

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
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THE-TABLE:

Deputy Leader of  
Majority Party  
WILHELM OBIERO

**THE AUDITOR-GENERAL**

**ON**

**MAKUENI BOYS HIGH SCHOOL**

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

**MAKUENI COUNTY**

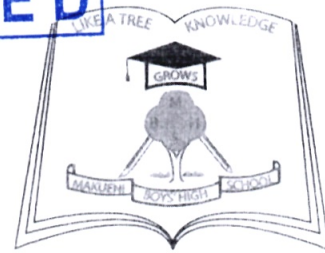


OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

12 OCT 2024

RECEIVED

Revised 30<sup>th</sup> June 2023.




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**MAKUENI BOYS' HIGH SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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





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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
CBE	Curriculum based establishment



**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 Makueni County, Makueni Sub-County.

The school was registered in 05/2023 under registration number 17S30000010 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 1575 number of students as at 30<sup>th</sup> June 2022. It has 30 streams and 59 teachers of which 9 teachers are employed by the School Board of Management.

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

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

Ref:	Name of Board Member	Designation	Date of appointment
1	ALEX SILA	Chairman	08.6.2022
2	FRANCIS MUTUA	Secretary- Principal	27.1.2023
3	ERIC KISILU	Member	08.6.2022
4	SAMUEL MUSYOKI	Member	08.6.2022
5	SARAH MWAMBURI	Member	08.6.2022
6	ABRAHAM MATHEKA	Member	08.6.2022
7	JOSEPH MOISARI	Member	08.6.2022
8	ESTHER LEVU	Member	08.6.2022
9	DAMARIS MAKAU	Member – Rep CEB	08.6.2022
10	MAGDALENE MUSYOKI	Member- Rep Teachers	08.6.2022
11	STANSLOUS MBUVO	Sponsor	08.6.2022
12	BEATRICE N. KIOKO	Sponsor	08.6.2022
13	FREDRICK KITEMA	Member - Community	08.6.2022
14	STANSLOUS NDETO	Member -Special Needs	08.6.2022
15	GEOFFREY TELELA	Member	08.6.2022
16	NICODEMUS M. MUTUKU	Rep Students	08.6.2022



**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	Alex Sila	Chairman	0 out of 2
		Raphael Diwani	Secretary	2 out of 2
		Damaris Makau	Vice chairman	2 out of 2
		Samuel Musyoki	PA chairman	2 out of 2
		Stanslous Mbuvo	Sponsor	2 out of 2
3	Finance, procurement and general purposes Committee	Eric Kisilu	Chairman	2 out of 2
		Raphael Diwani	secretary	2 out of 2
		Alex sila	member	2 out of 2
		Esther Levu	member	2 out of 2
		Samuel Musyoki	member	2 out of 2
		Clement ndonye	Bursar	2 out of 2
4	Academic Committee	Eisha mohamed	Chair	-
		Raphael Diwani	Secretary	-
		Damaris Makau	Member	-
		Abraham Matheka	Member	-
		Magdalene	Member	-

		Musyoki		
5	Development Committee	Fredrick Kitema	Chairman	1 out of 1
		Raphael Diwani	Secretary	1 out of 1
		Samuel Musyoki	Member	1 out of 1
		Joseph Moisari	Member	1 out of 1
		Geoffrey Telela	Member	1 out of 1
		Beatrice waithera	Member	1 out of 1
6	Discipline and welfare Committee	Stanslous Mbuvo	Chairman	-
		Raphael Diwani	Secretary	-
		Stanslous Ndeto	member	-
		Fredrick Kitema	member	-
		Sarah Mwamburi	member	-
		Eisha mohamed	member	-



**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	RAPHAEL DIWANI	TSC No.238180
2	Deputy Principal- Administration	ALBERT MUSYIMI	TSC No.416487
3	Deputy Principal- Academics	JOSPHAT MALUVA	TSC No.305105
4	School Bursar	CLEMENT NDONYE	ID No.12583019

**(e) Schools contacts**

Post Office Box: 20 - 90300  
Telephone: 0208567701  
E-mail: makueniboys@gmail.com  
Website: www.makueniboyschool.org  
Facebook:  
Twitter:

**(f) School Bankers**

1. Name of Bank: Kenya commercial bank  
Branch: Wote  
Account Number: 1105240959
2. Name of Bank: Kenya commercial bank  
Branch: Wote  
Account Number: 1105240746
3. Name of Bank: Kenya commercial bank  
Branch: Wote  
Account Number: 1105287661
4. Name of Bank: Kenya commercial bank  
Branch: Wote  
Account Number: 1232296503
5. Name of Bank: Kenya commercial bank  
Branch: Wote  
Account Number: 1104278839
6. Name of Bank: Kenya commercial bank  
Branch: Wote

Account Number: 1104278472

7. Name of Bank: Kenya commercial bank  
Branch: Wote  
Account Number: 1285192540
8. Name of Bank: Cooperative bank of Kenya  
Branch: Wote  
Account Number: 01100539480101
9. Name of Bank: Cooperative bank of Kenya  
Branch: Wote  
Account Number: 01100539480100
10. Name of Bank: Equity bank  
Branch: Wote  
Account Number: 0670292910473
11. MPESA Pay Bill No. 853600 attached to KCB bank account NO. 1105240959

**(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**

PERIOD	2021/2022	2020/2021	2020	2019
Surplus/deficit	(8,054,296.55)	12,925,028.00	694,491.95	(6,555,909.90)

