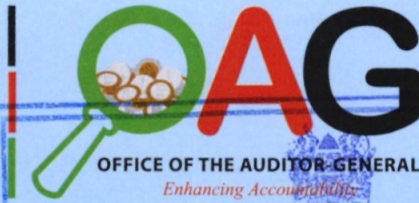


REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT DATE: 10 JUN 2026

DAY.

WED

TABLED
BY:

HON. NADOMI WAGDO, MP

DEPUTY MAJORITY PARTY WHIP

CLERK-AT
THE TABLE:

V. WAMBUI

OF

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

KAPENGURIA SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2021

WEST POKOT COUNTY



KAPENGURIA SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2021

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

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Table of Contents

Page

I. Key School Information And Management.....	iv
II. Summary Report Of Performance Of The School.....	viii
III. Statement Of School Management Responsibility.....	xx
IV. Report Of The Independent Auditors.....	xxi
V. Statement Of Receipts And Payments Period To 30 th June 2021	1
VI. Statement Of Financial Assets And Financial Liabilities As At 30 th June 2021	2
VII. Statement of Cash Flows for The Period Ended 30 th June 2021	3
VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2021	4
IX. Significant Accounting Policies.....	8
X. Notes To The Financial Statements	10

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in **West Pokot County, West Pokot sub-county**.

The school was registered in 1984 under registration number **24530000184** and is currently categorized as an Extra County public secondary school established, owned and operated by the Government.

The school is a **Boys** Boarding Secondary School and had **1,834** students as at **30th June 2021**. It has **Seven** streams and **64** 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	Mr. Josiah Rotino	Chairman - Rep Sponsor	3-3-2019
2	Mr. Moses Ndeda	Secretary – Principal	3-3-2019
3	Mrs. Halima Kokita	Vice – Chairperson	3-3-2019
4	Mr. William Riyaita	Member – Rep Parents/Local community	3-3-2019
5	Mrs. Elizabeth Pkukat	Member – Rep Parents/Local community	3-3-2019
6	Mr. Reuben Lotumale	Member – Rep Parents/Local community	3-3-2019
7	Mr. Richard Siree	Member – Rep Parents/Local community	3-3-2019
8	Mr. Laban Korellach	Member – Rep Parents/Local community	3-3-2019
9	Mr. Leonard Ngiro	Member – Rep Parents/Local community	3-3-2019
10.	Mr. Lotudo Philemon	Member – Rep Parents/Local community	3-3-2019
11.	Mr. Matui Kipsang	Member - Co-opted	3-3-2019
12.	Ms. Carolyne Cherotich	Member – Rep persons with special needs	3-3-2019
13.	Mrs. Jane Kiprono	Member – Rep CEB	3-3-2019
14.	Mrs. Ester Menach	Member – Rep sponsor	3-3-2019
15.	Rev. Morupus Joseph	Member – Rep Sponsor	3-3-2019
16.	Mrs. Milka Psiwa	Member – Rep Special Interest group	3-3-2019
17.	Mrs. Dinah Pkanan	Member - Rep Teachers	3-3-2019
18.	Safari Leonard	Member - Rep students	3-3-2019

The function of the School Board of Management include:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Josiah Rotino Mr. Moses Ndeda Ms. Halima Kokita Mrs. Ester Menach Mrs. Elizabeth Pkukat Mr. Riyaita William	Chairman Secretary Member Member Member Member	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4
2	Audit Committee	Mrs. Halima Kokita Mrs. Milka Psiwa Mr. Riyaita William Mrs. Halima Kokita Mr. Reuben Lotumale Mr. Hosea Yimbo	Chairperson Secretary Member Member Member Schools Auditor	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4
3	Finance, procurement and general purposes Committee	Mr. Richard Siree Mrs Milka Psiwa Mr. Moses Ndeda Mr. Riyata William Mr. Richard Lotumale	Chairman Secretary Member Member Member	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4
4	Academic Committee	Mrs. Ester Menach Mrs. Carolyne Cherotich Mr. Josiah Rotino Mr. Simon Rotich Mr. Riyata William Mrs. Jane Kiprono	Chairperson Secretary Member Member Member Member	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

5	Development Committee	Mr. Reuben Lotumale Mr. Moses Ndeda Mr. Josiah Rotino Mr. Riyaita William Mr. Charles Manyara Mr. Paul Kangitiang'	Chairman Secretary Member PA- Member SCDE –Ministry Deputy Principal	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4
6	Discipline ,ethics and intergrity Committee	Mr. Matui Kipsang' Mr. Murpus Joseph Mr. Moses Ndeda Mrs. Jane Kiprono	Chairperson Secretary Member Member	4 out of 4 4 out of 4 4 out of 4 4 out of 4
7	Human rights and students welfare Committee	Mr. Laban Korellach Mrs. Elizabeth Pkukat Mr. Leonard Ngirio Mrs. Jane Kiprono Mr. Moses Ndeda	Chairperson Secretary Member Member Member	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4

(d) School operation Management

For the financial period ended 30th June 2021 the School day-to-day management was under the following persons:

Ref	Designation	Name	TSC Number
1	Principal	Mr. Moses Ndeda	305385
2	Deputy principal - Administration	Mr. Paul Kangitiang'	481458
	Deputy Principal- Academics	Mr. Peter Nanjendo	457807
3	School Bursar	Mr. James Nalelia	ID No: 24270758

(e) Schools contacts

(f)

Post Office Box: 343- 30600 Kapenguria

Telephone: 07433-43-343

E-mail: kapeboys@gmail.com

Website: www.kapenguriaschool.ac.ke

Facebook: none

Twitter : none

(g) School Bankers

The school operated 6 bank accounts in the following banks:

- | | |
|------------------|-------------------------------------|
| 1. Name of bank: | KCB |
| Branch: | Kapenguria |
| Account number: | 1108293549 – Operation |
| 2. Name of bank: | KCB |
| Branch: | Kapenguria |
| Account number: | 1106201345 – Tuition |
| 3. Name of bank: | KCB |
| Branch: | Kapenguria |
| Account number: | 1108293344 - Boarding |
| 4. Name of bank: | ABSA |
| Branch: | Kapenguria |
| Account number: | 2041627282 - Infrastructure account |
| 5. Name of bank: | Equity |
| Branch: | Kapenguria |
| Account number: | 1070294811167 – Boarding Account |
| 6. Name of bank: | Equity |
| Branch: | Kapenguria |
| Account number: | 1070296924107 – ICT Account |

