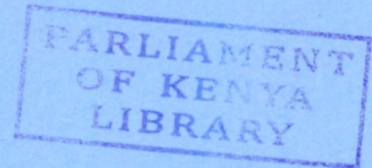


REPUBLIC OF KENYA



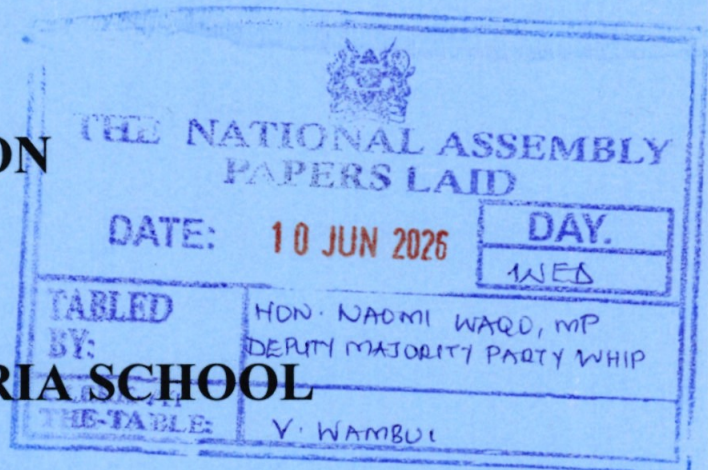
Enhancing Accountability
REPORT

OF



THE AUDITOR-GENERAL

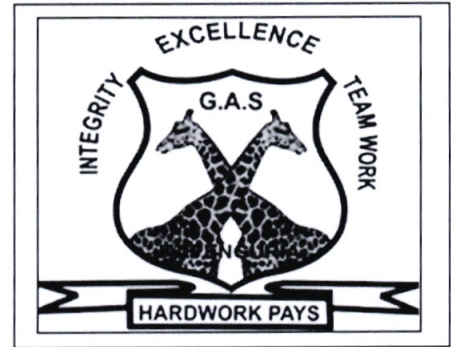
ON



KAPENGURIA SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2025**

WEST POKOT COUNTY



KAPENGURIA SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

Transitional Financial Statements Prepared under the International Public Sector Accounting Standards (IPSAS)

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Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

1. Acronyms and Glossary of Terms

A. Acronyms.

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
CEMASTE	Centre For Mathematics Science and Technology in Africa
ICPAK	Institute of Certified Public Accountants Of Kenya
PA	Parents Association
NSSF	National Social Security Fund
NHIF	National Hospital Insurance Fund

B. Definition of Key Terms

Comparative Year- Means the prior period.

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 located in **West Pokot County, West Pokot Sub-County**.

The school was registered in 1984 under registration number **24S30000184** 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 **1,538** students as at **30th June 2025**.

It has **Seven** streams and **77** teachers of which **1** teacher is 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. Rotino Josiah	Chairman – Rep sponsor	31-5-2022
2	Mr. Moses Ndeda	Secretary – Principal	31-5-2022
3	Mrs. Violet Simotwo	Member – Rep Parents/Local community	31-5-2022
4	Mrs. Elizabeth Pkukat	Member – Rep Parents/Local community	31-5-2022
5	Mr. Reuben Lotumale	Member – Rep Parents/Local community	31-5-2022
6	Mr. Richard Siree	Member – Rep Parents/Local community	31-5-2022
7	Mr. Laban Korellach	Member – Rep Parents/Local community	31-5-2022
8	Mr. Piro Rotich	Member – Rep Parents/Local community	31-5-2022
9	Mr. David Katula	Member – Rep Parents/Local community	31-5-2022
10	Mrs. Lucia Chenangat	Member - Co-opted	31-5-2022
11	Ms. Carolyne Cherotich	Member – Rep persons with special needs	31-5-2022
12	Mrs. Jane Kiprono	Member – Rep CEB	31-5-2022
13	Mrs. Esther Menach	Member – Rep sponsor	31-5-2022
14	Mr. William Riyaita	Member – Rep Sponsor	31-5-2022
15	Mrs. Milka Psiwa	Member – Rep Special Interest group	31-5-2022
16	Mrs. Dinah Pkanan	Member - Rep Teachers	31-5-2022
17	Meshack Krop	Member - Rep students	31-5-2022

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 paragraph 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 Mrs. Esther Menach Mrs. Elizabeth Pkukat Mr. Riyaita William	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
2	Audit Committee	Mr. Richard Siree Mrs. Milka Psiwa Mr. Riyaita William Mr. Reuben Lotumale Mr. Hosea Yimbo	Chairman Secretary Member Member Schools Auditor	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 Mr. Moses Ndeda Mrs. Lucy Chenangat Mr. Riyata William Mr. Reuben 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. Carolyn Cherotich Mrs. Esther Menach 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**Annual Report and Financial Statements For the year ended 30th June 2025**

