,314.02
Repairs and maintenance	3,586,172.00	3,728,649.30
Local transport / travelling	1,051,738.00	1,316,753.94
Bes	33,007,257.00	18,053,662.54
Electricity and water	7,870,588.00	9,294,596.61
Medical	-	-
Administration costs	3,207,155.00	3,992,500.96
Activity	406,926.00	1,011,677.13
Fee on Boarding Equipment and stores		
PA Levies*		
Others (specify)		
Total	54,799,706.00	46,295,154.50

5 Miscellaneous Incomes

Description	2023	2022
	Kshs	Kshs
Fee on Boarding Equipment and Stores		
Admin Costs	-	-
Project -bakery	2,853,980.00	
Tea farm		160,626.95
Dairy Farm		7,170.00
Disposal	-	
Income from farming activities	-	
Insurance compensation	-	
Tender	-	8,000.00
Project - Twin lab	4,548,000.00	2,566,879.60
Fee for hire of ground and equipment	-	-
Income from grants and donations	-	-
Damages		
Dividends income	-	-
Total	7,401,980.00	2,742,676.55

Notes to the Financial Statements (continued)

6 Tuition

Description	2023	2022
	Kshs	Kshs
Text books	-	0
Exercise books	1,236,480.00	2,292,888.00
Laboratory equipment and apparatus	1,019,842.40	1,537,173.00
Teaching/learning materials	1,311,805.00	1,133,650.00
chalks		
Exams And Assessment		
Teachers Guides		
Bank Charges	4,860.00	972
Others		
Total	3,572,987.40	4,964,683.00

7 Operations

Description	2023	2022
	Kshs	Kshs
Personal Emoluments	1,173,332.31	3,354,524.40
Service Gratuity		
Administration Cost	8,358,400.00	9,103,184.35
Repairs and maintenance & improvements		-
Local transport / travelling	26,750.00	
Electricity and water	782,884.01	607,611.00
Medical		
Activity expenses	500,070.00	629,150.00
Insurance Cost		
Bank Charges	10,030.00	3,254.00
Total	10,851,466.32	13,697,723.75

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2023	2022
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory	3,699,549.00	7,343,118.80
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others		
TOTAL	3,699,549.00	7,343,118.80

9 Boarding And School Fund

Description	2023	2022
	Kshs	Kshs
Activity	501,305.00	376,830.00
Posho mill		
farm account	540,320.00	212,017.00
Dairy Farm		248,070.00
Bes	29,861,703.50	17,179,740.85
Personnel emoluments	8,675,754.65	7,636,900.83
Gratuity		
Repairs and maintenance & Improvements	4,399,925.65	3,475,875.00
Local transport / travelling	1,101,510.00	962,880.00
Electricity and water	1,247,470.00	3,894,693.00
Medical Expenses		
Administration costs	5,968,109.00	4,977,809.00
Twin lab	4,878,414.00	1,813,579.60
Bank Charges	28,744.00	8,339.00
Boarding Equipment and Stores		
Expenses on Income Generating Activities		
Damages		12,250.00
Refunds		
Project - bank		875,165.00

Loan Principal repayment		
Loan Interest repayment		
Loan Interest repayment		
Acquisition of Assets		
TOTAL	57,203,255.80	41,674,149.28

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023	2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1103511599	24,512.00	71,200.55
Operations Account	Active	1103549375	1,170,153.55	18,754.30
School Fund Account/Boarding	Active	1103478559	1,002,475.21	(126,400.99)
Savings Account				
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account	Active	127	45,234.90	1,007,147.90
Total			2,242,375.66	970,701.76

11 Cash In Hand

Description	2023	2022
	Kshs	Kshs
Notes and Coins	2,341.35	23,941.35
Total	2,341.35	23,941.35

12 Short Term Investments

Description	2023	2022
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2023	2022
	Kshs	Kshs
Fees arrears	39,484,024.55	35,902,834.55
Other non-fees receivables		
Salary advances	50,000.00	50,000.00
Imprest	6,000.00	6,000.00
Rent arrears		
Total	39,540,024.55	35,958,834.55