7. M-pesa pay bill number: 28716k attached to KCB bank of account number 1108293344

(h) Independent Auditors

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

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

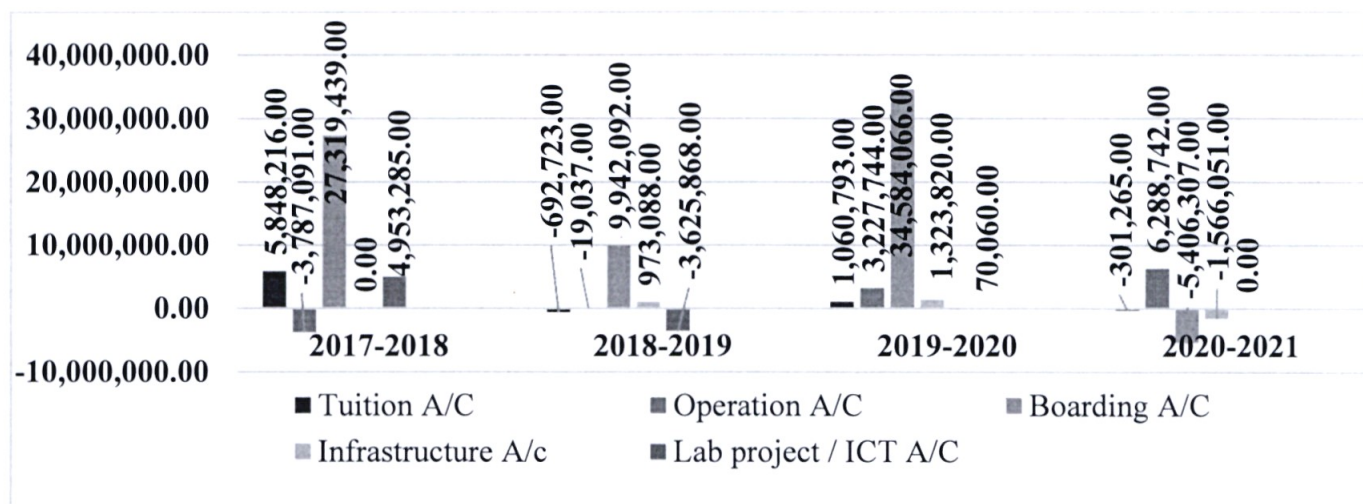
II. Summary Report Of Performance Of The School

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

a) Financial performance:

Surplus /deficit during the year and a comparison of the same for the last four years					
	Accounts	2020-2021	2019-2020	2018-2019	2017-2018
		Ksh	Ksh	Ksh.	Ksh
1.	Tuition Account	(301,265)	1,060,793	(692,723)	5,848,216
2.	Operation Account	6,288,742	3,227,744	(19,037)	(3,787,091)
3.	Boarding Account	(5,406,307)	34,584,066	9,942,092	27,319,439
4.	Infrastructure Account	(1,566,051)	1,323,820	973,088	0
5.	Lab project/ ICT Account	0	70,060	(3,625,868)	4,953,285
	Total	(984,881)	40,266,483	6,577,552	34,333,849
	<i>increase/decrease</i>	(41,251,364)	33,688,931	(27,756,297)	30,355,390

Graphical trend in surplus/deficit over the last four years

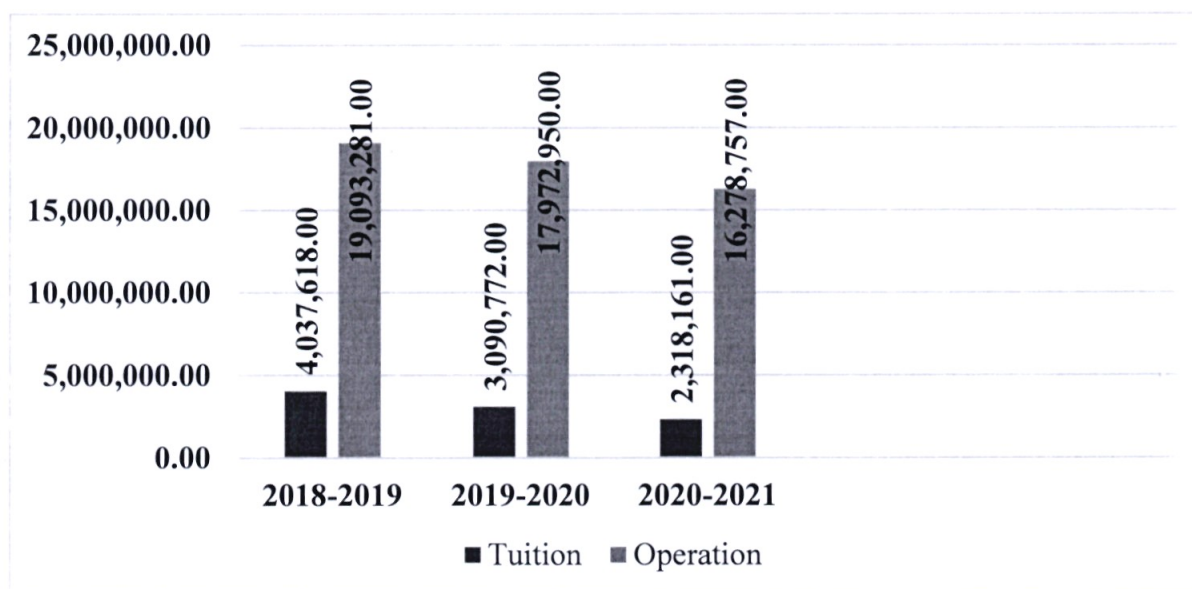


Explanations:

The deficit during the year was as a result of inadequate funding from parents and Ministry of Education.

Capitation grants from the ministry of education for the last three years				
S/no	Account	2020-2021	2019- 2020	2018-2019
		Ksh	Ksh	Ksh
1	Tuition Account	2,318,161	3,090,772	4,037,618
2	Operation Account	16,278,757	17,972,950	19,093,281
	Total	18,596,918	21,063,722	23,130,899
	Increase/Decrease	(2,466,804)	(2,067,177)	(1,631,813)
	No of Students –NEMIS	1,834	1,272	1,237
	Actual number of students	1,834	1,272	1,237
	Ratio of Capitation per student	1:12,378	1:14,319	1:17,725

Trend in Capitation grants over the last three years



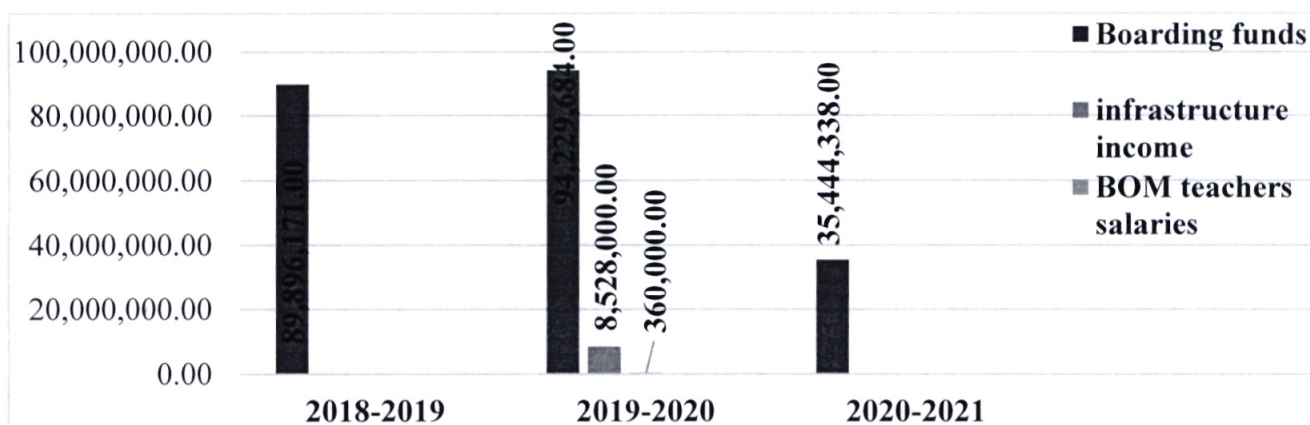
Explanations:

There was a decrease in total capitation received during the year since financial year from 1st January 2021 to 30th June 2021 covers six months while the financial year from 1st January 2020 to 30th December 2020 cover twelve months.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Overview of growth of other school income earned by the school over the last three years				
S/no	Account	2020-2021	2019-2020	2018-2019
		Ksh	Ksh	Ksh
1	Boarding Account	35,444,338	94,229,684	89,896,171
2	Infrastructure income	0	8,528,000	0
3	BOM teachers salaries	0	360,000	0
	Total	35,444,338	103,117,684	89,896,171
	Increase/Decrease	(67,673,346)	13,221,513	9,649,116

Overview of growth of other school income earned by the school over the last three years

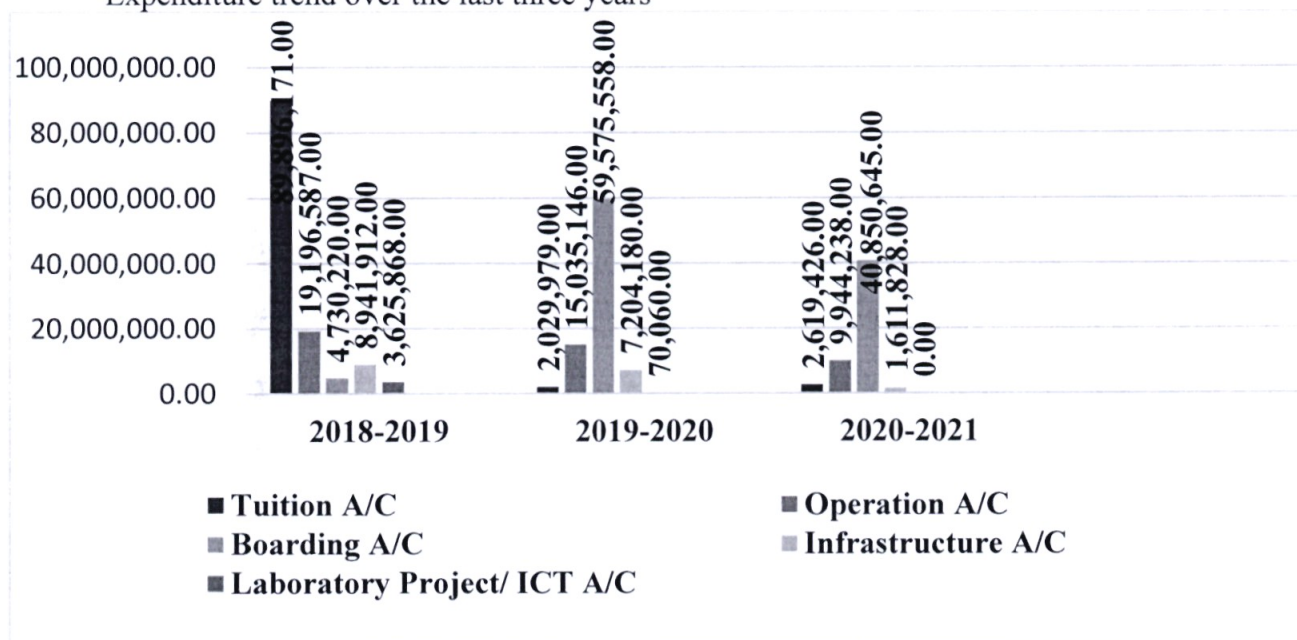


Comments:

The decrease in total income was as a result of the current financial year which covers 6 months while the previous financial year covers 12 months.

Overview of growth in expenditure of the school for the last three years				
s/no	Account	2020-2021	2019-2020	2018-2019
		Ksh	Ksh	Ksh
1	Tuition Account	2,619,426	2,029,979	89,896,171
2	Operation Account	9,944,238	15,035,146	19,196,587
3	Boarding Account	40,850,645	59,575,558	4,730,220
4	Infrastructure Account	1,611,828	7,204,180	8,941,912
5	Ict / Laboratory Project Account	0	70,060	3,625,868
	Total	55,026,137	83,914,923	126,390,758
	Increase/Decrease	(28,888,786)	(42,475,835)	48,714,842

Expenditure trend over the last three years



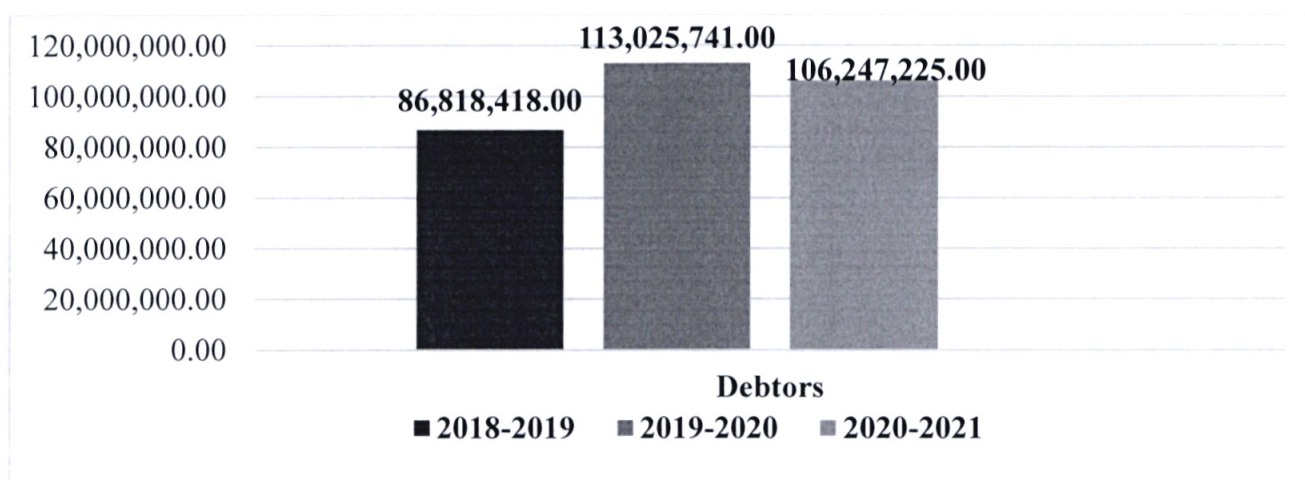
Comments:

The decrease in school expenses is as a result of the current financial year which covers 6 months while the previous financial year covers 12 months.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Movement of debtors of the school over the last three years				
S/no	Accounts	2020-2021	2019-2020	2018-2019
		Ksh	Ksh	Ksh
1.	School Fund /Boarding Account	106,247,225	113,025,741	86,818,418
	Total	106,247,225	113,025,741	86,818,418
	Increase/Decrease	(6,778,516)	26,207,323	10,816,349