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

ACCOUNT	2021/2022	2020/2021	2020	2019
OPERATIONS	19,494,221.70	9,753,720.90	12,304,697.00	14,400,994.90
TUITION	4,481,831.00	1,554,948.00	1,725,398.00	3,045,348.80
TOTAL	23,976,052.70	11,308,668.90	14,030,095.00	17,446,343.70

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

YEAR	2021/2022	2020/2021	2020	2019
INCOME	145,033,153.00	53,026,528.00	51,348,337.00	97,211,775.00

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

YEAR	2021/2022	2020/2021	2020	2019
EXPENDITURE	177,063,502.25	46,518,975.50	64,687,155.10	99,011,585.00

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

YEAR	2021/2022	2020/2021	2020	2019
DEBTORS	48,165,709.00	47,861,535.00	43,019,339.00	38,454,367.00
CREDITORS	27,035,043.00	16,950,681.21	23,448,629.21	20,735,067.00



**b) Teacher Student ratio:**

TSC TRS	BOM TRS	TOTAL	STUDENT S NO	TR/STUDENT RATIO	TRS POSTED	TRANSFERED	RETIRED
<b>59</b>	<b>9</b>	<b>68</b>	<b>1575</b>	<b>1.23</b>	<b>8</b>	<b>0</b>	<b>0</b>

The number of teacher available per subject was as follows;

s/no	Subject	No. Of teachers			CBE requirement	Shortage/surplus
		TSC	BOM	Total		
1	ENG	10	1	11	13	2
2	KISWAHILI	6	2	8	9	1
3	MATHEMATICS	7	2	9	10	1
4	CHEMESTRY	6	0	6	6	0
5	PHYSICS	6	1	7	8	1
6	BIOLOGY	5	0	5	6	1
7	GEOGRAPHY	5	0	5	6	1
8	HISTORY	5	0	5	6	1
9	CRE	3	0	3	3	0
10	IRE	1	0	1	1	0
11	AGRICULTURE	4	1	5	6	1
12	ART AND DESIGN	1	0	1	1	0
13	COMPUTER	1	0	1	1	0
14	BUSINESS STUDIES	3	2	5	6	1
15	FRENCH	1	0	1	1	0
16	MUSIC	1	0	1	1	0
17	PE					
18	LIFE SKILL					

**Mean score in the 2021KCSE:**

<b>YEAR</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
MEAN SCORE	8.265	8.76	8.031	7.789
C+ and above	234	232	197	172
ENTRY	276	257	259	242
Transition %	84.8%	90.2%	76%	71.3%

**c) Number of Candidates in the 2021 KCSE**

<b>YEAR</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>NO. OF CANDIDATES</b>	<b>276</b>	<b>257</b>	<b>259</b>

**d) Capacity of the school:**

**The number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories and toilets is as follows.**

<b>FACILITY</b>	<b>NUMBER</b>	<b>CAPACITY</b>	<b>NO. OF STUDENTS</b>
LAND WITH LEGAL OWNERSHIP	1	46 ACRES	1575
DORMITORIES	9	1582	1575
CLASSROOMS	30	1382	1575
DINNING HALL	1	1250	1575
MODERN KITCHEN	1	-	-
TOILET- BOARDING	41	2050	1575
TOILET- TUITION	13	390	1575
LABORATORIES	5		1575
ADMINISTRATION BLOCK	1	100 STAFF MEMBERS	-

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	parents	complete	15,558,105.00	15,526,468.00	31.12.2022
Library	MOE(MI funds)	complete	3,276,632.18	3,276,632.18	31.12.2022



.....  
School Principal

MAKUENI BOYS' HIGH SCHOOL  
P.O BOX 20-90300,  
MAKUENI  
TEL: 020-2623820



#### 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 Makueni Boys' High school accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

.....  
**Name: ALEX M. SILA**

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

**Date:** 12/7/2024

.....  
**Name: FRANCIS M. MUTUA**

**Designation:** School Principal & Secretary to Board of Management

**Date:** 12/7/2024

.....  
**Name: CLEMENT K. NDONYE**

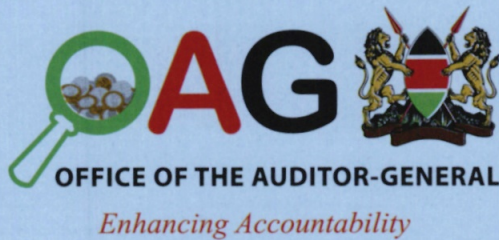
**Designation:** Bursar/ Finance Officer

**Date:** 12/7/2024

**MAKUENI BOYS' HIGH SCHOOL**  
**P.O BOX 20-90300,**  
**MAKUENI**  
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# REPUBLIC OF KENYA



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

## REPORT OF THE AUDITOR-GENERAL ON MAKUENI BOYS' HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - MAKUENI 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 the Government achieves value for money and that such funds are applied for 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 Makueni Boys' High School - Makueni County set out on pages 1 to 20, which comprise of the statement of assets and



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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Makueni Boys High School – Makueni County as at 30 June, 2022, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Modified Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **Long Outstanding Student Accounts Receivable**

The statement of assets and liabilities reflects accounts receivables balance of Kshs.48,165,710 which includes Kshs.44,235,711 in respect to fees arrears as disclosed in Note 13 to the financial statements. Included in the balances are receivables of Kshs.35,941,133 which had been outstanding for more than two years. 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 recoverability of the receivables balance of Kshs.48,165,710 could not be confirmed.