13 b Ageing Analysis of Accounts Receivable

Description	2023		2022	
	Kshs	% of Total	Kshs	% of Total
Less than 1 year	9,496,922.00	24.02	10,140,465.00	28.2
Between 1- 2 years	10,190,465.00	25.77	9,494,294.00	26.4
Between 2-3 years	9,500,294.00	24.03	2,424,580	6.7
Over 3 years	10,352,343.55	26.18	13,843,495.55	38.5
Total	39,540,024.55	100.00	35,902,834.55	100.00

14 Accounts Payable

Description	2023	2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	18,311,254.42	16,845,146.50
Prepaid Fees	2,772,697.00	1,407,852.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables	0.00	0.00
Total	21,083,951.42	18,252,998.50

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2023		2022	
	Kshs	% of Total	Kshs	% of Total
Less than 1 year	18,311,254.42	86.85	14,064,864.00	77.0
Between 1- 2 years	2,772,697.00	13.15	4,188,134.50	22.9
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	21,083,951.42	100.00	18,252,998.50	100.0

15 Fund Balance Brought Forward

Description	2023	2022
	Kshs	Kshs
Bank balances	2,242,375.66	970,701.76
Cash balances	2,341.35	23,941.35
Short Term Investments		
Receivables	39,540,024.55	35,958,834.55
Payables	(21,083,951.42)	(18,252,998.50)
Total	20,700,790.14	18,700,479.16

Other important disclosure notes

IPSAS Cash Standard 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.

16 Non-current Liabilities Summary

Description	2023	2022
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17 Biological assets

Description	2023	2022
	Qty	Qty
6 Cattle @40000/=	240,000.00	280,000.00
Goats	0	
955 Trees @10000/=	9,550,000.00	9,130,000.00
5907 Tea Plantation @129	762,003.00	771,291.00
Poultry	0	
Others		
Total	10,552,003.00	10,181,291.00

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	(0.00)	(0.00)
Balance at the end of the year	0.00	0.00

Other important disclosure notes

19 Stock/ Inventory

Description	2023	2022
	Kshs	Kshs
Food stuffs	1,045,650.00	0.00
Lab consumables	1,922,571.50	0.00
Farm produce	0.00	0.00
Medication	75380	0.00
Construction Materials	0.00	0.00
Teaching learning materials	938,000.00	0.00
Total	3,981,601.50	5,681,249.00

20 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)



Sign and Date
 Principal

24.08.23

12. Annexes

Annex I - Analysis of Pending Accounts Payable

		Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
Supplier Of Goods Or Services					2023	2022	
		A	b	C	d=a-c		
		Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings							
1	BAY MULTSTRUCT	717,110.00		200,000.00	517,110.00	967,110.00	
					-		
Sub-Total		717,110.00	-	200,000.00	517,110.00	967,110.00	
Supply Of Goods							
2	ADAKIMS CHEMIST	300,905.00		210,270.00	90,635.00	58,400.00	
3	PRISCOM TECHNOLOGIES	2,630,400.00		763,300.00	1,867,100.00	1,953,100.00	
4	MEMIC ENTERPRISES	613,000.00		-	613,000.00	490,000.00	
5	DUNMUS STATIONERS	1,234,820.00		561,325.00	673,495.00	337,220.00	
6	STARTIC DISTRIBUTORS					225,500.00	
7	VIEVA ENTERPRISE					200,000.00	
8	ROMAN FIRE SAFETY SOLUTIONS					67,000.00	
9	JOBEFA ENTERPRISES	64,800.00		64,800.00	-	315,800.00	
10	ZENITH LAE AND SPORTS EQUIPMENT	1,116,416.20		240,973.80	875,442.40	317,430.00	
11	YARN HOLDINGS	2,434,080.00		1,197,600.00	1,236,480.00	1,015,000.00	
12	SAUTI FURNITURES CENTRE	1,000,000.00		-	1,000,000.00	1,360,000.00	
13	BOFAK GENERAL AGENCIES	106,150.00		-	106,150.00		
14	G.T.M METAL /WOOD	1,656,150.00		1,030,400.00	625,750.00		

