

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT**

DATE: 25 NOV 2024

DAY:

Tuesday

TABLED  
BY:

Hon. Naomi Wago  
Deputy Majority Whip

CLERK OF  
THE TABLE:

Lornale

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**KIMUNYU SECONDARY SCHOOL**

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

**KIAMBU COUNTY**

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

12 JUL 2024

RECEIVED



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**Kimunyu Secondary School**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD ENDED  
30<sup>TH</sup> JUNE 2023**

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

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*KIMUNYU SECONDARY SCHOOL*  
**Annual Report and Financial Statements For the period ended 30<sup>th</sup> June 2023**

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*KIMUNYU SECONDARY SCHOOL*  
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**1. Acronyms and Glossary of Terms**

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 School 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 Kiambu County, Gatundu South Sub-County.

The school was registered in 02/1989 under registration number H/A/1169/89 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 893 number of students as at 30<sup>th</sup> June 2023. It has 4 streams and 39 teachers of which 6 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. Geoffrey Waweru	Chairman	10 <sup>th</sup> May 2022
2	Dr. John Muthee	Secretary - Principal	7 <sup>th</sup> March 2022
3	Mr. Francis Munano	Member	7 <sup>th</sup> March 2022
4	Mr. Gituanja Gachie	Member	7 <sup>th</sup> March 2022
5	Ms. Margaret Gitau	Member	7 <sup>th</sup> March 2022
6	Ms. Faith Macharia	Member	7 <sup>th</sup> March 2022
7	Ms. Grace Ndungu	Member	7 <sup>th</sup> March 2022
8	Mr. Kimani Itibi	Member – Rep CEB	7 <sup>th</sup> March 2022
9	Mr. Anthony kamura	Member Rep Teachers	7 <sup>th</sup> March 2022
10	Mr John Njau Gathanga Mr. Francis Kieru Ms. Wamaitha Kangethe	3 Members - Sponsor	7 <sup>th</sup> March 2022
11	Ms. Grace Ndungu	Member - Community	7 <sup>th</sup> March 2022
12	Ms. Elizabeth Kagema	Member Special Needs	7 <sup>th</sup> March 2022
13	Nicholas Kiranga	Rep Students	7 <sup>th</sup> March 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**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Mr. Geoffrey waweru 2. Dr. John Muthee 3. Mr. John Gathanga 4. <b>Francis Gacheru</b> 5. <b>Grace Ndungu</b>	<b>Chair</b> <b>Member</b> <b>Member</b> <b>Member</b>	3 of 3
2	Audit Committee	1. Gachie Gituanja 2. Dr. John Muthee 3. Kieru Gitau	<b>Chair</b> <b>Member</b> <b>Member</b>	3 of 3
3	Finance, Procurement And General Purposes Committee	1. Kimani Itibi 2. Dr. John Muthee 3. Maingi Kamau 4. Elizabeth Kagema 5. Faith Macharia	<b>Chair</b> <b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>	3 of 3
4	Academic Committee	1. Mathew Kigomo 2. Dr. John Muthee 3. Antony Kamura 4. Mungai George 5. All HODs	<b>Chair</b> <b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>	5 of 5
5	Development Committee	1. Francis Gacheru 2. Dr. John Muthee	<b>Chair</b> <b>Member</b>	5 of 5

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the period ended 30<sup>th</sup> June 2023**

		3. John Gathanga 4. Geoffrey Waweru 5. Kimani Itibi 6. Public Works Office 7. SCDE	Member Member Member Member	
6	Discipline and welfare Committee	1. Wamaitha Kangethe 2. Dr. John Muthee 3. George Waweru	Chair Member Member	3 of 3
7	Adhoc Committee (if any during the year) <b>Tender Opening Committee</b>	1. Hannah Njeri Kuria 2. Elizabeth Karanja 3. Boniface Mburu	Chair Member Member	3 of 3
	<b>Tender Evaluation Committee</b>	1. George Mungai 2. Margaret Wambui 3. Antony Mamura 4. Christine Nyambura 5. Nelius Maina	Chair Member Member Member Member	3 of 3

**(d) School operation Management**

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

Ref:	Designation	Name	Identification
1	Principal	Dr. John Muthee	TSC No.273271
2	Deputy Principal	Mr. George Mungai	TSC No.352735
3	School Bursar	Mrs. Elizabeth Karanja	ICPAK No.
4	Other (specify)	Mr. Antony Kamura	TSC.No. 289586

**(e) Schools contacts**

Post Office Box: 419 – 01030, Gatundu  
 Telephone: 0717053596  
 E-mail: kimunyusec@gmail.com  
 Website: N/A  
 Facebook: Kimunyu Secondary School  
 Twitter: N/A

**(f) School Bankers**

Provide details of the school bankers.

**Name of Bank: National Bank**  
**Branch: Ruiru**  
 Tuition Account: 01025059185200



*KIMUNYU SECONDARY SCHOOL*

**Annual Report and Financial Statements For the period ended 30<sup>th</sup> June 2023**

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Operation Account: 01025059185201  
Infrastructure Account: 01022059185200  
Savings Account: 01242059185200