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

### **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.



# 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. Late Submission of Financial Statements to the Auditor-General**

During the year under review, Management submitted the financial statements to the Auditor-General on 8 April, 2024 instead of the statutory deadline of 30 September, 2022. 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, 2021 in compliance with 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.

### **2. Outstanding Accounts Payable**

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.27,035,043 as disclosed in Note 14 to the financial statements. Included in this balance were trade creditors who had been outstanding for one (1) year of Kshs.2,221,996. 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 contract (s) 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.

### **3. Failure to Transfer Infrastructure Funds from the Operations Bank Account**

The statement of receipts and payments reflects government grants for operations and infrastructure totalling Kshs.19,494,222 as disclosed in Note 2 and 3 to the financial statements. Included in the amount is Kshs.7,082,500 which was to be transferred to the infrastructure account. However, only Kshs.6,619,500 was transferred leaving a balance of Kshs.463,000 as at 30 June, 2022. This is contrary to Section 43 of Public Finance Management Act, 2012 and Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 that

requires Schools to transfer infrastructure grants from operations accounts within fifteen days from date the funds are credited.

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

#### **4. Accuracy of Student Enrollment Data**

The statement of receipts and payments reflects government grants for tuition, operations and infrastructure totalling Kshs.23,976,055. 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 2021/2022, the NEMIS reported a total number of between 961 to 1406 students during the three terms while the enrolment record provided by Makueni Boys' High School indicated a total of between 966 to 1639 students leading to a variance of as high as 234 students. As a result, the School was under-funded by Kshs.1,709,415.42 during the year ended 30 June, 2022. This was contrary to the Ministry of Education Circular No.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, 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 governance were not effective.

#### **Basis for Conclusion**

##### **1. Management of Textbooks**

Examination of the School's library records revealed that some students borrowed text books and set books between the years 2018 and 2023. However, in the financial year



2021/2022, the School lost 1,307 text books and 204 set books that had been borrowed by students but were not returned. Additionally, although some of the students had who had borrowed textbooks had been cleared by the School, the books had not been recovered or returned. Consequently, the lost books may not be recovered and this will have the effect of affecting the quality of education offered in the Schools.

In the circumstances, the adequacy of internal controls on management of textbooks could not be ascertained.

## **2. Incomplete Fixed Assets Register**

Annex 2 to the financial statements is a summary of the fixed assets register. However, the summary does not conform with the prescribed format issued by the Public Sector Accounting Standards Board and does not include information such as assets classes, date of purchase of assets, location of the asset, historical cost brought forward, additions during the year, disposals during the year and historical costs carried forward.

In the circumstances, the adequacy of internal controls on assets management cannot be confirmed.

## **3. Dormant Accounts**

The statement of assets and liabilities and as disclosed in Note 10 of the financial statements reflects bank accounts of Kshs.4,163,047. Included in the amounts are three dormant accounts composed of caution account of Kshs.37,630, bus replacement account of Kshs.72,067 and gratuity account of Kshs.176. The failure to close the bank account after their purpose had been concluded exposes the School cash resources to bank charges which could be avoided while continued holding of a dormant bank account is Contrary to Regulation 23(1)(c) of Public Finance Management (National Government) Regulations, 2015 states that an accounting officer is accountable to the National Assembly for maintaining effective systems of internal control and the measures taken to ensure that they are effective.

In the circumstances, the effectiveness of the internal controls on cash and cash equivalent management is not confirmed.

The audit was conducted in accordance with the ISSAI 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 those Charged with Governance**

The 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 Makueni Boys' High School ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention to cease operations.

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

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

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 control 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 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 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 judgment 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 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 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 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**

**22 October, 2024**

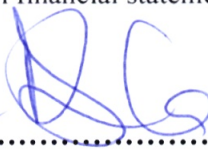


MAKUENI BOYS' HIGH SCHOOL  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022

6. Statement Of Receipts and Payments For the Year Ended 30<sup>th</sup> June 2022


Description Of Vote Head	Note	2021/2022	2020/2021
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	4,481,831.00	1,554,948.00
Government grants for operations	2	12,874,721.70	5,569,720.90
Government Grants for infrastructure	3	6,619,500.00	4,184,000.00
School fund income- parents' contributions	4	141,342,421.00	30,042,932.00
Miscellaneous incomes	5	3,690,732.00	13,341,344.00
<b>Total Receipts</b>		<b>169,009,205.70</b>	<b>54,692,944.90</b>
<b>Payments</b>			
Tuition	6	5,512,365.00	1,488,338.40
Operations	7	12,835,302.00	4,279,428.00
Infrastructure	8	6,726,547.00	2,236,249.00
Boarding and school fund	9	151,989,288.25	33,763,901.50
<b>Total Payments</b>		<b>177,063,502.25</b>	<b>41,767,916.90</b>
<b>Surplus/Deficit</b>		<b>(8,054,296.55)</b>	<b>12,925,028.00</b>

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


  
.....  
Name: ALEX SILA

Chair BOM

Date: 12/7/2024

  
.....  
Name: FRANCIS MUTUA  
School Principal/ Secretary to  
BOM

Date: 12/7/2024

  
.....  
Name: CLEMENT NDONYE  
Bursar/ Finance Officer

Date: 12/7/2024

MAKUENI BOYS' HIGH SCHOOL  
P.O BOX 20-80300,  
MAKUENI  
TEL: 020-2623820

MAKUENI BOYS' HIGH SCHOOL  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022