5	Development Committee	Mr. Reuben Lotumale Mr. Moses Ndeda Mr. Josiah Rotino Mr. Riyaita William Mr. Amos Kibet	Chairman Secretary Member Member SCDE –Ministry	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. David Katula Mrs. Dinah Pkanan Mr. John Tinyang Mrs. Milka Psiwa Mrs. Jane Kiprono	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
7	Human rights and students welfare Committee	Mr. Laban Korellach Mrs. Elizabeth Pkukat Ms. Violet Simotwo Mrs. Jane Kiprono	Chairman Secretary Member Member	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 2025 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1.	Principal	Mr. Moses Ndeda	TSC Number : 305385
2.	Deputy principal-Administration	Mr. Wilson Algoni Tonyirwo	TSC Number: 589816
3.	Deputy principal –Academics	Mr. Peter Nanjendo	TSC Number : 457807
4.	School bursar	Mr. James Nalelia	ID NO: 24270758

(e) Schools contacts

Post Office Box: 343- 30600 Kapenguria

Telephone: 07433-43-343

E-mail: kapeboys@gmail.com

Website: www.kapenguriaschool.ac.ke

Facebook: none

Twitter : none

(f) School Bankers

The school operated 6 bank accounts in the following banks:

1. Name of bank: KCB
Branch: Kapenguria
Account number: 1108293549 – Operation account
2. Name of bank: KCB
Branch: Kapenguria
Account number: 1106201345 – Tuition account
3. Name of bank: KCB
Branch: Kapenguria
Account number: 1108293344 - Boarding account
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 paybill number: 28716k attached to KCB bank of account number 1108293344.

(g) Independent Auditors

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

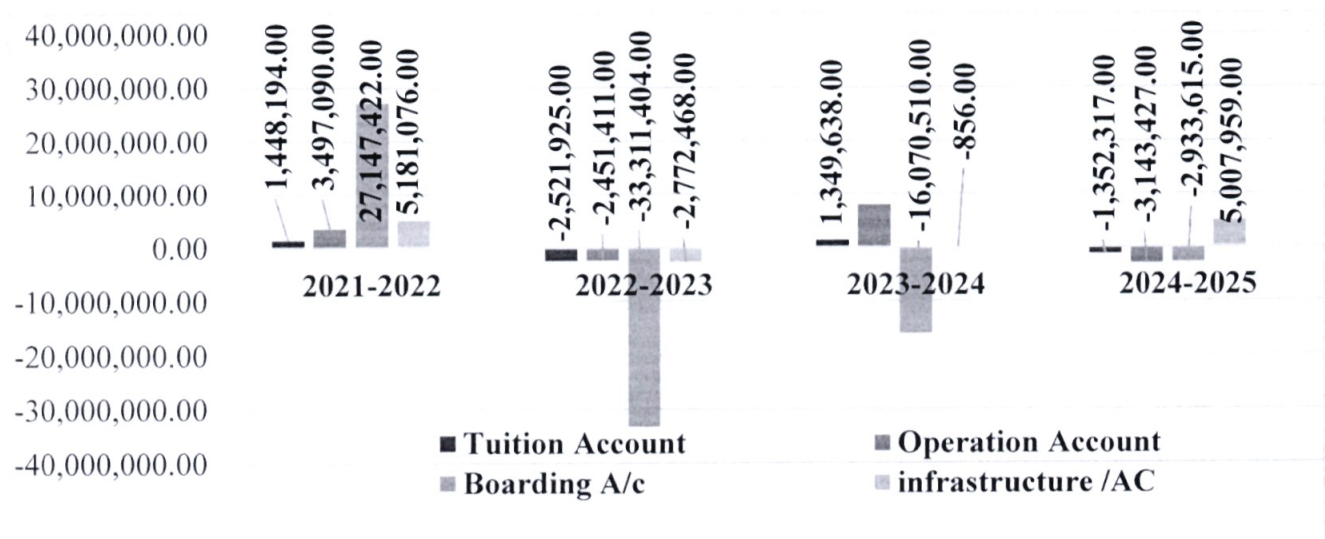
3. Summary Report of Performance of the School

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

a) Financial performance:

Surplus /deficit during the year and a comparison of the same for the last four years					
	Accounts	2024-2025	2023-2024	2022-2023	2022-2023
		Ksh	Ksh	Ksh	Ksh.
1.	Tuition Account	(1,352,317)	1,349,638	(2,521,925)	1,448,194
2.	Operation Account	(3,143,427)	7,916,752	(2,451,411)	3,497,090
3.	Boarding Account	(2,933,615)	(16,070,510)	(33,311,404)	(27,147,422)
4.	Infrastructure Account	5,007,959	(856)	(2,772,468)	5,181,076
	Total	(2,421,400)	(6,804,976)	(41,057,208)	(17,021,062)
	increase/decrease	4,383,576	34,252,232	(24,036,146)	(18,005,943)