**School Fund Account**

Name of Bank: Family Bank  
Branch: Gatundu  
Account Number: 004000005506

**(g) Independent Auditors**

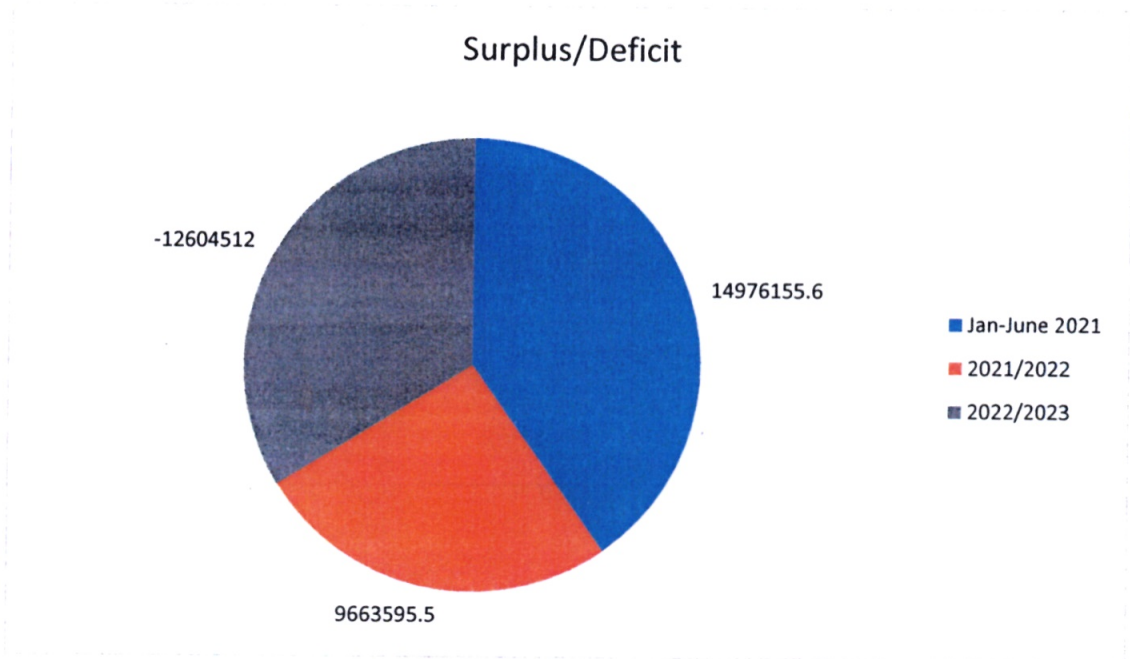
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**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:

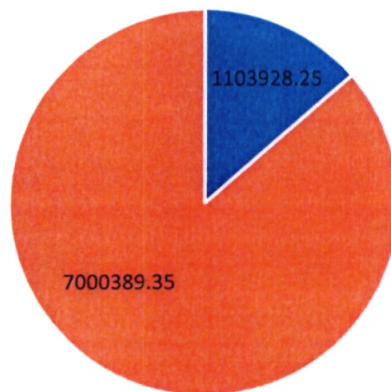
**a) Financial performance:**

***SURPLUS/DEFICIT***



**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE  
2021**

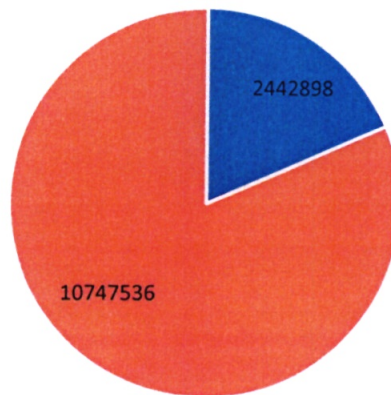
**GRANTS REPRESENTATION**



■ TUTION ACCOUNT   ■ OPERATION ACCOUNT

**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE  
2023**

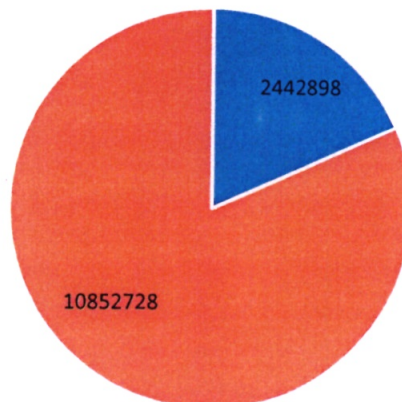
**GRANTS PRESENTATION**



■ TUTION ACCOUNT ■ OPERATION ACCOUNT

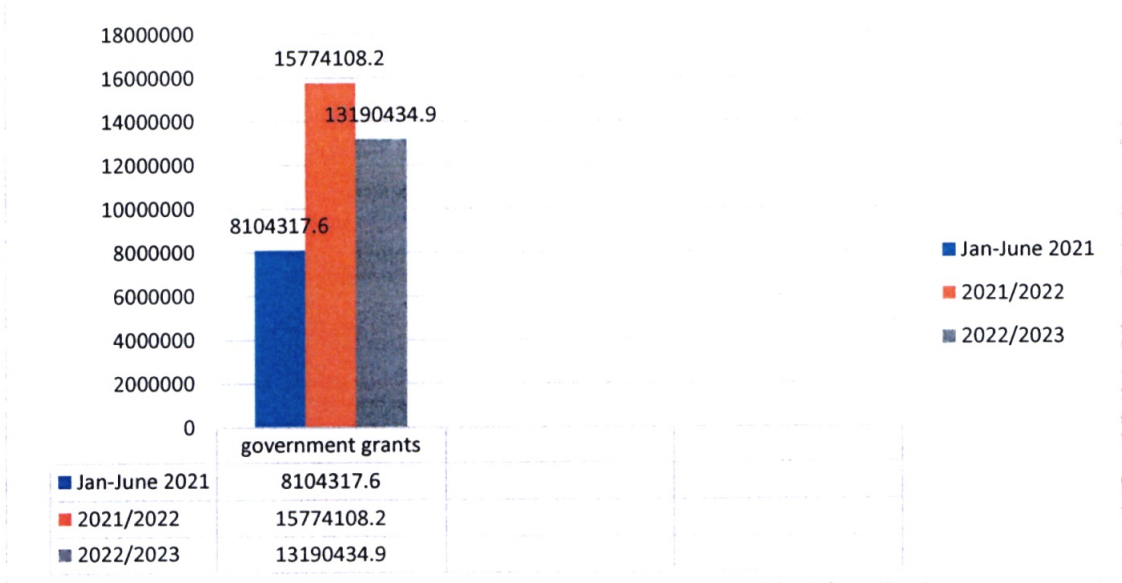
**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE  
2022**