7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2022

Description	Note	2021/2022 Kshs	2020/2021 Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	4,163,047.23	2,442,958.17
Cash balances	11	372,677.57	366,876.18
Short term investments	12	-	-
<b>Total cash and cash equivalent</b>		<b>4,535,724.80</b>	<b>2,809,834.35</b>
Accounts receivable	13	48,165,709.79	47,861,535.00
<b>Total financial assets</b>		<b>52,701,434.59</b>	<b>50,671,369.35</b>
<b>Financial liabilities</b>			
Accounts payables	14	27,035,043.00	16,950,681.21
<b>Net financial assets</b>		<b>25,666,391.59</b>	<b>33,720,688.14</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	33,720,688.14	20,795,660.14
Surplus/deficit for the year		(8,054,296.55)	12,925,028.00
<b>Net financial position</b>		<b>25,666,391.59</b>	<b>33,720,688.14</b>

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

.....  
Name: ALEX SILA

Chair BOM

Date: 12/17/2024

.....  
Name: FRANCIS MUTUA  
School Principal/ Secretary to  
BOM

Date: 12/17/2024

.....  
Name: CLEMENT NDONYE

Bursar/ Finance Officer

Date: 12/17/2024

MAKUENI BOYS' HIGH SCHOOL  
P.O BOX 20-90300,  
MAKUENI  
TEL: 020-2623820



8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2022

Description	Note	2021/2022 Kshs	2020/2021 Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition	1	4,481,831.00	1,554,948.00
Government grants for operations	2	12,874,721.70	5,569,720.90
Government grants for infrastructure	3	6,619,500.00	4,184,000.00
School fund income- parents contributions/ fees	4	141,342,421.00	30,042,932.00
Miscellaneous income	5	3,690,732.00	13,341,344.00
Less increase in receivables	15	(2,925,081.79)	(4,842,196.00)
<b>Total receipts</b>		<b>166,084,123.91</b>	<b>49,850,748.90</b>
<b>Payments</b>			
Cash outflows for tuition	6	5,512,365.00	1,488,338.40
Cash outflows for operations	7	12,835,302.00	4,279,428.00
infrastructure	8	6,726,547.00	2,236,249.00
Cash outflows Boarding/lunch and school fund payments	9	151,989,288.25	33,763,901.50
Less increase in payables	15	(12,705,268.79)	6,498,248.60
<b>Total payments</b>		<b>164,358,233.46</b>	<b>48,266,165.50</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>1,725,890.45</b>	<b>1,584,583.40</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
<b>Net cash inflow/outflows from investing activities</b>			
<b>Cashflow from Financing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings			
<b>Net cash inflow/outflow from financing activities</b>			
<b>Net increase/decrease in cash and cash equivalents</b>		<b>1,725,890.45</b>	<b>1,584,583.40</b>
Cash and cash equivalent at beginning of the FY		2,809,834.35	1,225,250.95
<b>Cash and cash equivalent at end of the FY</b>		<b>4,535,724.80</b>	<b>2,809,834.35</b>

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






**MAKUENI BOYS' HIGH SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

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

		
.....	.....	.....
<b>Name: ALEX SILA</b>	<b>Name: FRANCIS MUTUA</b>	<b>Name: CLEMENT K. NDONYE</b>
<b>Chair BOM</b>	<b>School Principal/ Secretary to BOM</b>	<b>Bursar/ Finance Officer</b>
<b>Date: 12/7/2024</b>	<b>Date: 12/7/2024</b>	<b>Date: 12/7/2024</b>

*(Comparative FY refers to the financial year preceding the current Financial year.)*

**MAKUENI BOYS' HIGH SCHOOL**  
**P.O BOX 20-90300,**  
**MAKUENI**  
**TEL: 020-2623820**

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2022

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>					
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	5,801,600.00	0	5,801,600.00	4,481,831.00	77.25%
Exams And Assessment	-	-	-	-	-
<b>(2) Capitation Grant on Operations</b>					
Personnel Emoluments	6,147,400.00	-	6,147,400.00	5,643,703.70	96.6%
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	1,960,000.00	-	1,960,000.00	1,930,565.49	98.5%
Electricity And Water	3,368,400.00	-	3,368,400.00	3,346,301.54	99.9%
Medical	2,800,000.00	-	2,800,000.00	281,000.00	10%
Administration Costs	1,684,200.00	-	1,684,200.00	1,673,150.97	99.3%
Activity	2,100,000.00	-	2,100,000.00	-	0%
Smasse	280,000.00	-	280,000.00	-	0%
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE	8,210,000.00		8,210,000.00	6,619,500.00	79.3%
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	10,869,600.00	-	10,869,600.00	14,179,297.00	130.4%