Graphical trend in surplus/deficit over the last four years

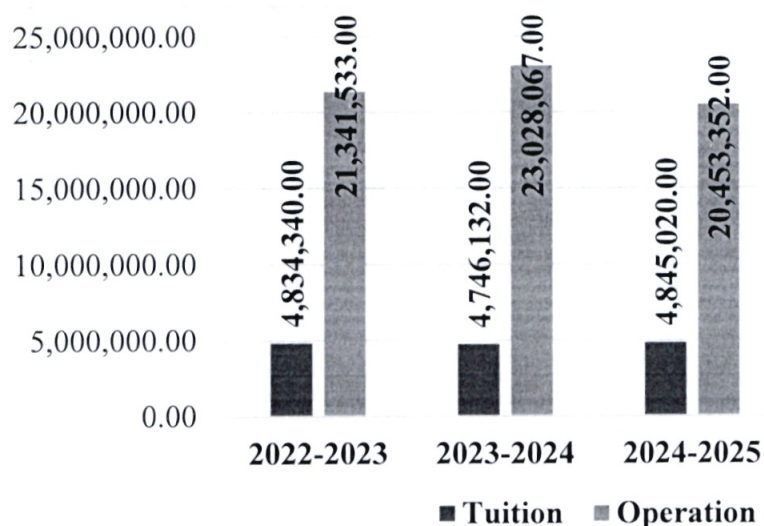


Explanations:

The decrease in total surplus was as a result of inadequate funding from parents.

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2025**

Capitation grants from the Ministry of Education for the last three years				
S/no	Account	2024-2025	2023-2024	2022- 2023
		Ksh	Ksh	Ksh
1	Tuition Account	4,845,020	4,746,132	4,834,340
2	Operation Account	20,453,352	23,028,067	21,341,533
	Total	25,298,372	27,774,199	26,175,873
	Increase/Decrease	(2,475,827)	1,598,326	(12,584,270)
	No of Students –NEMIS	1,740	2,034	1,843
	Actual number of students - class register	1,740	2,034	1,843
	Ratio of Capitation per student	1:14,539	1:14,361	1:14,664

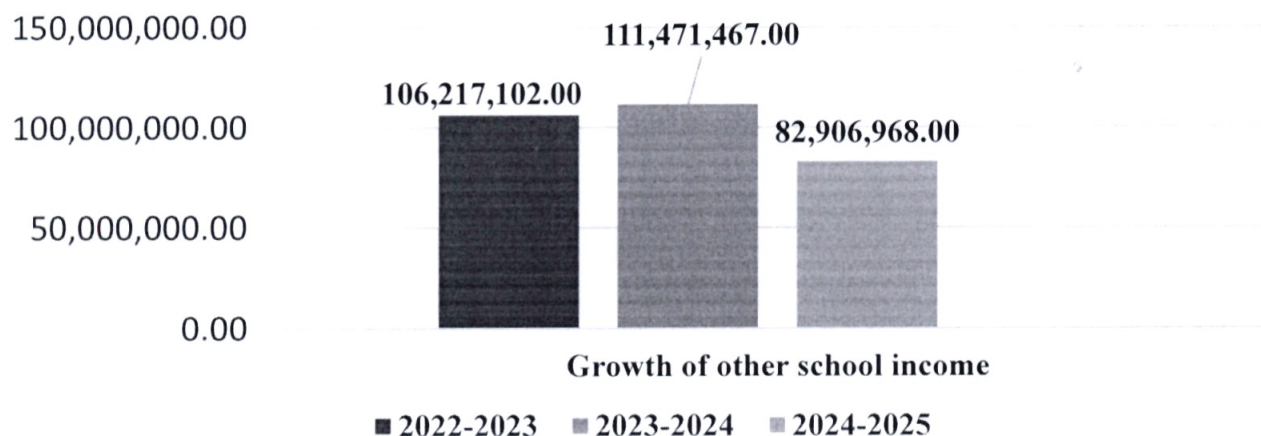
Trend in Capitation Grants over the last three years**Explanations:**

The decrease in total capitation during the year was as a result of decrease in students enrolment since there was no form one enrolment between the period January 2025 to June 2025.