**GRANTS REPRESENTATION**

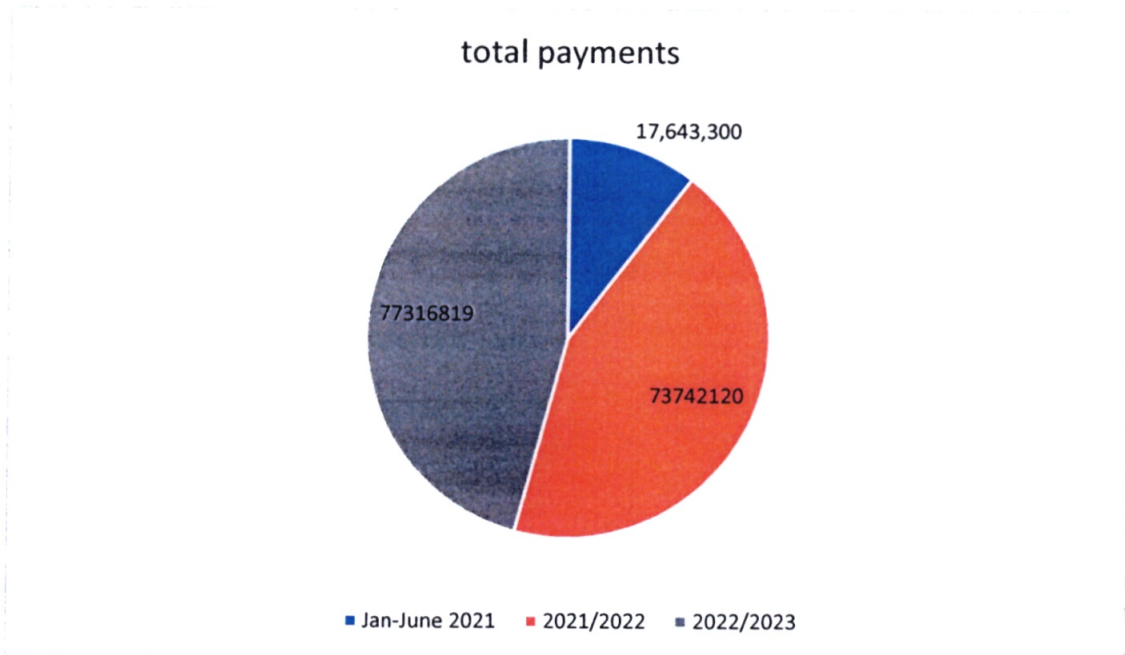


■ TUTION ACCOUNT ■ OPERATION ACCOUNT

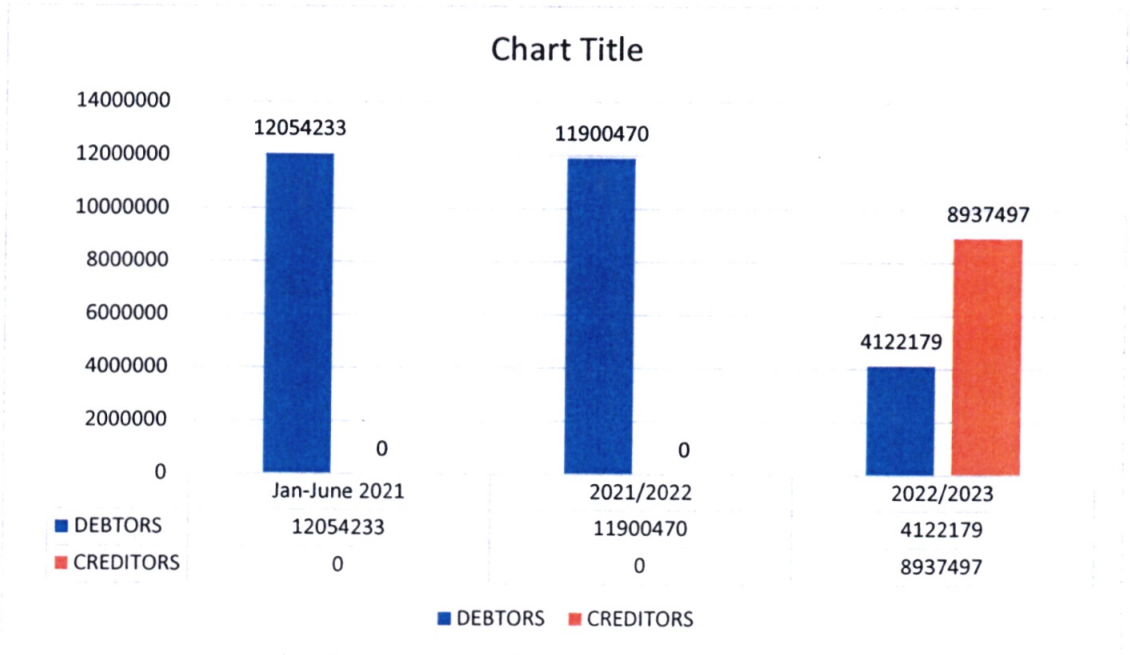
**Total Government Grants Overview**



**EXPENDITURE OVERVIEW**



**DEBTORS AND CREDITORS**



**b) Teacher Student ratio:**

RATIO; 1: 23

RECRUITMENT: N/A

RETIREMENT: N/A

TSC: 33

BOM: 6

*TOTAL: 39*

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

<i>Year</i>	<i>Entry</i>		<i>Mean Score</i>	<i>Deviation</i>	<i>Transition to higher learning</i>
<i>2022</i>	<i>190</i>		<i>4.411</i>	<i>+0.087</i>	<i>84</i>
<i>2021</i>	<i>214</i>		<i>4.324</i>	<i>-0.826</i>	<i>91</i>
<i>2020</i>	<i>160</i>		<i>5.150</i>	<i>+0.759</i>	<i>105</i>