Kimulot Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

	WORKS					
15	NEHEMA ENTERPRISES					1,034,650.00
16	LITEMATT ENTERPRISES	991,220.00		600,000.00	391,220.00	5,300.00
17	GLOBETECH ENERGY SAVERS	1,681,915.00		382,900.00	1,299,015.00	1,315,000.00
18	MUCHOCHE -SAMWEL KIMAIYO	241,295.00		120,000.00	121,295.00	296,000.00
19	CHERUIYO HILLARY					15,973.00
20	LAFAM BIZ	1,124,545.00		-	1,124,545.00	1,961,980.00
21	KEBOM SUPPLIES COMPANY LIMITED	6,290,510.00		2,142,940.00	4,147,570.00	806,200.00
22	BYGRACE CLEANING SERVICES	938,000.00		716,450.00	221,550.00	
23	RONMART VENTURES					39,600.00
24	JABRAG KAPSET SUPPLIERS	3,122,632.00		2,155,132.00	967,500.00	
25	FAITH CHEPGENO	1,654,000.00		1,420,000.00	234,000.00	
26	GEOFFREY CHEPKWONY					264,180.00
27	JOY CHEPKOECH					51,860.00
28	FLORENCE SIGEI	282,722.00		196,532.00	86,190.00	24,616.00
29	FANCY CHEPGENO	154,320.00		105,820.00	48,500.00	220,340.00
30	ELIZABETH ROTICH					96,220.00
31	JUHI SUPPLIERS					318,500.00
32	JOHNATHAN RUTO	1,190,930.00		1,017,760.00	173,170.00	
33	RITA ROTICH					233,800.00
34	CLARA JESANG	340,275.00		242,685.00	97,590.00	
35	LELACH DAIRIES					74,085.00
36	VISHALEM ENTERPRISES	2,090,500.00		700,000.00	1,390,500.00	
37	DESTINY INSPIRATIONS	185,000.00		100,000.00	85,000.00	

Sub-Total		31,444,585.20	-	13,968,887.80	17,475,697.40	13,097,754.00	
Supply Of Services							
						-	
38	JOSTEL SOFTWARES SYSTEMS	863,380.00		400,540.00	462,840.00		
39	KRA	374,080.31		-	374,080.31		
40	KPLC	175,362.01		90,000.00	85,362.01		
41	KAPSET FACTORY WATER BILL	560,380.00		526,900.00	33,480.00		
42	JEJIMO ENTERPRISES	358,900.00		123,900.00	235,000.00		
Sub-Total		2,332,102.32	-	1,141,340.00	1,190,762.32	-	
Grand Total		34,493,797.52	-	15,310,227.80	19,183,569.72	14,064,864.00	

Annex 2 – Summary of Fixed Assets Register

	Asset Class			Historical Cost b/f	Historical Cost c/f
				1 st July 2022	30 th June 2023
	LAND				
16	LAND	KBHS L001	SCHOOL	17,600,000.00	19,040,000.00
	BUILDINGS				
3	LABORATORY	KBHS BB001	CHEM LAB	2,550,000.00	2,550,000.00
1	KITCHEN	KBHS BB002	BOARDING SECTION	1,985,000.00	1,985,000.00
1	DINNING HALL	KBHS BB003	BOARDING SECTION	3,150,000.00	3,150,000.00
1	ADMINISTRATION	KBHS BB015	ADMINISTRATIO N	25,400,000.00	25,400,000.00
19	CLASSROOMS	KBHS BB004-001-005		35,000,000.00	35,000,000.00
5	DORMITORIES	KBHS BB004-001-005	BOARDING SECTION	17,500,000.00	17,500,000.00
1	BAKERY	KBHS BB016	KITCHEN	935,500.00	935,500.00
1	CEREAL STORE	KBHS BB017	KITCHEN	350,000.00	350,000.00
1	SECURITY ROOM	KBHS BB005	NEXT TO THE GATE	98,500.00	98,500.00
1	GENERATOR ROOM	KBHS BB006	NEXT TO THE GATE	72,500.00	72,500.00
8	STAFF HOUSES-PERMANENT	KBHS BB007/1-8	STAFF QUARTERS	8,800,000.00	8,800,000.00
19	STAFF HOUSES	KBHS BB008/1-19	STAFF QUARTERS	1,520,000.00	1,520,000.00