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2025**

Overview of growth of other school income earned by the school over the last three years				
S/No	Account	2024-2025	2023-2024	2022-2023
		Ksh	Ksh	Ksh
1	School Fund/Boarding Account	82,906,968	111,471,467	106,217,102
	Total	82,906,968	111,471,467	106,217,102
	Increase/Decrease	(28,564,499)	5,254,365	(2,135,808)

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

**Comments:**

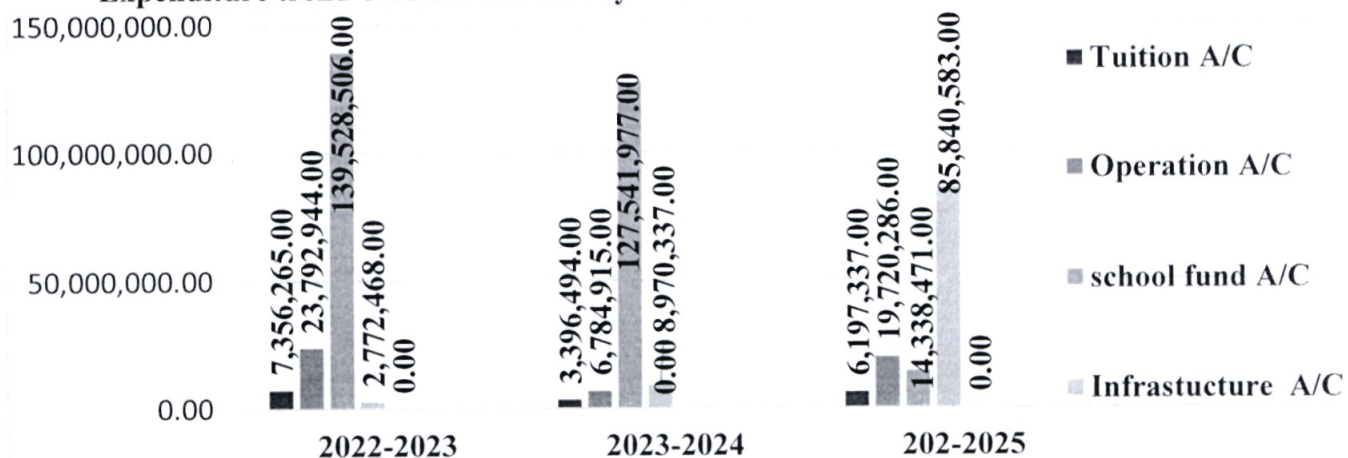
There was a decrease in school income as a result of a decrease in students population, since there was no form one enrolment during between the period January 2025 to June 2025.

Kapenguria School

Annual Report and Financial Statements For the year ended 30th June 2025

Overview of growth in expenditure of the school for the last three years				
S/No	Account	2024-2025	2023-2024	2022-2023
		Ksh	Ksh	Ksh
1	Tuition Account	6,197,337	3,396,494	7,356,265
2	Operation Account	19,720,286	6,784,915	23,792,944
3	School Fund/Boarding Account	14,338,471	127,541,977	139,528,506
4	Infrastructure Account	85,840,583	8,970,337	2,772,468
	Total	126,096,677	146,693,723	173,450,183
	Increase/Decrease	(20,597,046)	(26,756,468)	13,956,877

Expenditure trend over the last three years

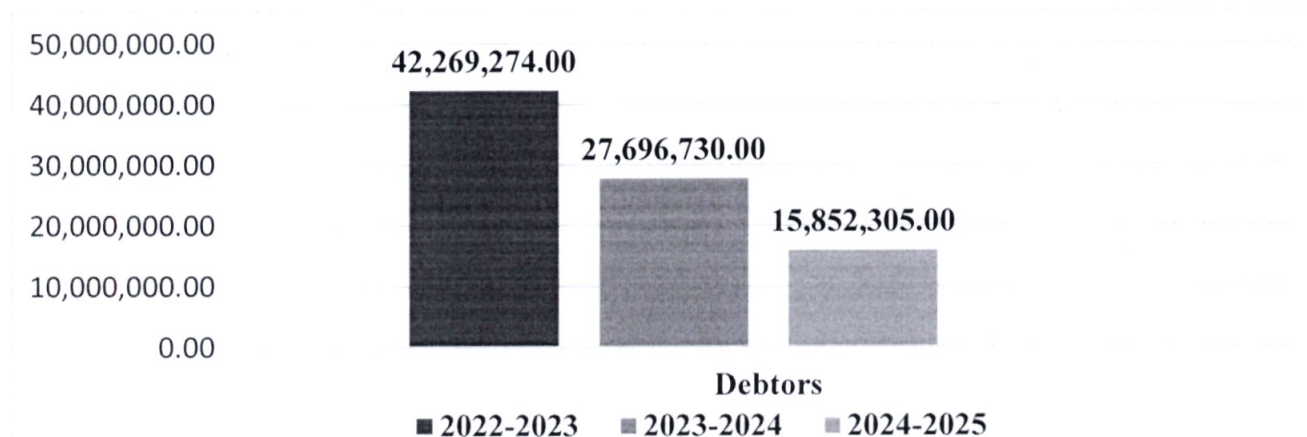


Comments:

The school was able to minimize its expenses during the year.