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

*190 STUDENTS*

e) Capacity of the school:

Facilities	Quantity	Capacity	What they hold
Dormitories	7	120	893
Laboratories	3	95	893
Dining Hall	1	600	893
Toilets-tuition	22	500	893
-Boarding	36		
Library	1	15	893
Staff Room	1	25	39

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of Departmental Office	Parents	Complete	250,000	250,000	Complete
Construction of Lab	Parents	Complete	900,000	900,000	Complete
Construction of Dormitory	Parents	Complete	11,000,000	110,000	Complete
Purchase of Computers	Parents	Complete	107,000	107,000	Complete
Construction of Bio Digester	Parent	Complete	850,000	0	Jan 2024
Purchase of White Boards	Government	Complete	250,000	250,000	Complete
New Office Chair	Parents	Complete	100,000	100,000	Complete
Renovation of Offices	Parents	Complete	350,000	350,000	Complete
Kitchen Terazzo	Parents	Complete	100,000	100,000	Complete
Toilet Roofing	Parents	Complete	1,043,570	104,350	Complete
Desk and Lockers	Government	Complete	348,000	348,000	Complete
New Beds	Government	Complete	345,000	345,000	Complete



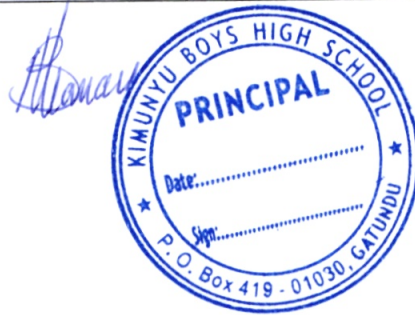
*KIMUNYU SECONDARY SCHOOL*

**Annual Report and Financial Statements For the period ended 30<sup>th</sup> June 2023**

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Light Replacement	Parents	Complete	120,000	120,000	Complete
Sport Equipments	Government	Complete	280,000	280,000	Complete

*Dr. John Muthee*  
**School Principal**



**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 *Kimunyu Secondary* 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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.

.....  


**Name: Mr. Geoffrey Waweru**

**Designation: Chairman, School Board of Management**

**Date: 30 June 2023**

.....  
  
.....  
**Name: Dr. John Muthie**  
**Designation: School Principal & Secretary to Board of Management**  
**Date: 30<sup>th</sup> June 2023**



.....  


**Name: Mrs. Elizabeth Karanja**

**Designation: Bursar/ Finance Officer**

**Date: 30<sup>th</sup> June 2023**

# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON KIMUNYU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KIAMBU COUNTY

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal control, 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 Kimunyu Secondary School – Kiambu County set out on pages 1 to 21, which comprise the statement of financial assets

and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows, statement of budgeted versus actual amounts, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kimunyu Secondary School – Kiambu County as at 30 June, 2023 and of its receipts and payments and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

## **Basis for Qualification**

### **1.0 Inaccuracy in Cash and Cash Equivalents**

The statement of cash flows reflects cash and cash equivalent totalling Kshs.1,306,826 while the statement of assets and liabilities reflects cash and cash equivalent of Kshs.1,310,495 resulting in an unexplained variance of Kshs.3,669. Further, the opening cash and cash equivalent of Kshs.747,326 differs from the comparative amount for cash and cash equivalent as at 30 June, 2022 of Kshs.751,371 resulting in an unexplained and unreconciled difference of Kshs.4,045.

In the circumstances, the accuracy and completeness of the cash and cash equivalents of Kshs.1,306,826 could not be confirmed.

### **2.0 Accounts Payables**

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects a balance of Kshs.16,021,607 in respect to accounts payables. However, analysis of movement made up of opening balance of Kshs.1,826,416, total expenditure amounts for the period of Kshs.77,316,819 and total actual payments for the period of Kshs.67,165,453 results to a balance of Kshs.11,977,782. This leads to an unreconciled and unexplained variance Kshs.4,043,825.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.16,021,607 could not be confirmed.

### **3.0 Accounts Receivables**

The statement of financial assets and financial liabilities and as disclosed in Note 13 to the financial statement reflects a balance of Kshs.32,698,319.46 in respect to receivables. However, the re-computation of the movement made up of opening balance of Kshs.31,667,140, total amount for the period of Kshs.64,712,306 and total actual receipts

for the period of Kshs.67,724,952 results to a balance of Kshs.28,654,495.36 leading to unreconciled variance of Kshs.4,043,824.10.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.32,698,319.46 could not be confirmed.

#### **4.0 Undisclosed Inventory**

The financial statement and as disclosed in Note 19 to the financial statements discloses Nil inventory balance as at 30 June, 2023. However, it was observed that Management had lab consumables and foodstuffs of unknown value at the close of financial year.

In the circumstances, it was not possible to confirm the accuracy and completeness of the Nil balance in respect to food stuffs and lab consumables.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kimunyu Secondary 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 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 amounts of Kshs.72,567,085 and Kshs.67,688,732 respectively, resulting to under-funding of Kshs.4,878,353 or 7% of the budget. However, the School spent Kshs.66,633,425 against actual receipts of Kshs.67,688,732, resulting to under-expenditure of Kshs.1,055,307 or 1.5% of the budget.

In the circumstances, the under-funding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect to 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. 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, 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. Presentation of Financial Statements

The financial statements read for the “period ended” instead of for the “financial year ended”. This was contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya, dated 20 August, 2021 which gives guidelines on the presentation of financial statements.