22	ABLUTION /BATHROOMS	KBHS BB012-001-005	STAFF QUARTERS	1,520,000.00	1,520,000.00
	OFFICE EQUIPMENT, FURNITURE AND FITTINGS				
49	OFFICE CHAIRS	KBHS/3002/01-3	PRINCIPALS OFFICE	465,500.00	465,500.00
13	CABINETS	KBHS/3003/01-4	PRINCIPALS OFFICE	416,000.00	416,000.00
4	TELEVISION SETS:	KBHS/2005/01	DINNING/STAFF ROOM /KITCHEN	152,000.00	152,000.00
1	CCTV SCREEN	KBHS/2005/02	PRINCIPALS OFFICE	56,000.00	56,000.00
18	OFFICE TABLES	KBHS/3002/13-18	MATHS	108,000.00	108,000.00
125 0	STUDENTS LOCKERS	KBHS/4001	CLASSROOMS	6,250,000.00	6,250,000.00
605	STUDENTS BEDS	KBHS/4002	DORMITORY	9,075,000.00	9,075,000.00
	ICT EQUIPMENT				
18	COMPUTERS-DESKTOPS	KBHS/2001/02-18	ALL DEPARTMENTS/ OFFICES	540,000.00	540,000.00
6	PRINTERS	KBHS/2003/002	DOS/ACCOUNTS/ SECRETARY/LA B	922,500.00	922,500.00
4	PHOTO COPIERS/PRINTER	KBHS/18/02	PRODUCTION	1,303,000.00	1,303,000.00
	MOTOR VEHICLE				
1	SCHOOL BUS	KBHS/2013/01	SCHOOL	6,300,000.00	6,300,000.00
1	MOTORBIKE	KBHS/2013/02	SCHOOL	155,000.00	155,000.00
	OTHER MACHINERY AND EQUIPMENT				

1	POSHO MILL	KBHS/2009/01	KITCHEN	78,550.00	78,550.00
1	VEGETABLE CUTTER	KBHS/2007/01	KITCHEN	92,850.00	92,850.00
2	DEEP FREEZER	KBHS/2006/01-02	KITCHEN	335,100.00	335,100.00
1	FLOUR MIXER	KBHS/2011/01	BAKERY	52,000.00	52,000.00
1	PROVER	KBHS/2011/02	BAKERY	48,000.00	48,000.00
1	OVEN	KBHS/2011/03	BAKERY	63,200.00	63,200.00
1	DIESEL GENERATOR	KBHS/G001	GATE	801,500.00	801,500.00
	TOTALS			143,695,700.00	145,135,700.00

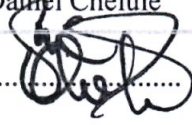
KIMULOT SECONDARY SCHOOL
TRIAL BALANCE AS AT 30TH JUNE 2023

		DR	CR
Cash and Cash equivalents			
	Bank Balances	2,242,375.66	
	Cash Balances	2,341.35	
	Short term investments	-	
	Receivables	39,540,024.55	
Payments			
	Payments for Tuition	3,572,987.40	
	Payments for operations	14,551,015.32	
	Boarding and school fund payments	57,203,255.80	
Receipts			
	Capitation grants for tuition		2,800,950.25
	Capitation grants for operations		12,324,933.25
	School Fund Income- Parents' Contributions		54,799,706.00
	School Fund Income- Other receipts		7,401,980.00
	Proceeds from borrowings		
	Payables		21,083,951.42
Prior Year Adjustment			
Fund Balance b/f			18,700,479.16
TOTAL		117,112,000.08	117,112,000.08

Prepared By:
Name: Ms. Joyce Leley

Sign: .....
Bursar
Date: 12/07/2023.....

Approved By:
Name: Dr. Daniel Chelule

Sign: .....
Principal
Date: 12.07.23