Movement of debtors of the school over the last three years				
S/no	Accounts	2024-2025	2023-2024	2022-2023
		Ksh	Ksh	Ksh
1.	School Fund /Boarding Account	15,852,305	27,696,730	42,269,274
	Total	15,852,305	27,696,730	42,269,274
	Increase/Decrease	(11,844,425)	(14,572,544)	(27,451,729)

Trend of debtors over the last three years



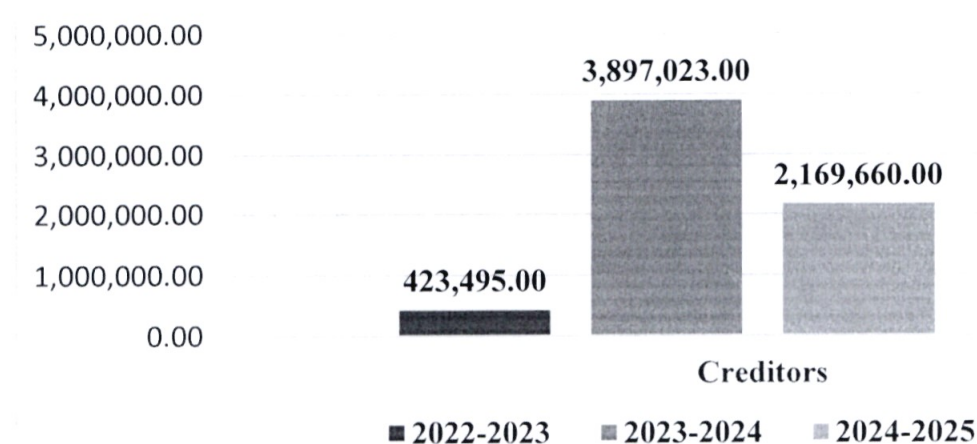
Comments:

The school was able to collect students arrears during the year.

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2025**

Movement of creditors of the school over the last three years				
S/no	Accounts	2024-2025	2023-2024	2022-2023
		Ksh	Ksh	Ksh
1.	Creditors	2,169,660	3,897,023	423,495
	Total	2,169,660	3,897,023	423,495
	Increase/Decrease	(1,727,885)	3,473,528	(2,956,050)

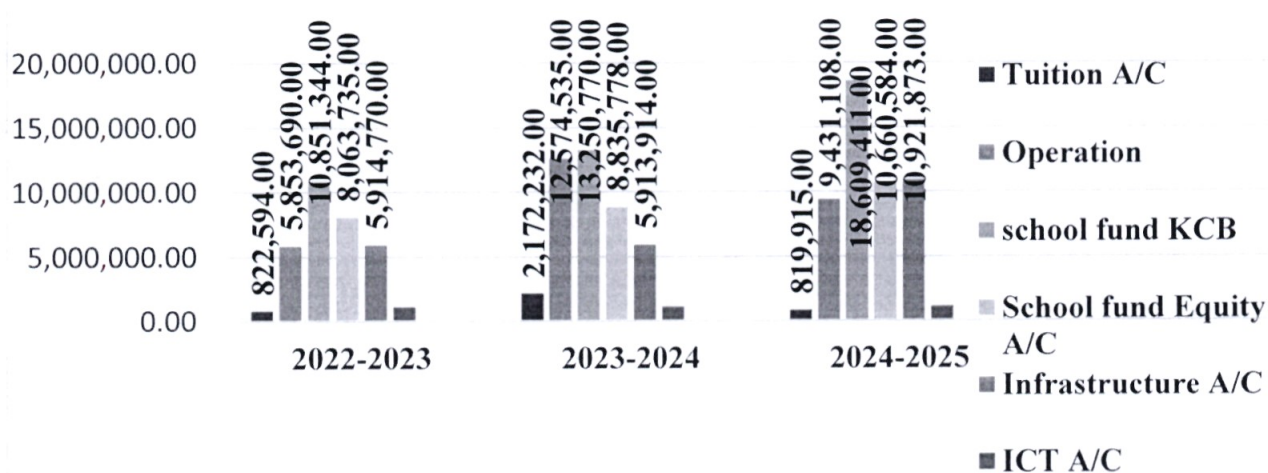
Trend of creditors over the last three years

**Comments:**

The school was able to issue receipts to students with prepaid fees during the year, this resulted to a decrease in prepaid fees.