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

#### 2. Unbalanced Budget

The statement of budgeted versus actual amounts reflected total revenue budget of Kshs.72,567,085 and an expenditure budget of Kshs.69,134,000 resulting to a deficit of Kshs.3,433,085 contrary to Regulation 33(c) of Public Finance Management (National Government) Regulations, 2015 which states that unless provided otherwise in the Act, these Regulations or Budget guidelines any other guidelines developed in furtherance of the Act or these Regulations budget revenue and expenditure appropriations shall be balanced.

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

#### 3. Unaccounted for Textbooks

According to the Kenya Institute of Curriculum Development records, two thousand, eight hundred and forty eight (2,848) books in respect to 8 sets of books including the Fathers of Nations four hundred and eighty four (484), The Samaritan four hundred and eighty four (484), A parliament of Owls four hundred and eighty four (484), Nguvu za jadi two hundred and twenty eight (228), Bembea ya Maisha two hundred and twenty eight (228) An artist of the floating world two hundred and twenty eight (228) and Mapambazuko ya machweo two hundred and twenty eight (228) were disbursed to Kimunyu Secondary

School during the year. However, these books were not delivered to the school and they have not been accounted for.

In addition, no system was in place to track the receipt and issuance of books to students in contravention to Regulation 140(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to be responsible for proper custody care and use of Government inventories under their control.

In the circumstances, value for money on the two thousand, eight hundred and forty-eight (2,848) textbooks could not be confirmed.

#### **4. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects operations amount of Kshs.9,228,605. Included in this expenditure is an amount of Kshs.33,000 paid to Kenya Secondary Heads Association for County and Sub-County (KESSHA) activities being a welfare association that draws its membership from heads of secondary schools. The organization is not defined in the Government funding system and therefore, there is no assurance that it has implemented effective, efficient and transparent financial management and internal control system to manage the funds transferred by the school.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.33,000 could not be confirmed.

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

The financial statements of Kimunyu Secondary were submitted on 17 May, 2024 eight (8) months after deadline for submission after deadline for submission contrary to Section 47(1) of the Public Audit Act, 2015 which requires public entities to submit their financial statements to the Auditor-General three (3) months after the closure of the fiscal year.

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

#### **6. Failure to Develop School Improvement Plan**

During the year 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.

## **7. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.13,190,434. 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 eight hundred and twenty-nine (829) students while records from the County Director of Education had eight hundred and sixty-seven (867) students, resulting to an underfunding of the School by an amount of Kshs.604,627. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 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, underfunding 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 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 matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing 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. Failure to Maintain Bursaries/Scholarships Vote Head**

During the year, the school received bursary disbursements and scholarships from the National Government Constituencies Development Fund and other donors in respect to needy students. However, Management did not maintain a register of beneficiaries for both bursary grants and scholarships indicating the name of beneficiary, admission number, amount received and the financier / donors during the year.

In the circumstances, effectiveness on management of the bursaries and scholarship could not be confirmed.



## **2. Non-Operational Audit Committee**

During the year under review, it was observed that although Management had duly established an audit committee in accordance with Section 73(5) of the Public Finance Management Act, 2012 which mandates that every National Government entity should establish an audit committee with defined composition and functions as prescribed by the regulations, the committee was found to be non-operational. It was noted that the committee members had not convened any meetings, and as a result, no minutes were recorded for such meetings. This lack of functionality raises concerns regarding the effectiveness of the audit committee in fulfilling its intended purpose of providing oversight and ensuring accountability in financial management.

In the circumstances, the existence of internal controls and implementation of the recommendations could not be confirmed.

## **3. Non-Tagging of Fixed Assets and Lack of Asset Register**

Physical verification of assets done in May, 2024 revealed that the school has several fixed assets that have been acquired over a period of time and all of the assets have not been coded/tagged with unique identification codes. The school sits on unvalued acres of land and owns various assets including buildings, motor vehicles and various furniture and fittings whose values have not been disclosed. Further, Management did not maintain an asset register which could have provided critical information including location of the assets, description, respective cost and serial numbers. This was in contrary to The National Treasury guidelines as per Circular No. 5/2020 dated 25 February, 2020 which required all public entities to keep a comprehensive register to protect public assets.

In the circumstances, the existence, ownership and valuation of various assets owned by the school could not be confirmed.

## **4. Lack of Information Communication Technologic (ICT) Policy**

Review of the school's ICT environment revealed that there was no formal approved ICT policy, Security policy, Environmental policy, IT Continuity Plan and Disaster Recovery Plan in place as at the time of audit. This is contrary to Section 149(2)(c) of the Public Finance Management Act, 2012 provides that a Public Entity should always ensure that all its records, financial or otherwise kept in electronic form are adequately protected and backed up.

In the circumstances, the reliability, integrity and recoverability of the school data could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 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 intention to terminate the School or to cease its 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 following the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the 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 overall 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 control in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 control 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 control may not prevent or detect misstatements and instances of non-compliance. 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 policies and procedures may deteriorate.

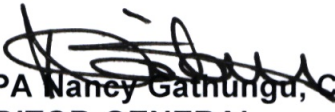
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 Management's use of the 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 continue 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

25 September, 2024

**KIMUNYU SECONDARY SCHOOL**

**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

**5. Statement Of Receipts and Payments For the Period Ended 30<sup>th</sup> June 2023**

Description Of Vote Head	20	2022/2023	2021/2022
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	2,442,898.00	2,915,545.40
Government grants for operations	2	10,747,536.00.90	12,858,562.80
Government Grants for infrastructure	3	0.00	0.00
School fund income- parents' contributions	4	51,521,872.00	67,631,607.00
Miscellaneous incomes	5	0.00	0.00
<b>Total Receipts</b>		<b>64,712,306.90</b>	<b>83,405,607.00</b>
<b>Payments</b>			
Tuition	6	4,189,597.00	3,006,742.00
Operations	7	9,228,605.00	8,094,363.00
Infrastructure	8	0.00	3,948,100.00
Boarding and school fund	9	63,898,617.00	58,692,915.00
<b>Total Payments</b>		<b>77,316,819.00</b>	<b>73,742,120.00</b>
<b>Surplus/Deficit</b>		<b>(12,604,512.10)</b>	<b>9,663,595.20</b>

The school financial statements were approved on 11/07/2024 and signed by:



Name: Geoffrey wawery  
 Chair BOM


Date: 11/07/2024

NGANGA B.K.