Trend of debtors over the last three years



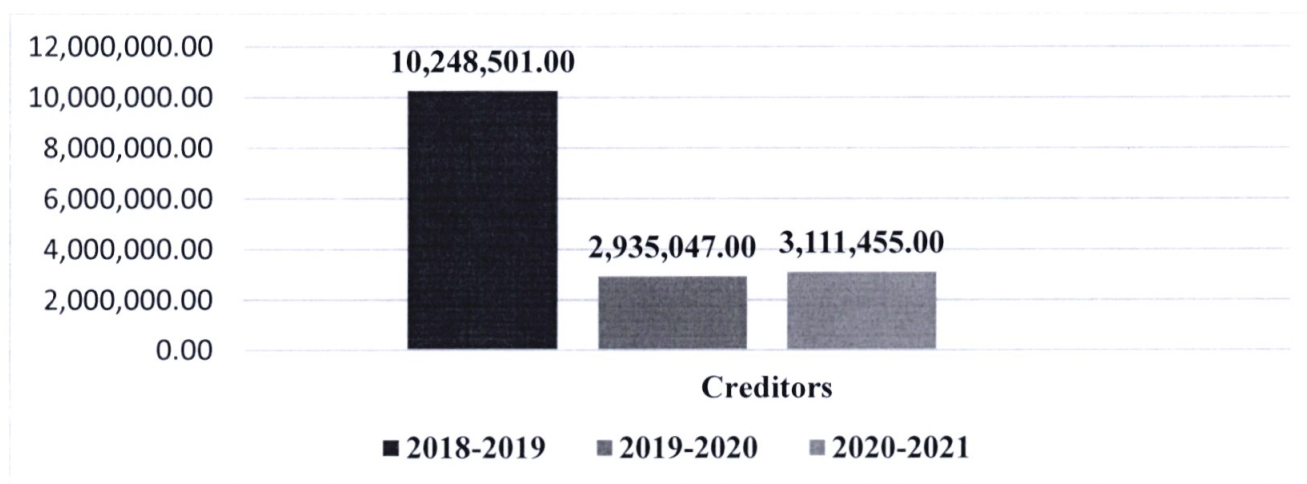
Comments:

The school was able to collect students arrears during the year. This resulted to a decrease in total debtors during the year.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Movement of creditors of the school over the last three years				
S/no	Accounts	2020-2021	2019-2020	2018-2019
		Ksh	Ksh	Ksh
1.	Creditors	3,111,455	2,935,047	10,248,501
	Total	3,111,455	2,935,047	10,248,501
	Increase/Decrease	176,408	(7,313,454)	(7,331,045)

Trend of creditors over the last three years



Comments:

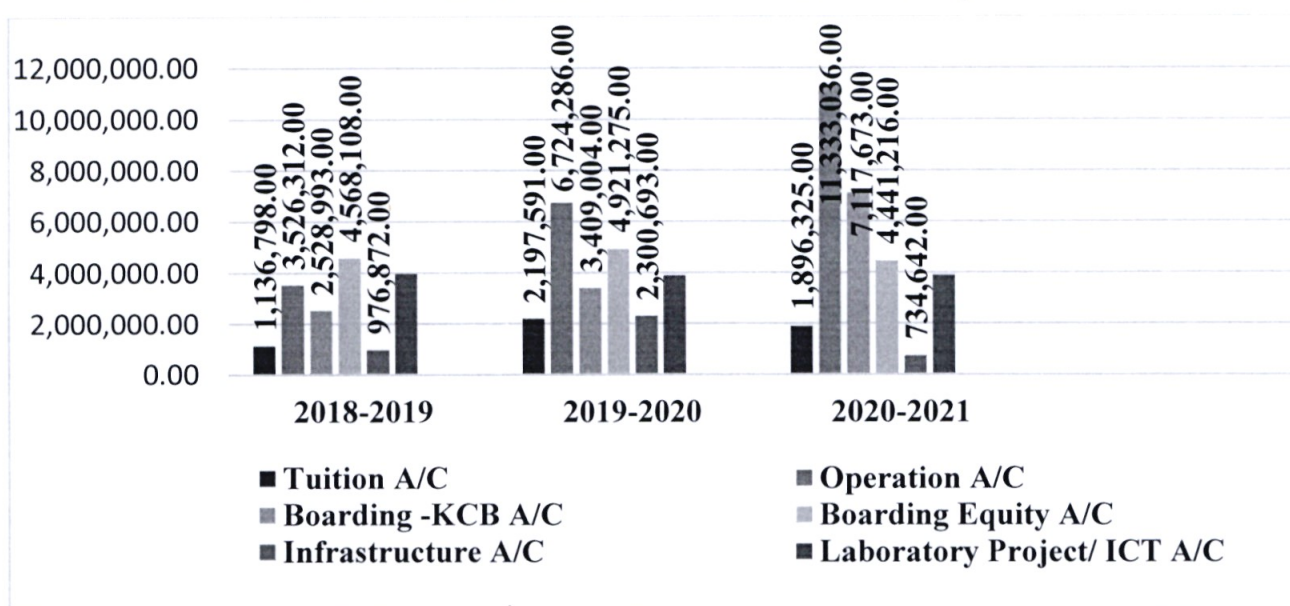
The increase in total creditors is as a result of prepaid fees.

The school is to issue receipts during the next financial year.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Movement of cash and bank balances over the last three years				
S/no	Account	2020-2021	2019-2020	2018-2019
		Ksh	Ksh	Ksh
1	Tuition Account	1,896,325	2,197,591	1,136,798
2	Operation Account	11,333,036	6,724,286	3,526,312
3	School Fund Account/Boarding-KCB	7,117,673	3,409,004	2,528,993
4	School Fund Account/Boarding-Equity	4,441,216	4,921,275	4,568,108
5	Infrastructure account	734,642	2,300,693	976,872
6	Laboratory Project/ICT Account	3,893,987	3,893,987	3,964,047
	Total	29,416,879	23,446,836	16,701,130
	Increase/ decrease	5,970,043	6,745,706	(1,445,107)

Trend in cash and bank balances over the last three years



Comments:

The increase in total cash and bank balances was because the school was able to minimise its expenditures during the year. In addition, some funds had not been utilised as budgeted since the current financial year covers 6 months.

b) **Teacher Student ratio:**

Between the month of 1st January 2021 and 30th June 2021, the status of the teaching staff was as follows:

Number of teachers employed by School BOM	9
Number of teachers employed by TSC	55
Number of TSC teachers who transferred during the year	5
Number of TSC teachers who were recruited during the year	0
Number of TSC teachers who retired during the year	0
Total number of students during the year	1,834
Teacher : students ratio	1:28
Number of streams	7
Total subjects taught at school	14
Teacher shortage subject combination	Number of teachers required
Maths/Phy	3
Bio/Chem	3
Bio/Agric	3

Comments:

We have a shortage of **9** teachers as a challenge. This is as a result of increased students population. The school has hired **9** additional teachers on BOM terms, to ensure effective teaching and learning at school.