Movement of cash and bank balances over the last three years				
S/no	Account	2024-2025	2023-2024	2022-2023
		Ksh	Ksh	Ksh
1	Tuition Account	819,915	2,172,232	822,594
2	Operation Account	9,431,108	12,574,535	5,853,690
3	Boarding-KCB	18,609,411	13,250,770	10,851,344
4	Boarding-Equity	10,660,584	8,835,778	8,063,735
5	Infrastructure account	10,921,873	5,913,914	5,914,770
6	ICT Account	1,122,467	1,122,467	1,122,467
	Totals	51,565,358	43,869,696	32,628,600
	<i>Increase/ decrease</i>	7,695,662	11,241,096	(16,561,529)

Trend in cash and bank balances over the last three years



Comments:

The school was able to minimise its expenditures which resulted to an increase in cash and bank balances at the end of the year.

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2025**

b) Teacher Student ratio:

Between the month of 1st July 2024 and 30th June 2025, the status of the teaching staff was as follows:

Number of teachers employed by School BOM	1
Number of teachers employed by TSC	76
Number of TSC teachers who transferred during the year	0
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	1538
Teacher : students ratio	1:20
Number of streams	7
Total subjects taught at school	12
Teacher shortage subject combination	Number of teachers required
Eng /Literature	1

Comments:

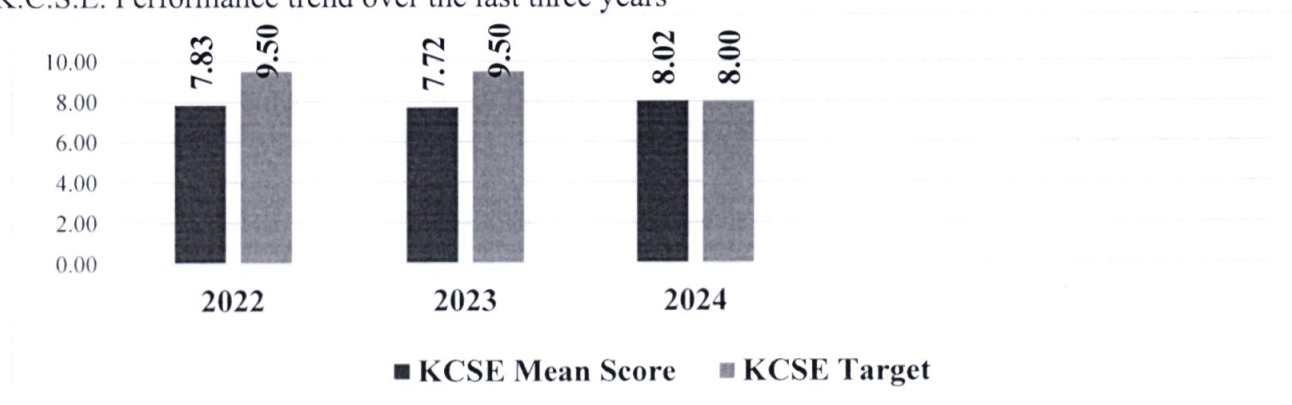
We have a shortage of **1** teacher as a challenge. This is as a result of subject specialisation,

The school has hired **1** additional teachers on BOM terms, to ensure effective teaching and learning at school.

(C)K.C.S.E Mean score in the year : 2022, 2023 and 2024.

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
2024	417	339	8.0217	+0.3027	4%	8.0000	There was an improvement in performance
2023	399	306	7.719	-0.111	-1.42%	9.5000	There was value addition on students performance as more students joined various universities. The school is aiming at a mean score of 9.500 in the 2024 KCSE results.
2022	300	240	7.830	+0.834	11.92%	9.5000	There was an improvement in mean score due to team work .

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



Comments:

There was an improvement in performance and the set target was achieved.

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2025****(d) KCSE Number of Candidates in the 2022, 2023 and 2024:**

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

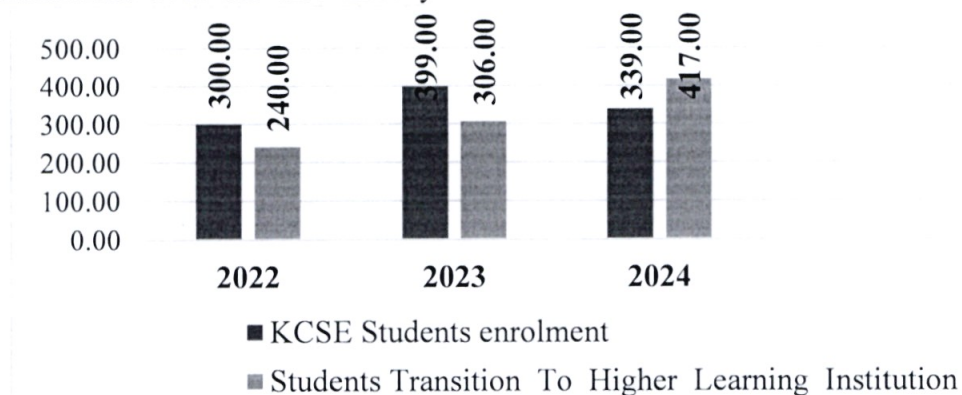
Year	2024	2023	2022
<i>KCSE No of candidates</i>	417	399	300
Total	417	399	300
<i>Increase/decrease</i>	18	99	(184)

Number of candidates that transitioned to higher learning institutions

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

Year	2024	2023	2022
<i>Number of students that transitioned to university</i>	339	306	240
Total	339	306	240
<i>Increase/decrease</i>	33	(35)	28

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 students performance as most students joined University while some students joined tertiary colleges.