Name: Nganga  
 School Principal/ Secretary to BOM

Date: 11/07/2024





Name: Chabani Kabwira  
 Bursar/ Finance Officer

Date: 11/07/2024

**KIMUNYU SECONDARY SCHOOL**


**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**


**6. Statement of Assets and Liabilities For the period Ended 30<sup>th</sup> June 2023**

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	1,310,494.71	741,994.81
Cash balances	11	377.00	9,377.00
Short term investments	12	0.00	0.00
<b>Total cash and cash equivalent</b>		<b>1,310,871.71</b>	<b>751,371.80</b>
Account's receivables	13	32,698,319.46	31,667,140.46
<b>Total financial assets</b>		<b>34,009,191.17</b>	<b>32,418,512.27</b>
<b>Financial liabilities</b>			
Accounts payables	14	16,021,607.00	1,826,416.00
<b>Net financial assets</b>		<b>17,987,584.17</b>	<b>30,592,096.27</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	30,592,096.27	20,928,501.07
Surplus/deficit for the year		(12,604,512.10)	9,663,595.20
<b>Net financial position</b>		<b>17,987,584.17</b>	<b>30,592,096.27</b>


The school's financial statements were approved on 11/07/2024 2024

and signed by:

  
 Name: Geoffrey Wawery  
 Chair BOM  
 Date: 11/07/2024

  
 Name: NGIANGA  
 School Principal/ Secretary to BOM  
 Date: 11/07/2024



  
 Name: CHABUH KARANJA  
 Bursar/ Finance Officer  
 Date: 11/07/2024

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****(Statement of Cash Flows for the Period Ended 30<sup>th</sup> June 2023**

Description	Not e	2022/2023	2021/2022
			Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition	1	2,442,898.00	2,915,545.40
Government grants for operations	2	10,747,536.90	12,858,562.80
Government grants for infrastructure	3	0.00	0.00
School fund income- parents contributions/ fees	4	54,534,518.00	58,557,912.00
Other income	5	0.00	0.00
<b>Total receipts</b>		<b>67,724,952.00</b>	<b>74,332,020.20</b>
<b>Payments</b>			
Cash outflows for tuition	6	2,443,700.00	3,006,742.00
Cash outflows for operations	7	9,228,605.00	8,094,363.00
Cash outflows for Infrastructure	8	0.00	3,948,100.00
Cash outflows Boarding/lunch and school fund payments	9	55,493,148.00	61,413,789.00
<b>Total payments</b>		<b>67,165,453.00</b>	<b>76,462,994.00</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>559,499.90</b>	<b>(2,130,973.80)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		0.00	0.00
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
<b>Net cash inflow/outflows from investing activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
<b>Net cash inflow/outflow from financing activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>559,499.90</b>	<b>(2,130,973.80)</b>
Cash and cash equivalent at beginning of the 2022/2023		747,326.42	2,878,300.80
<b>Cash and cash equivalent at end of the 30<sup>th</sup> June 2023</b>		<b>1,306,826.32</b>	<b>747,326.42</b>


**KIMUNYU SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**


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*Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.*

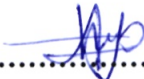
*(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).*

The school's financial statements were approved on 11/07/2024 2024 and signed by:

  
.....  
**Name:** Geoffrey Wawara  
**Chair BOM**  
**Date:** 11/07/2024

  
.....  
**Name:** NGANGA B.K  
**School Principal/ Secretary to BOM**  
**Date:** 11/07/2024



  
.....  
**Name:** CHABOTI KARANJA  
**Bursar/ Finance Officer**  
**Date:** 11/07/2024



**KIMUNYU SECONDARY SCHOOL**

**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

**7. Statement Of Budgeted Versus Actual Amounts for The Period Ended 30<sup>th</sup> June 2023**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Receipts</b>					
<b>(1) Capitation Grant on Tuition</b>					
Teaching / Learning Materials	2,500,000.00	0.00	2,500,000.00	2,442,898.00	97.72
	<b>2,500,000.00</b>	<b>0.00</b>	<b>2,500,000.00</b>	<b>2,442,898.00</b>	<b>97.72</b>
<b>(2) Capitation Grant on Operations</b>					
Personnel Emoluments	6,000,000.00	0.00	6,000,000.00	5,494,911.20	91.59
Local transport and travel	400,000.00	0.00	400,000.00	323,231.80	80.81
Electricity And Water	400,000.00	0.00	400,000.00	323,231.80	84.56
Administration Costs	400,000.00	0.00	400,000.00	323,231.80	80.81
Medical	200,000.00	0.00	200,000.00	179,100.00	89.50
Activity	600,000.00	0.00	600,000.00	503,800.00	83.97
Repair maintenance & Improvement	4,000,000.00	0.00	4,000,000.00	3,585,000.00	89.63
	<b>12,000,000.00</b>	<b>0.00</b>	<b>12,000,000.00</b>	<b>10,747,536.90</b>	<b>89.53</b>
<b>3) FDSE for infrastructure</b>					
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	2,000,000.00	0.00	2,000,000.00	1,995,801.00	99.80
Repairs And Maintenance	5,500,000.00	0.00	5,500,000.00	5,187,322.00	94.31
Local Transport / Travelling	600,000.00	0.00	600,000.00	507,050.00	84.51