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
Repairs And Maintenance	4,312,000.00	-	4,312,000.00	4,714,407.00	109.3%
Local Transport / Travelling	2,949,800.00	-	2,949,800.00	3,764,315.00	127.6%
Electricity And Water	11,310,600.00	-	11,310,600.00	14,260,947.00	126%
Medical	-	-	-	91,554.00	0%
Administration Costs	6,399,400.00	-	6,399,400.00	8,844,336.00	138.20%
Activity	1,451,800.00	-	1,451,800.00	1,908,224.00	131.4%
PA project New Dormitory	16,000,000.00	-	16,000,000.00	6,472,991.00	40.45%
Fee On Boarding Equipment and Stores	50,594,600.00	-	50,594,600.00	87,106,350.00	172.16%
<b>5) Miscellenous Income</b>					
Rent income	811,300.00	-	811,300.00	664,600.00	81.9%
Income From Farming Activities	-	-	-	713,242.00	-
Refundable fees	-	-	-	106,000.00	-
Income From CDF	-	-	-	900,000.00	--
Income From Bus Hire	-	-	-	205,500.00	-
Fee For Hire of Ground and Equipment	-	-	-	985,390.00	-
tender	-	-	-	116,000.00	-
<b>Total Income</b>	<b>160,050,700.00</b>	<b>-</b>	<b>160,050,700.00</b>	<b>169,009,205.70</b>	<b>105.6%</b>
<b>(6) Expenditure For Tuition</b>					
Textbooks& Reference materials	300,000.00	-	300,000.00	83,334.00	27.8%
Exercise Books	1,649,600.00	-	1,649,600.00	1,608,840.00	97.52%
Laboratory Equipment	1,600,825.00	-	1,600,825.00	1,624,911.00	101.5%
Internal Exams	300,000.00	-	300,000.00	133,500.00	44.5%
Teaching / Learning Materials	1,624,200.00	-	1,624,200.00	2,057,361.00	126.7%
Chalks	9,240.00	-	9,240.00	-	0%
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	--	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	4,419.00	0%

MAKUENI BOYS' HIGH SCHOOL  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022

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>(7) Expenditure For Operations</b>					
Personnel Emoluments	3,371,175.00	-	3,371,175.00	3,367,563.00	99.9%
Repairs, Maintenance & Improvements	6,619,500.00	-	6,619,500.00	-	101.6%
Local Transport / Travelling	885,827.00	-	885,827.00	866,862.00	97.8%
Electricity, Water and Conservancy	5,202,089.00	-	5,202,089.00	4,768,504.00	91.7%
Medical	1,097,282.00	-	1,097,282.00	1,149,551.00	104.8%
Administration Costs	1,851,045.00	-	1,851,045.00	2,478,116.00	134%
Activity Expenses	-	-	-	-	-
Insurance costs	-	-	-	204,706.00	-
SMASSE	-	-	-	-	-
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms	-	-	-	2,064,768.00	-
Construction of LABS	-	-	-	174,000.00	-
Construction of Toilets	-	-	-	500,000.00	-
Construction of library	-	-	-	3,986,210.00	-
Bank charges	-	-	-	1,569.00	-
Purchase of equipment-Generator	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	11,214,899.00	-	11,214,899.00	13,428,345.00	119.7%
Repairs, Maintenance and Improvements	12,033,860.00	-	12,033,860.00	22,426,555.00	186.4%
Local Transport / Travelling	5,719,172.00	-	5,719,172.00	6,029,796.75	105.4%
Electricity, Water and Conservancy	4,957,911.00	-	4,957,911.00	4,900,186.00	98.83%
Medical Expenses	350,000.00	-	350,000.00	348,105.00	99.5%
Administration Costs	4,233,955.00	-	4,233,955.00	15,002,308.50	354.3%



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
Activity	1,437,960.00	-	1,437,960.00	751,896.00	52.3%
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	42,285,978.00	-	42,285,978.00	76,147,056.00	180%
Expenditure For Income Generating Activity	-	-	-	2,527,918.00	-
Tender expenses	-	-	-	220,480.00	-
Fees refundable	-	-	-	653,988.00	-
Rent Expenses	-	-	-	44,090.00	-
Bank Charges	-	-	-	246.00	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	14,514,640.00	-	14,514,640.00	9,508,318.00	65.5%
<b>Totals</b>	<b>121,259,158.00</b>	<b>-</b>	<b>121,259,158.00</b>	<b>177,063,502.25</b>	<b>146.02%</b>

## 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 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 year ended 30<sup>th</sup> June 2022.

## 11. Notes to The Financial Statements

### 1 Government Grantsfor Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	4,481,831.00	1,554,948.00
Others ( <i>specify</i> )*	-	-
<b>Total</b>	<b>4,481,831.00</b>	<b>1,554,948.00</b>

### 2 Government Grantsfor Operations

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel Emoluments	5,643,703.70	2,436,584.80
Repairs And Maintenance		298,000.00
Local Transport / Travelling	1,930,565.49	788,802.00
Electricity And Water	3,346,301.54	1,364,222.00
Medical	281,000.00	-
Administration Costs	1,673,150.97	682,111.20
Activity	-	-
Insurance	-	-
Other Vote Heads ( <i>specify</i> )*	-	-
<b>Total</b>	<b>12,874,721.70</b>	<b>5,526,720.90</b>

### 3 Government Grants for infrastructure

Description	2021/2022	2020/2021
	Kshs	Kshs
Maintenance &Improvement	6,619,500.00	4,184,000.00
Transition infrastructure grants	-	
Administration Block	-	
Economic stimulus grants	-	
Other ( <i>specify</i> )(NGCDF and County govt.		
<b>Total</b>	<b>6,619,500.00</b>	<b>4,184,000.00</b>



**4 School Fund Income -Parents Contribution/Fees**

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel emoluments	14,179,297.00	3,349,541.00
Repairs and maintenance	4,714,407.00	1,659,371.00
Local transport / travelling	3,764,315.00	911,051.00
Electricity and water	14,260,947.00	3,525,678.00
Medical	91,554.00	47,790.00
Administration costs	8,844,336.00	1,966,845.00
Activity	1,908,224.00	447,863.00
Fee on Boarding Equipment and stores	87,106,350.00	18,134,793.00
New Dormitory	6,472,991.00	-
<b>Total</b>	<b>141,342,421.00</b>	<b>30,042,932.00</b>