Kapenguria School

Annual Report and Financial Statements For the year ended 30th June 2025

(c) Capacity of the school:

Financial year		From 1 st July 2024 - 30 th June 2025			
Total Number of students		1,538			
Total teaching staff		77			
Total support staff		41			
Total population		1,656			
school facilities	No. of facilities		Ratio to students population	Condition of the available facility	Comments
	Status				
Administration block	Permanent	1	1:77	Excellent	Adequate
Dining hall	Permanent	1 1	1:1,538	Excellent	The new dining hall is almost complete
Staff Dining hall	Permanent	1	1:77	Excellent	Adequate
Classrooms	Permanent	28	1:54	Excellent	Inadequate
Dormitories	Permanent	17	1:90	Excellent	More dormitories required
Laboratories	Permanent	6	1:256	Excellent	Inadequate
Library	Permanent	1	1:1,538	Excellent	Inadequate
Store	Permanent	2	1:769	Excellent	Adequate
Staff quarters- Teachers	Permanent	30	1:3	Excellent	The school has constructed additional staff quarters during the year.
Staff quarters- support staff	Permanent	20	1:2	Excellent	More required
Abolition block- teachers	Permanent	30	1:2	Excellent	Adequate
Kitchen	Permanent	1	1:1,538	Excellent	More required
Abolition block – students	Permanent	60	1:25	Excellent	More required to meet increased population
Departmental offices	Permanent	7	1:11	Excellent	More required to meet staff current population

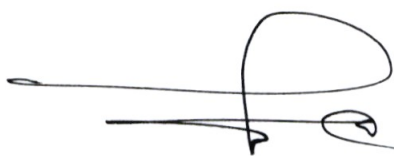
Comments:

The school is required to construct a school gate during the financial year 2025-2026.

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

(h) Development projects carried out by the school:

Year	Type of project	Source of funds	Status	Initial Cost (K.shs)	Amount Spent (K.shs)	Expected completion time
2024-2025	Construction of phase II , 1,800 capacity Dining hall	MOE	On- going	15,000,000	14,338,471	30/7/2025
2024-2025	Construction of 14 staff quarters	Parents	Complete	9,000,000	8,104,126	30/6/2025



.....
Mr. Moses Ndeda

School Principal

Date: 30/3/2026

PRINCIPAL
KAPENGURIA SCHOOL

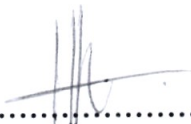
4. Statement of School Management Responsibility

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 keep all proper books and records of accounts of the income, expenditure and assets of the institution.

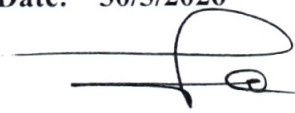
The Board of Management of Kapenguria School accepts responsibility for the school's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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, 2025, and of the school's financial position as at that date.


.....
Name: Mr. Josiah Rotino

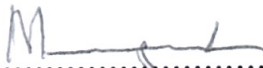
Designation: Chair, School Board of Management

Date: 30/3/2026


.....
Name: Mr. Moses Ndeda

Designation: School Principal & Secretary to Board of Management

Date: 30/3/2026


.....
Name: Mr. James Nalelia

Designation: Finance Officer

Date: 30/3/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAPENGURIA SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – 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 transitional IPSAS financial statements of Kapenguria School set out on pages 1 to 23, which comprise of the statement of assets and liabilities as at 30 June, 2025, and the statement of statement of financial performance, statement

Report of the Auditor-General on Kapenguria School for the year ended 30 June, 2025 – West Pokot County

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Kapenguria School at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis including the transitional provisions permitted under IPSAS 33 and comply with the Basic Education Act, 2013, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.15,852,305 as disclosed in Note 13 of the financial statement. However, the balance included fees arrears balance of Kshs.3,930,581 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 and full recoverability of the long outstanding accounts receivables balance of Kshs.15,852,305 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

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.149,657,944 and Kshs.123,675,277 respectively, resulting in an under-funding of Ksh.25,982,667 or 17 % of the budget. Further, the School spent an amount of Kshs.126,096,677 against the actual receipts of Kshs.123,675,277 resulting in an over-utilization of Kshs.2,421,400 or 2% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. 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 Matter

Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the FY 2024/25 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by PSASB on 25 February 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

Other Information

Management is responsible for the Other Information set out on page iii to xix 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 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

Review of payment records revealed that Management transferred an amount of Kshs.698,000 to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, the value for money transferred to KESSHA amounting to Kshs.698.000 could not be confirmed.