**KIMUNYU SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity And Water	4,000,00.00	0.00	4,000,000.00	3,291,503.00	82.29
Administration Costs	1,500,000.00	0.00	1,500,000.00	1,291,471.00	86.10
Activity	300,000.00	0.00	300,000.00	285,130.00	95.04
Lost Text Books	267,085.00	0.00	267,085.00	267,085.00	100.00
Uniform	9,000,000.00	0.00	9,000,000.00	8,862,276.00	98.47
Development	600,000.00	0.00	600,000.00	526,191.00	87.70
P.A Project	800,000.00	0.00	800,000.00	752,945.00	94.12
BOM Teachers	1,500,000.00	0.00	1,500,000.00	1,120,000.00	74.67
Fee On Boarding Equipment and Stores	32,000,000.00	0.00	32,000,000.00	31,702,995.00	99.07
<b>5) Miscellaneous Income</b>					
	0.00	0.00	0.00	0.00	0.00
	<b>58,067,085.00</b>	<b>0.00</b>	<b>58,067,085.00</b>	<b>54,498,298.00</b>	<b>93.85</b>
<b>Total Income</b>	<b>72,567,085.00.00</b>	<b>0.00</b>	<b>72,567,085.00.00</b>	<b>67,688,732.00</b>	<b>93.28</b>
<b>(6) Expenditure For Tuition</b>					
Teaching / Learning Materials	2,500,000.00	0.00	2,500,000.00	2,018,550.00	80.74
Laboratory Equipment	500,000.00	0.00	423,460.00	423,460.00	84.69
Bank Charges	2000.00	0.00	2000.00	1690.00	84..50
	<b>3,002,000.00</b>	<b>0.00</b>	<b>3,002,000.00</b>	<b>2,443,700.00</b>	<b>81.40</b>
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	4,500,000.00	0.00	4,500,000.00	4,225,621.00	93.90
Electricity, Water and Conservancy	600,000.00	0.00	600,000.00	500,000.00	83.33

**8. 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 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*. 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 Period ended 30<sup>th</sup> June 2023.

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****9. Notes To The Financial Statements****1 Government Grants for Tuition**

Description	2022/2023	2021/2022
	Kshs	Kshs
Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	2,442,898.00	2,915,545.40
Others (specify) *	0.00	0.00
<b>Total</b>	<b>2,442,898.00</b>	<b>2,915,545.40</b>

**2 Government Grants for Operations**

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	5,494,941.45	6,939,251.20
Repairs And Maintenance	0.00	0.00
Local Transport / Travelling	323,231.80	407,897.20
Electricity And Water	338,231.85	495,717.20
Medical	179,100.00	175,800.00
Administration Costs	323,231.80	407,897.20
Activity	503,800.00	0.00
Other Vote Heads	3,585,000.00	4,432,000.00
<b>Total</b>	<b>10,747,536.90</b>	<b>12,858,562.80</b>

**3 Government Grants for infrastructure**

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement	0.00	0.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify)(NGCDF and County govt.	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****4. School Fund Income - Parents Contribution/Fees**

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	2,477,901.00	4,275,525.00
Repairs and maintenance	5,622,127.00	7,223,244.00
Local transport / travelling	605,573.00	862,029.00
Electricity and water	4,120,000.00	5,722,300.00
Medical	0.00	0.00
Administration costs	1,380,000.00	2,552,176.00
Activity	285,130.00	240,000.00
Fee on Boarding Equipment and stores	32,891,292.00	37,618,872.00
Lost Test book	211,115.00	267,085.00
Uniform	518,505.00	8,862,276.00
KCSE	9,600.00	8,100.00
Development fund	800,000.00	0.00
PA Levies	1,000,000.00	0.00
BOM Teachers	1,600,000.00	0.00
<b>Total</b>	<b>51,521,872.00</b>	<b>67,631,607.00</b>

*\*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

**5. Miscellaneous Incomes**

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent Income	0.00	0.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Other Income (specify)*	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

*(Include an explanation on the kind and source of grants/ donations received by the school.)*

*\*Ensure proper authorization from MOE before obtaining loans/borrowings.*

*\*Indicate what other income relates to including income arising from writebacks if any.*

**Notes to the Financial Statements (continued)**

**6. Tuition**

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	0.00	0.00
Textbooks	0.00	0.00
Reference materials	0.00	0.00
Laboratory Equipment	423,460.00	400,000.00
Teaching / Learning Materials	376,447.00	2,606,382.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Bank Charges	1690	360.00
Others ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>4,189,597.00</b>	<b>3,006,742.00</b>

**7. Operations**

Description	2022/2023	2021/2022
	Kshs	Kshs
<i>Personnel Emoluments</i>	<i>4,225,621.00</i>	<i>6,732,646.00</i>
<i>Service Gratuity</i>	<i>0.00</i>	<i>0.00</i>
<i>Administration Cost</i>	<i>27,000.00</i>	<i>0.00</i>
<i>Repairs And Maintenance &amp; Improvements</i>	<i>791,490.00</i>	<i>0.00</i>
<i>Local Transport / Travelling</i>	<i>0.00</i>	<i>0.00</i>
<i>Electricity And Water</i>	<i>500,000.00</i>	<i>679,150.00</i>
<i>Medical</i>	<i>0.00</i>	<i>0.00</i>
<i>Activity Expenses</i>	<i>887,450.00</i>	<i>450,680.00</i>
<i>Bank charges</i>	<i>1690.00</i>	<i>1810.00</i>
<i>Insurance Cost</i>	<i>0.00</i>	<i>230,077.00</i>
<i>Teaching and learning)</i>	<i>2,7953,654.00</i>	<i>0.00</i>
<b>Total</b>	<b>9,228,605.00</b>	<b>8,094,363.00</b>

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****Notes to the Financial Statements (continued)****8. Infrastructure**