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

**5 Miscellaneous Incomes**

Description	2021/2022	2020/2021
	Kshs	Kshs
Rent Income	664,600.00	548,200.00
Income From Farming Activities	713,242.00	110,850.00
Income From Bus Hire	205,500.00	33,200.00
Fee For Hire of Ground and Equipment	985,390.00	74,625.00
Income From Grants and Donations CDF	900,000.00	1,001,000.00
Refundable fees	106,000.00	-
Other incomes	-	11,568,025.00
Interest Income	-	5,444.00
Tender	116,000.00	
<b>Total</b>	<b>3,690,732.00</b>	<b>13,341,344.00</b>

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

**6 Tuition**

Description	2021/2022	2020/2021
	Kshs	Kshs
Exercise Books	1,608,840.00	367,520.00
Textbooks and Reference materials	83,334.00	-

Laboratory Equipment	1,624,911.00	288,920.00
Teaching / Learning Materials	2,057,361.00	610,920.00
Exams And Assessment	133,500.00	220,000.00
Teachers Guides		
Bank Charges	4,419.00	996.00
<b>Total</b>	<b>5,512,365.00</b>	<b>1,488,338.00</b>

## 7 Operations

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel Emoluments	3,367,563.00	2,053,663.00
Service Gratuity	-	-
Administration Cost	2,478,116.00	408,412.00
Repairs And Maintenance & Improvements	-	-
Local Transport / Travelling	866,862.00	224,433.00
Electricity And Water	4,768,504.00	814,783.00
Medical	1,149,551.00	288,011.00
Activity Expenses	-	23,960.00
Insurance Cost	204,706.00	466,040.00
Bank charges		126.00
Acquisition of assets		
<b>Total</b>	<b>12,835,302.00</b>	<b>4,279,428.00</b>



## Notes to the Financial Statements (continued)

**8 Infrastructure**

Description	2021/2022	2020/2021
	Kshs	Kshs
Construction of classrooms	2,064,768.00	2,236,249.00
Toilets	500,000.00	-
Construction of laboratory	174,000.00	-
Library	3,986,210.00	-
Bank charges	1,569.00	-
<b>Total</b>	<b>6,726,547.00</b>	<b>2,236,249.00</b>

**9 Boarding And School Fund**

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel Emoluments	13,428,345.00	4,085,718.50
Service Gratuity	-	
Repairs And Maintenance & Improvements	22,426,555.00	2,667,890.00
Local Transport / Travelling	6,029,796.75	2,770,818.00
Electricity And Water	4,900,186.00	1,879,960.00
Medical Expenses	348,105.00	650.00
Administration Costs	15,002,308.50	2,498,389.00
Activity	751,896.00	162,650.00
Bank Charges		
Expenses On Income Generating Activities	2,527,918.00	477,759.00
Fee On Boarding Equipment and Stores	76,147,056.00	9,363,997.00
Rent Expenses	44,090.00	
Fees refund	653,988.00	261,685.00
University application		131,822.00
Tender expenses	220,480.00	63,090.00
Acquisition Of Assets	9,508,318.00	7,012,710.00
PA support		2,386,763.00
Bank charges	246	
<b>Total</b>	<b>151,989,288.25</b>	<b>33,763,901.50</b>

## Notes to the Financial Statements (continued)

MAKUENI BOYS' HIGH SCHOOL  
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**10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2021/2022	2020/2021
	Active/Dormant		Kshs	Kshs
Tuition Account	ACTIVE	1105287661	39,855.60	13,640.60
Operations Account	ACTIVE	1105240746	208,012.40	23,418.70
School Fund Account/Boarding	ACTIVE	1105240959	902,146.02	(808,987.34)
CDF account	ACTIVE	1285192540	906,194.00	1,001,000.00
Touch a life Account	ACTIVE	1270940708	52,216.00	52,216.00
Caution money Account	Dormant	1104278472	37,630.15	37,630.15
Bus replacement Account	Dormant	1100539480100	72,066.82	72,066.82
Gratuity account	Dormant	1100539480101	175.84	175.84
Reserve Account	ACTIVE	0670292910473	83,160.40	83,160.40
Development fund account	Dormant	1105078523	-	-
Infrastructural Account	ACTIVE	1232296503	1,861,590.00	1,968,637.00
<b>Total</b>			<b>4,163,047.23</b>	<b>2,442,958.17</b>

**11 Cash In Hand**

Description	2021/2022	2020/2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	418,446.00	207,470.00
School fund Account	(45,768.43)	159,406.00
<b>Total</b>	<b>372,677.57</b>	<b>366,876.00</b>

**12 Short Term Investments**

Description	2021/2022	2020/2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2021/2022	2020/2021
	Kshs	Kshs
Fees Arrears	44,235,710.79	45,825,058.00
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	1,750.00	1,750.00
Imprest (list/schedule attached)	2,404,598.00	1,911,825.00
School farm	430,430.00	-
Yes club	29,000.00	29,000.00
Tuition account	78,200.00	78,200.00
RD cheque	268,702.00	15,702.00
Touch a life account	8,614.00	-
Pocket money	114,505.00	-
Rent arrears(list/schedule attached)	594,200.00	-
<b>Total</b>	<b>48,165,709.79</b>	<b>47,861,535.00</b>