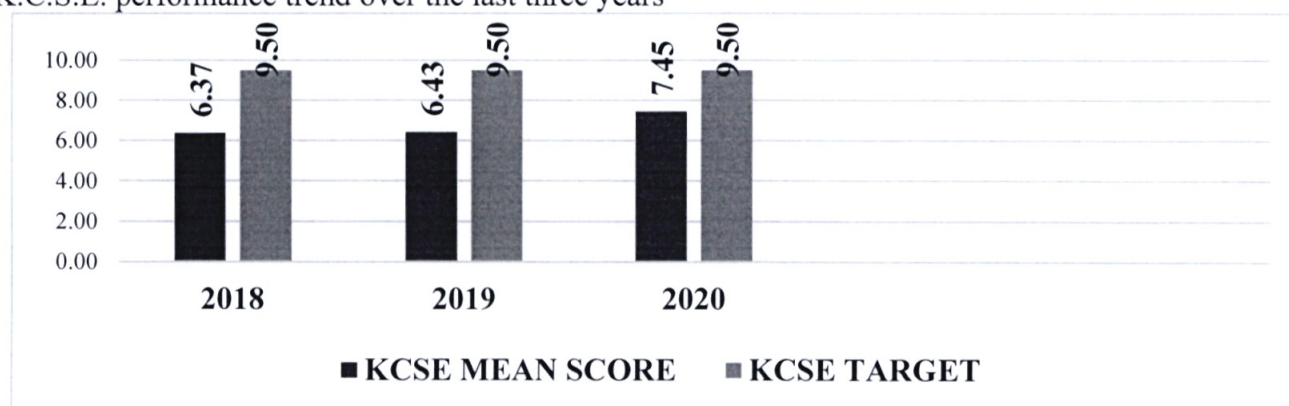
Kapenguria School

Reports and Financial Statements For the year ended 30th June 2021

(c) K.C.S.E. Mean score in the year : 2018, 2019 and 2020.

K.C.S.E. year	enrolment of K.C.S.E candidates	Transition to higher learning institutions after K.C.S.E	K.C.S.E mean score	Deviation from previous mean	Deviation (%)	K.C.S.E school target	comments
2020	354	247	7.449	+1.019	15.85%	9.5000	There was an improvement in students results due to hardwork by both teachers and students.
2019	356	161	6.430	+ 0.006	0.941%	9.5000	Average KCSE Mean score , there was an improvement due to team work and co-operation
2018	340	148	6.370	-2.779	9.09%	9.5000	There was a drop in students performance as a result of inadequate teaching staff.

K.C.S.E. performance trend over the last three years



Comments:

There was an improvement as a result of hardwork. The school is determined to maintain the positive trend

(d) KCSE Number of Candidates in the 2018, 2019 and 2020:

Number of candidates sitting for KCSE over the last three years.

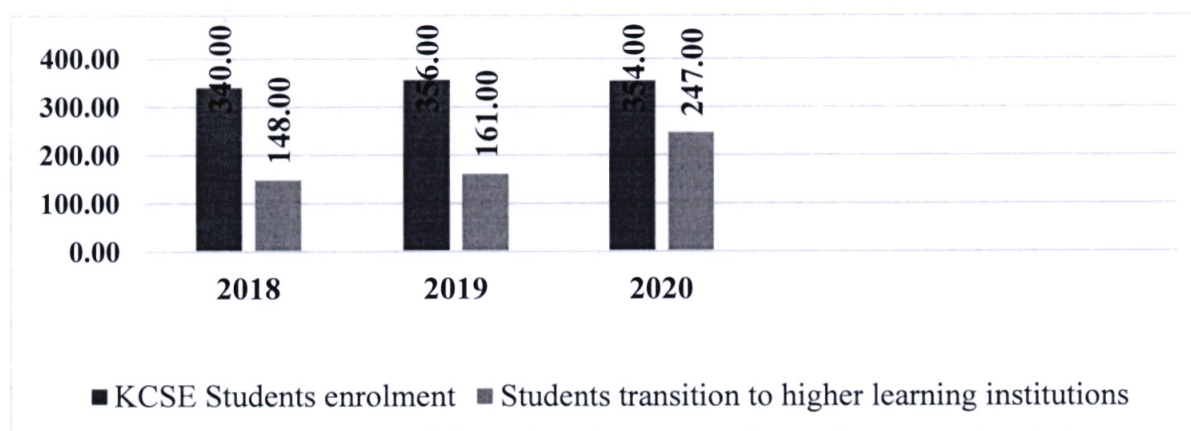
Year	2020	2019	2018
<i>KCSE No of candidates</i>	354	356	340
Total	354	356	340
<i>Increase/decrease</i>	<i>(2)</i>	<i>16</i>	<i>99</i>

Number of candidates that transitioned to higher learning institutions

(Those having C+ and above) for the last three years.

Year	2020	2019	2018
<i>Number of students that transitioned to university</i>	247	161	148
Total	247	161	148
<i>Increase/decrease</i>	<i>86</i>	<i>13</i>	<i>(91)</i>

Graph illustrating K.C.S.E students' enrolment and number of students who transitioned to higher learning institutions over the last three years



Comments:-

There was value addition to all students as most students joined various universities while other students joined tertiary colleges for further education.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

(e) Capacity of the school:

Financial year		From 1 st January 2021 - 30 th June 2021			
<i>Total Number of students</i>		1,834			
<i>Total teaching staff</i>		64			
<i>Total support staff</i>		41			
Total population		1,939			
School facilities	No. of facilities		Ratio to students population	Condition of the facility	Comments
	Status				
Administration block	Permanent	1	1:75	Good	Adequate
Dining hall	Permanent	1	1:1,834	Good	More space is required to meet increased population
Classrooms	Permanent	28	1:66	Good	Inadequate
Dormitories	Permanent	11	1:166	Good	More dormitories required
Laboratories	Permanent	5	1:366	Good	Inadequate
Library	Permanent	1	1:1,834	Good	Inadequate
Store	Permanent	2	1:917	Good	Adequate
Staff quarters	Permanent	16	1:7	Good	More required to meet increased staff population
Kitchen	Permanent	1	1:1,834	Good	More required
Bathrooms	Permanent	30	1:60	Good	Inadequate
Toilets	Permanent	60	1:30	Good	More required to meet increased population
Departmental offices	Permanent	7	1:10	Good	More required to current population

Comments:

The school is required to construct more buildings and structures to meet the increased students and staff population.

c) Development projects carried out by the school:

Year	Type of project	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2021	Construction of four door abolition block around staff quarters	Parents	Complete	600,000	604,329	30 – 6- 2021
2021	Construction of a storey dormitory (6 dormitories) (phase1)	M.O.E	In- Complete	23,990,000	6,371,467	30-6-2023

Sign



PRINCIPAL
KAPENGURIA SCHOOL

Mr. Moses Ndeda

School Principal

Date: 30th March, 2026

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

III. Statement of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: Mr. Josiah Rotino

Designation: Chair, School Board of Management

Sign:

Date: 30th March, 2026

CHAIRMAN
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

Name: Mr. Moses Ndeda

Designation: School Principal & Secretary to Board of Management

Sign:

Date: 30th March, 2026

SECRETARY
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

Name: Mr. James Nalelia

Designation: Finance Officer

Sign:

Date: 30th March, 2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAPENGURIA SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 – WEST POKOT COUNTY

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kapenguria School set out on pages 1 to 19, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash

Report of the Auditor-General on Kapenguria School for the six (6) months period ended 30 June, 2021 – West Pokot County

flows and 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 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 Kapenguria School at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.106,247,225 as disclosed in Note 11 to the financial statements. However, the balance included fees arrears balance of Kshs.43,567,050 which had been outstanding for more than three (3) 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 of the outstanding receivables balance of Kshs.106,247,225 could not be confirmed

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kapenguria 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 qualified opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actuals on comparable basis of Kshs.67,063,293 and Kshs.54,041,256 respectively, resulting in an under-funding of Kshs.13,022,037 or 19% of the budget. Further, the School spent an amount of Kshs.55,026,137 against the actual receipts of Kshs.54,041,256 resulting in an over-utilization of Kshs.984,881 or 2% of the actual receipts.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unaudited Comparative Balances

I draw your attention to the fact that prior to the 2020/2021 financial year, Schools were not preparing financial statements for audit pursuant to Article 229(5) of the Constitution. The Article mandates the Auditor-General to audit and report on the accounts of any entity that is funded from public funds. Although the financial statements presented for audit include comparative balances for the year ended 30 June, 2020, the 2020/2021 financial year is considered as the first year of audit for schools. Therefore, the audit procedures undertaken did not extend to confirm the opening balances or the comparative information for the prior-year.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Information

Management is responsible for the Other Information set out on page (iii) to (xx) which comprise of key entity information and management, summary report of performance of the School and statement of management's responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Failure to Establish a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional. Procurement activities were undertaken by individuals lacking the requisite qualifications. This was contrary to Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 which provides that a procuring entity shall establish a procurement function.

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

2. Failure to Prepare an Annual Procurement Plan

Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which requires a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

3. Failure to Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs16,278,757 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.5,557,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only an amount of Kshs.4,811,000 was transferred to infrastructure account, leaving a balance of Kshs.746,000. This was contrary to The Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June,2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

4. Failure to Implement Capacity Building Levy in Contract Awards

Review of payments for goods, services and works revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts. This was contrary to Paragraph 3(1) of Public Procurement Capacity Building Levy Order, 2023

(legal notice no.206) which provides that there shall be paid a Levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract.

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

5. Non-Compliance with the Law on Staff Ethnic Composition

Review of the staff bio data revealed that the School had a total of thirty five (35) Board of Management employees out of which thirty one (31) or 88% of the total employees were members of the dominant ethnic community. This was contrary to Section 7(1) and (2) of the National Cohesion Integration Act, 2008 which requires all public establishments to represent the diversity of the people of Kenya in employment and that not more than a third of the total employees in one public institution should be from one ethnic group.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standards require 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 comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Ineffective Textbooks Management

The School Management did not provide evidence of instructional needs assessment to determine the quantity and subject specific instructional materials required. Further, there was no evidence that a School Instructional Materials Selection Committee (SIMSC) was set up. The Committee meeting minutes highlighting the instructional material needs and communicating it to the relevant authorities prior to the delivery of textbooks during the year under review were not also provided for audit. This has led to a gap in internal controls may lead to inefficiencies in resource allocation and distribution which could potentially affect the School's instructional capacity.

In the circumstances, the existence of an effective internal control mechanism to enhance the School's service delivery could not be confirmed.

2. Failure to Establish a Functional Audit Committee or an Internal Audit Unit

Review of the governance structure revealed that the School had not constituted a functional Audit Committee or established an Internal Audit Unit. This was contrary to Regulation 166(1) of the Public Finance Management (National Government) Regulations, 2015 which calls for the Internal Audit Unit of a national government entity to assess effectiveness of the entity through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the School did not benefit from the oversight role and advice from the Audit Committee and the internal audit function.

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 the 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi

14 April, 2026

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

V. Statement Of Receipts And Payments Period To 30th June 2021

Description Of Vote Head	Note	2020-2021 Kshs	2019-2020 Kshs
Receipts			
Capitation grants for tuition	1	2,318,161	3,090,772
Capitation grants for operations	2	16,278,757	17,972,950
School fund income- parents' contributions	3	11,413,525	30,752,444
School fund income- other receipts	4	24,030,813	72,365,240
Proceeds from borrowings		0	0
Total Receipts		54,041,256	124,181,406
Payments			
Payments for tuition	5	2,619,426	2,029,979
Payments for operations	6	11,556,066	22,309,386
Boarding and school fund payments	7	40,850,645	59,575,558
Total Payments		55,026,137	83,914,923
Surplus/Deficit		(984,881)	40,266,483

The school financial statements were approved on 30th March, 2026 and signed by:

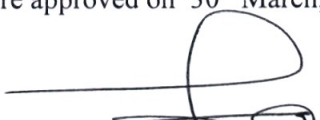


Name: Mr. Josiah Rotino

Chair BOM

Date: 30/3/2026

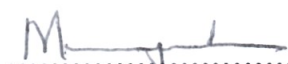
CHAIRMAN
 BOARD OF MANAGEMENT
 KAPENGURIA SCHOOL



Name: Mr. Moses Ndeda
School Principal/ Secretary to BOM

Date: 30/3/2026

SECRETARY
 BOARD OF MANAGEMENT
 KAPENGURIA SCHOOL



Name: Mr. James Nalelia

Finance Officer

Date: 30/3/2026

VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2021

Description	Note	2020-2021	2019-2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	28,794,159	23,390,953
Cash balances	9	622,720	55,883
Short term investment	10	0	0
Total cash and cash equivalent		29,416,879	23,446,836
Account's receivables	11	106,247,225	113,025,741
Total financial assets		135,664,104	136,472,577
Financial liabilities			
Accounts payables	12	(3,111,455)	(2,935,047)
Net financial assets		132,552,649	133,537,530
Represented by			
Accumulated fund b/fwd	13	133,537,530	93,271,047
Surplus/deficit for the year		(984,881)	40,266,483
Net financial position		132,552,649	133,537,530

The school's financial statements were approved on 30/3/2026 and signed by:

.....
Name: Mr. Josiah Rotino

Chair BOM

Date: 30/3/2026

.....
Name: Mr. Moses Ndeda
School Principal/ Secretary to BOM

Date: 30/3/2026

.....
Name: Mr. James Nalelia

Finance Officer

Date: 30/3/2026

VII. Statement of Cash Flows for The Period Ended 30th June 2021

Description	Notes	2020-2021	2019-2020
Cash from Operating Activities		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,318,161	3,090,772
Capitation grants for operations	2	16,278,757	17,972,950
School fund income- Parents contributions/ fees	3	8,457,435	18,472,433
School fund income- other receipts	4	39,830,341	59,065,328
Total receipts		66,884,694	98,601,483
Payments			
Payments for Tuition	5	2,619,426	2,029,979
Payments for operations	6	7,577,592	15,135,426
Boarding and school fund payments	7	43,741,837	67,486,642
Total payments		53,938,855	84,652,047
Net cashflow from operating activities		12,945,839	13,949,436
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0	0
Acquisition of Assets		(6,975,796)	(7,203,730)
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash flows from Investing Activities		(6,975,796)	(7,203,730)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		0	0
Net cash flow from financing activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENTS		5,970,043	6,745,706
Cash and cash equivalent at BEGINNING of the year		23,446,836	16,701,130
Cash and cash equivalent at END of the year		29,416,879	23,446,836

VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget utilization difference	% Of Utilization
	A	B	c=a+b	D	e-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
Receipts						
(1) Capitation Grant on Tuition						
Textbooks and reference materials	1,834,000	(1,834,000)	0	0	0	0%
Laboratory equipment	1,045,380	(545,380)	500,000	0	500,000	0%
Internal exams	0	0	0	0	0	0%
Teaching / learning materials	4,720,716	(2,360,358)	2,360,358	2,318,161	42,197	98%
Sub –Total	7,600,096	(4,739,738)	2,860,358	2,318,161	542,197	81%
(2) Capitation Grant on Operations						
Personnel Emoluments	8,619,800	(4,309,900)	4,309,900	4,258,015	51,885	99%
Repairs And Maintenance	9,170,000	(2,170,000)	7,000,000	6,613,500	386,500	94%
Local Transport / Travelling	1,723,960	(423,960)	1,300,000	1,253,873	46,127	94%
Electricity And Water	2,585,940	0	2,585,940	2,416,295	169,645	93%
Medical	3,668,000	(3,468,000)	200,000	0	200,000	0%
Administration Costs	4,309,900	(2,509,900)	1,800,000	1,737,074	62,926	97%
Activity	2,751,000	(2,551,000)	200,000	0	200,000	0%
SMASSE	366,800	(366,800)	0	0	0	0%
Sub- Total	33,195,400	(15,799,560)	17,395,840	16,278,757	1,117,083	94%
(3) and (4) Fees Charged on Parents						
Personnel emoluments	5,685,400	214,600	5,900,000	2,636,472	3,263,528	44%

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget utilization difference	% Of Utilization
	A	B	c=a+b	D	e=d	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
Repairs and Maintenance	4,401,600	(901,600)	3,500,000	2,054,615	1,445,385	58%
Local Transport / Travelling	1,192,100	(596,050)	596,050	567,838	28,212	95%
Electricity and Water	8,986,600	(4,493,300)	4,493,300	4,337,300	156,000	97%
Administration costs	3,392,900	(996,450)	2,396,450	1,596,050	800,400	67%
Activity	458,500	(229,250)	229,250	221,250	8,000	96%
Fee on Boarding Equipment and stores	50,224,090	(21,112,045)	29,112,045	24,030,813	5,081,232	83%
Income from farming activities	1,160,000	(580,000)	580,000	0	580,000	0%
Sub –Total	75,501,190	(28,694,095)	46,807,095	35,444,338	11,362,757	76%
Total income	116,296,686	(49,233,393)	67,063,293	54,041,256	13,022,037	81%
(5) Expenditure For Tuition						
Textbooks	1,834,000	(1,834,000)	0	0	0	0%
Laboratory Equipment	1,045,380	(545,380)	500,000	489,080	10,920	98%
Teaching / Learning Materials	4,720,716	(2,360,358)	2,360,358	2,129,467	230,891	90%
Bank Charges	0	0	0	879	(879)	0%
Sub-Total	7,600,096	(4,739,738)	2,860,358	2,619,426	240,932	92%
(6) Expenditure For Operations						
Personnel Emoluments	8,619,800	(4,309,900)	4,309,900	1,782,207	2,527,693	41%
Repairs Maintenance Improvement	9,170,000	(8,470,000)	700,000	676,880	23,120	97%
Local Transport / Travelling	1,723,960	(423,960)	1,300,000	264,291	1,035,709	20%
Electricity And Water	2,585,940	0	2,585,940	1,734,853	851,087	67%
Medical	3,668,000	(3,468,000)	200,000	164,645	35,355	82%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget utilization difference	% Of Utilization
	A	B	C=A+B	D	E=D-A	F=E/A
	Kshs	Kshs	Kshs	Kshs		Kshs
Administration	4,309,900	(2,509,900)	1,800,000	368,509	1,431,491	20%
Activity Expenses	2,751,000	(2,551,000)	200,000	187,630	12,370	94%
SMASSE	366,800	(366,800)	0	0	0	0%
Acquisition of an asset	0	6,300,000	6,300,000	6,371,467	(71,467)	100%
Bank charge	0	0	0	5,584	(5,584)	0%
Sub -Total	33,195,400	(15,799,560)	17,395,840	11,556,066	5,839,774	66%
<i>(7) Expenditure For school fund/lunch/boarding</i>						
Personnel Emoluments	5,685,400	214,600	5,900,000	5,829,019	70,981	99%
Expenses On farming activities	1,160,000	580,000	580,000	533,975	46,025	92%
Repairs And Maintenance & Improvements	4,401,600	(901,600)	3,500,000	3,273,660	226,340	94%
Local Transport / Travelling	1,192,100	(596,050)	596,050	472,950	123,100	79%
Electricity And Water	8,986,600	(4,493,300)	4,493,300	748,721	3,744,579	17%
Administration Costs	3,392,900	(996,450)	2,396,450	2,242,271	154,179	94%
Activity	458,500	(229,250)	229,250	0	229,250	0%
Fee On Boarding Equipment and Stores	50,224,090	(21,112,045)	29,112,045	27,750,049	1,361,996	95%
Sub -Total	75,501,190	(28,694,095)	46,807,095	40,850,645	5,956,450	87%
Total expenditure	116,296,686	(49,233,393)	67,063,293	55,026,137	12,037,156	82%

Explanation :

- i. The underutilisation in receipt of Tuition income was as a result of underfunding by the Ministry of Education.

- ii. There was underutilisation in receipt of income for personal emolument in boarding account as a result of underfunding by parents
- iii. There was underutilisation in receipt of income for repairs maintenance and improvement in boarding account as a result of underfunding by parents
- iv. There was underutilisation in receipt of income for administration votehead in boarding account as a result of underfunding by parents
- v. There was underutilisation in receipt of income for boarding equipment and stores votehead in boarding account as a result of underfunding by parents
- vi. There were few repairs done during the year, this led to underutilisation in expenditure for electricity water and conservancy.
- vii. There were few tours done during the year, this led to under-utilisation in expenditure for local transport and travel.
- viii. There was underutilisation in expenditure for medical votehead since most of the medical funds are retained by the government for students insurance medical cover.
- ix. There was underutilisation in expenditure for personal emolument as a result of inadequate funding.