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction of classrooms	0.00	0.00
Construction of laboratory	0.00	0.00
Construction of dormitory	791,490.00	3,946,650.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Bank charges	0.00	0.00
<b>Total</b>	<b>791,490.00</b>	<b>3,946,650.00</b>

**9. Boarding And School Fund**

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	2,576,888.00	319,170.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	11,560,496.00	10,509,820.00
Local Transport / Travelling	5,308,320.00	6,540,315.00
Electricity And Water	337,720.00	586,380.00
Medical Expenses	0.00	0.00
Administration Costs	2,932,273.00	1,628,679.00
Lunch Programme	0.00	0.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities**	0.00	0.00
Fee On Boarding Equipment and Stores	37,825,315.00	29,438,426.00
Rent Expenses	0.00	0.00
Insurance Cost ( <i>Life Property</i> )	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
PA expenses	0.00	0.00
KCSE	0.00	18,050.00
Activity	362,445.00	516,020.00
Learning materials	577,640.00	5,783,055.00



**KIMUNYU SECONDARY SCHOOL**

**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

Uniform	2,417,520.00	3,353,000.00
<b>Total</b>	<b>63,898,617.00</b>	<b>58,692,915.00</b>

*(Expenses on income generating activities\*\* should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****Notes to the Financial Statements (continued)****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025059185200	9,035.25	9,837.25
Operations Account	Active	01025059185201	1,109,800.35	(14,323.55)
School Fund Account/Boarding	Active	004000005506	153,983.72	708,805.72
Savings Account	Dormant	0124059185200	4,045.39	4,045.39
Parent Association Development Account	N/A	N/A	0.00	0.00
Income Generating Activities Account	N/A	N/A	0.00	0.00
Infrastructural Account	Active	01022059185200	33,630.00	33,630.00
<b>Total</b>			<b>13,104,947.10</b>	<b>741,994.81</b>

**10. Cash In Hand**

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	377.00	374.00
<b>Total</b>	<b>377.00</b>	<b>374.00</b>

**11. Short Term Investments**

Description	2022/2023	2021/2022
	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
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****Notes to the Financial Statements (continued)****12. Accounts Receivable**

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	32,689,319.46	31,667,140.46.00
<b>Other Non-Fees Receivables</b>	0.00	0.00
Salary Advances (list/schedule attached)	0.00	0.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
<b>Total</b>	<b>32,689,319.46</b>	<b>31,667,140.46.00</b>

**13 Ageing Analysis of Accounts Receivable**

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year	4,122,179.00	12.60%	11,900,470.00	37.58%
Between 1- 2 years	8,809,470.00	26.95%	9,802,971.00	30.96%
Between 2-3 years	19,766,670.46	60.45%	9,963,699.46	31.46%
Over 3 years	0.00	0%	0	0%
<b>Total (should tie to note 13 a)</b>	<b>32,698,319.46</b>	<b>100%</b>	<b>31,667,140.46</b>	<b>100%</b>

**14. Accounts Payable**

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	11,556,872.00	873,478.00
Prepaid Fees	4,464,735.00	952,938.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>16,021,607.00</b>	<b>1,826,416.00</b>

**KIMUNYU SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

**Notes to the Financial Statements (continued)**

**14a. Ageing Analysis of Accounts Payable**

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2020/2021	% of the total
Less than 1 year		%		%
Between 1- 2 years		%		%
Between 2-3 years		%		%
Over 3 years		%		%
<b>Total (should tie to note 14)</b>		%		%

**15. Fund Balance Brought Forward**

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Balances	1,310,494.71	741,994.81
Cash Balances	377.00	9,377.00
Short Term Investments	0.00	0.00
Receivables	32,698,319.46	31,667,140.46
Payables	16,021,607	1,826,416.00
<b>Total</b>	<b>17,987,584.17</b>	<b>30,592,096.27</b>

**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****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	2021/2022	2020/2021
	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
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**17. Biological assets**

Description	Numbers	2021/2022	2020/2021
		Kshs	Kshs
Cattle		0.00.	0.00
Goats		0.00	0.00
Trees		300,000.00	250,000.00
Coffee Or Tea Plantation		0.00	0.00
Poultry		0.00	0.00
Others (specify)		0.00	0.00
<b>Total</b>		<b>300,000.00</b>	<b>250,000.00</b>

**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
<b>Balance at the end of the year</b>	<b>0.00</b>	<b>0.00</b>

**Other important disclosure notes**

**19. Stock/ Inventory**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Food stuffs		
Lab consumables		
Farm produce	0.00	0.00
Medication		
Construction Materials		
Others (specify)		

*(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)*

**KIMUNYU SECONDARY SCHOOL**

**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

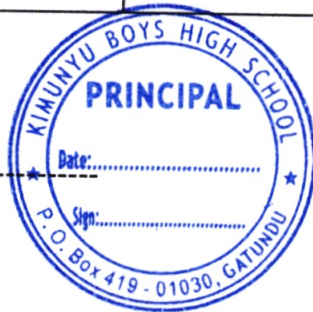
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**20. Progress On Follow Up Of Auditor Recommendations**

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



**KIMUNYU SECONDARY SCHOOL****Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023****21. Annexes****Annex I - Analysis of Pending Accounts Payable**

<b>Supplier Of Goods Or Services</b>	<b>Original Amount</b>	<b>Date Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance Current FY</b>	<b>Outstanding Balance Comparative FY</b>	<b>Comments</b>
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
4.						
5.						
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
6.						
7.						
8.						
<b>Sub-Total</b>						
<b>Grand Total</b>						



**KIMUNYU SECONDARY SCHOOL**

**Annual Report and Financial Statements For the Period ended 30<sup>th</sup> June 2023**

**Annex 2 – Summary of Fixed Assets Register**

<b>Asset Class</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>				

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