13 b Ageing Analysis of Accounts Receivable

Description	2021/2022		2020/2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
current year	12,224,576.79	16.3%		0%
previous year	-	0	9,807,747.00	11.92%
prior periods (over 2 years)	35,941,133.00	83.7%	38,053,788.00	88.08%
<b>Total (should tie to note 13 a)</b>	<b>48,165,709.79</b>	<b>100%</b>	<b>47,861,535.00</b>	<b>100%</b>

14 Accounts Payable

Description	2021/2022	2020/2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	24,792,747.00	14,562,522.00
SCAD club	2,500.00	2,500.00
Scouts club	20,300.00	1,200.00
Muslim club	1,850.00	1,850.00
Bus replacement	2,217,646.00	2,217,646.00

Touch a life	-	40,936.00
Pocket money	-	124,027.00
<b>Total</b>	<b>27,035,043.00</b>	<b>16,950,681.21</b>

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

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

Description	2021/2022		2020/2021	
	Kshs		Kshs	
	2021/2022	% of the total	2020/2021	% of the total
Trade creditors for current year	24,813,047.00	100%		
Trade creditors for previous year	2,221,996.00	0%	1,918,774.00	13.17%
Trade creditors for prior periods (Over 2 years)	-	0%	12,643,748.21	86.83%
<b>Total (should tie to note 14)</b>	<b>27,035,043.00</b>	<b>100%</b>	<b>14,562,522.21</b>	<b>100%</b>

**15 Fund Balance Brought Forward**

Description	2021/2022	2020/2021
	Kshs	Kshs
Bank Balances	4,163,047.23	2,442,958.17
Cash Balances	372,677.57	366,876.18
Short Term Investments	-	-
Receivables	48,165,709.79	45,240,628.00
Payables	(27,035,043.00)	(14,329,774.21)
<b>Total</b>	<b>25,666,391.59</b>	<b>33,720,688.14</b>



**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	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
<b>Total</b>	-	-

**17 Biological assets**

Description	Numbers	2021/2022	2020/2021
		Kshs	Kshs
Cattle	2	110,000.00	110,000.00
Goats		0	0
Trees		0	0
Coffee Or Tea Plantation		0	0
Poultry	476	285,600.00	290,400.00
Others (specify)		0	0
<b>Total</b>		<b>395,600.00</b>	<b>400,400.00</b>

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
<b>Balance at the end of the year</b>	-	-

**Other important disclosure notes**

**19 Stock/ Inventory**

Description	2021/2022	2020/2021
	Kshs	Kshs
Food stuffs		
Lab consumables		
Stationery		
Games equipment		
Electrical materials		
Farm produce		
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)*



**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

**MAKUENI BOYS' HIGH SCHOOL  
P.O BOX 20-90300,  
MAKUENI  
TEL: 020-2623820**

MAKUENI BOYS' HIGH SCHOOL

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Supply Of Goods</b>						
1. KALOYO SPORTS EQUIPMENT	359,400.00		0	359,400.00	0	
2. KOMESA GENERAL SUPPLIES	280,000.00		0	280,000.00	0	
3. EDDUMART GENERAL SUPPLIES	1,323,330.00		0	1,323,330.00	0	
4. TEACHER LARGE CONCEPT	313,500.00		0	313,500.00	0	
5. RABECCA MUENI	58,860.00		0	58,860.00	0	
6. DANI FOOD STORE	2,804,660.00		0	2,804,660.00	0	
7. NAIVAS LTD	1,002,011.00		0	1,002,011.00	0	
8. BONSIV ENTERPRISES	5,500.00		0	5,500.00	0	
9. PHOEBE MUENI MUTUA	25,000.00		0	25,000.00	0	
10. STELLA NDUNGE MAKUMBI	50,000.00		0	50,000.00	0	
11. KENAFRIC BAKERY LTD	212,400.00		0	212,400.00	0	
12. GEWI AGENCIES	667,020.00		0	667,020.00	0	
13. MARY NZILANI	248,965.00		0	248,965.00	0	



MAKUENI BOYS' HIGH SCHOOL

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
14. PETER MUSAU KIMOTE	195,195.00		195,195.00	0	195,195.00	
15. NESA HOLDING	92,250.00		92,250.00	0	92,250.00	
16. COSMAR AUTO SPARES	121,600.00		121,600.00	0	121,600.00	
17. STESYL ENTERPRISES	992,000.00		992,000.00	0	992,000.00	
18. KIKIMA DAIRYN CO-OP	158,907.00		158,907.00	0	158,907.00	
19. NDUMICUS ENTERPRISES	200,000.00		200,000.00	0	200,000.00	
20. SCHOOL FARM	186,600.00		186,600.00	0	186,600.00	
21. ANLINZ TRADING AGENCIES	300,000.00		300,000.00	0	300,000.00	
22. WOTE WATER ANDSEWERAGE CO.	257,040.00		257,040.00	0	257,040.00	
23. CONTRACTORS GENERAL	198,000.00		198,000.00	0	198,000.00	
24. REVELATION HOTEL	240,000.00		240,000.00	0	240,000.00	
25. MAGETO ABDUL MORRIS	150,500.00		150,500.00	0	150,500.00	
26. DITRA ENTERPRISES	552,300.00		552,300.00	0	552,300.00	
27. MACKDORA INBVESTMENTS	32,500.00		32,500.00	0	32,500.00	
28. MUEN PACKLINEYS INVESTMENTS	33,200.00		33,200.00	0	33,200.00	
29. HADA AUTOMOBILE	517,644.00		517,644.00	0	517,644.00	
30. DENNIS MUMINA KAKUNDI	97,100.00		97,100.00	0	97,100.00	
31. MARIDADI GLASS AND HARDWARE	7,658,459.00		7,658,459.00	0	7,658,459.00	
32. VEPARICAH INVESTMENT	294,600.00		294,600.00	0	294,600.00	