IX. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

X. Notes To The Financial Statements**1. Capitation Grants for Tuition**

Description	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	0	0
Exercise books	0	0
Laboratory equipment	0	0
Internal exams	0	0
Teaching / learning materials	2,318,161	3,090,772
Chalks	0	0
Exams and assessment	0	0
Teachers guides	0	0
Total	2,318,161	3,090,772

2. Capitation Grants for Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	4,258,015	4,827,475
Repairs And Maintenance	6,613,500	7,316,000
Local Transport / Travelling	1,253,873	965,495
Electricity And Water	2,416,295	1,448,240
Medical	0	334,000
Administration Costs	1,737,074	2,413,740
Activity	0	668,000
Total	16,278,757	17,972,950

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

3. School Fund Income -Parents Contribution/Fees

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,636,472	7,222,785
Repairs and Maintenance	2,054,615	5,794,765
Local Transport / Travelling	567,838	2,863,479
Electricity and Water	4,337,300	7,532,699
Medical	0	2,869,406
Administration costs	1,596,050	234,145
Activity	221,250	4,235,165
Total	11,413,525	30,752,444

4 Other receipts – School Fund Account

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and stores	24,030,813	61,466,868
Nhif	0	203,000
Nssf	0	612,120
Cooperative	0	1,045,616
Union	0	8,318
Paye	0	141,318
Infrastructure income	0	8,528,000
BOM teachers	0	360,000
Total	24,030,813	72,365,240

5. Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Exercise Books	0	0
Textbooks	0	0
Reference materials	0	0
Laboratory Equipment	489,080	0
Teaching / Learning Materials	2,129,467	2,029,508
Exams And Assessment	0	0
Teachers Guides	0	0
Bank Charges	879	471
Total	2,619,426	2,029,979

6 Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	1,782,207	842,009
Repairs Maintenance Improvement	676,880	7,601,530
Local Transport / Travelling	264,291	686,352
Electricity And Water	1,734,853	1,818,704
Medical	164,645	0
Administration	368,509	1,393,546
Activity Expenses	187,630	795,200
BOM teachers	0	300,000
Paye	0	49,662
N.H.I.F	0	322,850
NSSF	0	621,360
Cooperative	0	670,096
Union	0	3,897
Acquisition of an asset	6,371,467	7,203,730
Bank charge	5,584	450
Total	11,556,066	22,309,386

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Notes to the Financial Statements (continued)

7. Boarding And School Fund

Description	2020-2021 Kshs	2019-2020 Kshs
Personnel Emoluments	5,829,019	5,378,379
Expenses On farming activities	533,975	696,286
Repairs And Maintenance & Improvements	3,273,660	5,172,500
Local Transport / Travelling	472,950	815,914
Electricity And Water	748,721	2,640,599
Medical	0	0
Administration Costs	2,242,271	1,512,316
Activity	0	156,800
Fee On Boarding Equipment and Stores	27,750,049	41,995,984
BOM Teachers	0	1,136,720
Expense on Laboratory project	0	70,000
Bank charge for Laboratory Project	0	60
Total	40,850,645	59,575,558

Notes to the Financial Statements (continued)

8 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2020-2021	2019-2020
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1106201345	1,896,325	2,197,591
Operations Account	Active	1108293549	11,332,845	6,718,040
School Fund Account/Boarding-KCB	Active	1108293344	6,495,144	3,359,367
School Fund Account/Boarding-EQUITY	Active	1070294811167	4,441,216	4,921,275
Infrastructure Account	Active	2041627282	734,642	2,300,693
Laboratory Project /ICT Account	Active	1070296924107	3,893,987	3,893,987
Total			28,794,159	23,390,953

9 . Cash In Hand

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0	0
Operation Account	191	6,246
School Fund Account	622,529	49,637
Infrastructure Account	0	0
Total	622,720	55,883

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

10. Short Term Investments

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

11 a) Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears	106,247,225	113,025,741
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	0	0
Imprest (list/schedule attached)	0	0
Rent arrears (list/schedule attached)	0	0
Total	106,247,225	113,025,741

11 b Ageing Analysis of Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Less than 1 year	16,282,185	28,328,201
Between 1- 2 years	5,267,500	13,559,237
Between 2-3 years	41,130,490	33,706,500
Over 3 years	43,567,050	37,431,803
Total (should tie to note 11 a)	106,247,225	113,025,741

12. a) Accounts Payable

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0	0
Prepaid Fees	3,077,977	179,791
Direct deposits	33,478	2,755,256
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Other payables	0	0
Total	3,111,455	2,935,047

12 b. Ageing Analysis of Accounts Payable

Description	2020-2021	2019-2020
	Kshs	Kshs
Less than 1 year	0	0
Between 1- 2 years	0	0
Between 2-3 years	0	0
Total (should tie to note 12a)	0	0

13. Fund Balance Brought Forward

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Balances	23,390,953	16,687,375
Cash Balances	55,883	13,755
Short Term Investments	0	0
Receivables	113,025,741	86,818,418
Payables	(2,935,047)	(10,248,501)
Total	133,537,530	93,271,047

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

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.

14. Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

15. Biological assets

Description	Numbers	2020-2021	2019-2020
		(Total cost) Kshs	(Total cost) Kshs
Serving bull	1	80,000	70,000
Dairy cows	15	1,125,000	1,000,000
Heifers	2	60,000	60,000
Calves	3	60,000	20,000
Goats	0	0	0
Indigenous Trees	8,017	8,017,000	5,750,000
Maize plantation for agriculture project (1 acre)	20 bags	100,000	80,000
Vegetable plantation (3acres)	21,359 kgs	533,975	696,286
Tree plantation 20 acres			0
Blue gum	6,000 trees	60,000	0
Cyprus	2,000 trees	20,000	0
Total		10,055,975	7,676,286

Other important disclosure notes

16. Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	(0)	(0)
Balance at the end of the year	0	0

17. Stock/ Inventory

Description	2020-2021	2019-2020
	Kshs	Kshs
Stock inventory at the beginning of the year	3,188,790	1,346,025
Stock inventory purchased during the year	15,405,400	17,117,530
Stock inventory issued during the year	(17,995,400)	(15,274,765)
Balance at the end of the year.	598,790	3,188,790

18. 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

Mr. Moses Ndeda

Principal

Date 30/3/2026

PRINCIPAL
KAPENGURIA SCHOOL

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020-2021	Outstanding Balance 2019 - 2020	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
All trade creditors were paid by 30/6/2021						

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2021

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st January 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land	161,000,000	0	0	161,000,000
Buildings And Structures	332,902,428	6,975,796	0	339,878,224
Motor Vehicles	14,665,000	0	0	14,665,000
Office Equipment, Furniture And Fittings	36,094,000	0	0	36,094,000
ICT Equipment, And Other ICT Assets	12,638,100	0	0	12,638,100
Tools And Apparatus	3,470,000	0	0	3,470,000
Textbooks	10,891,356	0	0	10,891,356
Other Machinery And Equipment	3,350,000	0	0	3,350,000
Heritage And Cultural Assets	400,000	0	0	400,000
Intangible Assets- Soft Ware	230,525	0	0	230,525
Total	575,641,409	6,975,796	0	582,617,205