MAKUENI BOYS' HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
33. NZAG ENTERPRISES	1,106,700.00		1,106,700.00	0	1,106,700.00	
34. JOHARI INVESTMENT	2,059,300.00		2,059,300.00	0	2,059,300.00	
35. JOSSNAD GENERAL MERCHANTS	156,400.00		156,400.00	0	156,400.00	
36. SCHOOL EQUIPMENT PRODUCTION UNIT	414,500.00		414,500.00	0	414,500.00	
37. MASTERPIECE PRODUCTION	133,500.00		133,500.00	0	133,500.00	
<b>Sub-Total</b>	<b>23,498,941.00</b>		<b>23,498,941.00</b>	<b>0</b>	<b>23,498,941.00</b>	
<b>Supply Of Services</b>						
4. TECHNO GURU DIGITAL SYSTEM	40,882.00		40,882.00	0	40,882.00	
5. MAKUENI BNTS SHG	66,690.00		66,690.00	0	66,690.00	
6. OPTION MULTI JIKO	211,000.00		211,000.00	0	211,000.00	
7. FRANCIS MUNUVI NZUKI	88,000.00		88,000.00	0	88,000.00	
8. CENTRAL MOTOR GARAGE	132,050.00		132,050.00	0	132,050.00	
9. PHILLIP MUTISYA MUTUKU	18,900.00		18,900.00	0	18,900.00	
10. MARCO SECURITY LTD	103,434.00		103,434.00	0	103,434.00	
11. SHADRACK MUSYOKI KIAMBA	199,100.00		199,100.00	0	199,100.00	
12. SOFTLINE COMPUTERS	433,750.00		433,750.00	0	433,750.00	
<b>Sub-Total</b>	<b>1,293,806.00</b>		<b>1,293,806.00</b>	<b>0</b>	<b>1,293,806.00</b>	
<b>Grand Total</b>	<b>24,792,747.00</b>		<b>24,792,797.00</b>	<b>0</b>	<b>24,792,797.00</b>	



Annex 2 – Summary of Fixed Assets Register

Asset Class		Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land	46 ACRES				
Administration block	1				
Assembly hall	1				
Departmental office	10				
Gate	4				
Gate house	1				
CBC classes	3				
Library block	1				
Library block classes	6				
Form 3 block classes	5				
Form 4 block classes	5				
Form 2 block classes	8				
Form 1 block classes	10				
ICT Room	1				
Laboratories	3				
Modern Lab	2				
Dormitories	10				
Generator house	1				
Dispensary	1				
Dining hall 1					
Kitchen	1				

MAKUENI BOYS' HIGH SCHOOL

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Asset Class		Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Bakery	1				
Stores	2				
Art Room	1				
Muslim prayer room l					
Temporary classes	2				
Ablution Block students	6				
Visitors toilets	1				
Staff toilets	1				
NTS toilets	1				
Washrooms	3				
School Canteen	1				
Temporary chapel	1				
Kitchen houses	1				
School dias	1				
Quarry stone tanks	5				
Plastic Tank of 10,000L	23				
Open tanks	3				
Water points	187				
Urinals	2				
Temporary staff kitchen	1				
Temporary stores	1				
Staff houses quarters	13				
NTS quarters	1				
Borehole	2				
Students chairs	2150				
Students lockers	2150				



MAKUENI BOYS' HIGH SCHOOL

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Asset Class		Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Students beds	2158				
Benches	202				
Tables (Dining hall)	101				
Office tables	41				
Office chairs	112				
Cabinets	11				
Computers	35				
Generator	2				
Photocopy machine	1				
Copy printer machine	4				
School buses-KCT 2297_DC09115F018284582 KBB 4955_417812	2				
School Van-KCP 658Z_F8-457418	1				
School motorcycle-(KMDF 078A_156FM1- 2D5161320)	1				
Bus shed	1				
Laboratory stools	240				
Cups(Mugs)	312				
Water glasses	27				
Desert spoons	330				
Tea spoons	18				
Bread knives	63				
Forks	47				
Snacks holders	11				
Solid serving spoons	333				
Rice ugali serving spoons	40				

MAKUENI BOYS' HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022

Asset Class		Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost o/f (Kshs) 30 <sup>th</sup> June 2022
Cups					
Mugs/saucers	58				
Plastic trays	7				
Thermoses 3L	6				
Thermoses 2L	4				
Thermoses 1L	3				
Plastic basin(Small size)	3				
Plastic basin(Large size)	3				
Buffet	6				
Melamine plate	95				
Dinner plates	56				
Plastic plates	280				
Side Plates	7				
Hot pot small size	4				
Sufurias 70L(D/H)	5				
Sufurias 70L(H/G)	4				
Sufurias 80L(H/G)	4				
Trays stainless	2				
Basins (stainless)	4				
Frying pan	3				
Knives	6				
Plastic carrying basket	3				
Bread crates	117				
Baking tins	148				
Baking trays	38				
Bread prover	1				



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Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2022

Asset Class		Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Dough mixer	2				
Oven	1				
Bakery tables	4				
Weighing Balance	2				
Small sufurias	366				
Boilers 800L	1				
Boilers 600L	2				
Boilers 150L	1				
Boilers 200L	1				
Tea Arns 400L	1				
Tea Arns 200L	3				
Serving tables	8				
Office tables	2				
Chairs	3				