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.

6. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.40,947,221 as disclosed in Note 14 to the financial statements. However, the balance includes a trade payables balance of Kshs.34,912,708 which has remained outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which provides that an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates.

In the circumstances, 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 effects of the matter 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

Weaknesses in the Management of Textbooks

Review of the records revealed that two thousand three hundred and thirty-one (2,331) text books with an approximate cost of Kshs.932,400 were recorded as lost over time. However, there was no documented evidence of the efforts to recover them from respective students.

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

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

Responsibilities of 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 (Accrual 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, CBS
AUDITOR-GENERAL

Nairobi

20 April, 2026

6. Statement Of Financial Performance For the Year Ended 30th June 2025

Description Of Vote Head	Note	2024-2025 Kshs	2023-2024 Kshs
Receipts			
Government grants for tuition	1	4,845,020	4,746,132
Government grants for operations	2	16,268,852	14,701,667
Government Grants for infrastructure	3	19,028,442	8,934,400
School fund income- parents' contributions	4	82,906,968	111,471,467
Miscellaneous incomes	5	625,995	35,081
Total Receipts		123,675,277	139,888,747
Payments			
Tuition	6	6,197,337	3,396,494
Operations	7	19,720,286	6,784,915
Infrastructure	8	14,338,471	8,970,337
Boarding and school fund	9	85,840,583	127,541,977
Total Payments		126,096,677	146,693,723
Surplus/Deficit		(2,421,400)	(6,804,976)

The school financial statements were approved on 30/3/2026 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

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

7. Statement of Assets and Liabilities As At 30th June 2025

Description	Note	2024-2025 Kshs	2023-2024 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	51,563,485	43,865,368
Cash balances	11	1,873	4,328
Short term investments	12	0	0
Total cash and cash equivalent		51,565,358	43,869,696
Account's receivables	13	15,852,305	27,696,730
Total financial assets (a)		67,417,663	71,566,426
Financial liabilities			
Accounts payables	14	(2,169,660)	(3,897,023)
Total financial liabilities (b)		(2,169,660)	(3,897,023)
Net financial assets (a-b)		65,248,003	67,669,403
Represented by			
Accumulated fund b/fwd	15	67,669,403	74,474,379
Surplus/deficit for the year		(2,421,400)	(6,804,976)
Net financial position		65,248,003	67,669,403

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

.....
Name:
Mr. Josiah Rotino

Chair BOM

Date: 30/3/2026

CHAIRMAN
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

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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

8. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	2024-2025 Kshs	2023-2024 Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	4,845,020	4,746,132
Government grants for operations	2	16,268,852	14,701,667
Government grants for infrastructure	3	19,028,442	8,934,400
School fund income- parents contributions/ fees	4	96,559,868	132,483,924
Other income	5	625,995	35,081
Total receipts		137,328,177	160,901,204
Payments			
Cash outflows for tuition	6	6,197,337	3,396,494
Cash outflows for operations	7	19,720,286	7,980,822
Cash outflows Boarding/lunch and school fund payments	9	81,272,295	107,036,336
Total payments		107,189,918	118,413,652
Net cash inflow/outflow from operating activities		30,138,259	42,487,552
Cash flow from investing activities			
Acquisition of assets	8	(22,442,597)	(31,246,456)
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash inflow/outflows from investing activities		(22,442,597)	(31,246,456)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0	0
Repayment of principal borrowings		0	0
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		7,695,662	11,241,096
Cash and cash equivalent at beginning of the FY		43,869,696	32,628,600
Cash and cash equivalent at end of the FY		51,565,358	43,869,696

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

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

.....
Name:

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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
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KAPENGURIA SCHOOL

.....
Name:

Mr. James Nalelia

Finance Officer

Date: 30/3/2026

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2025

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
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / learning materials	7,237,496	0	7,237,496	4,845,020	67%
Chalks	0	0	0	0	0%
Sub -Total	7,237,496	0	7,237,496	4,845,020	67%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	9,081,800	(3,479,000)	5,602,800	5,593,808	99%
Repairs And Maintenance	2,608,200		2,608,200	1,780,000	68%
Local Transport / Travelling	1,816,360	0	1,816,360	1,678,142	92%
Electricity And Water	2,724,540	1,931,580	4,656,120	1,118,766	24%
Medical	3,493,000	(873,250)	2,619,750	2,234,145	85%
Administration Costs	4,540,900	2,617,700	7,158,600	2,796,906	39%
Activity	2,619,750	(1,310,250)	1,309,500	1,067,085	81%
Smasse	349,300	0	349,300	0	0%
Sub-Total	31,611,650	(5,491,020)	26,120,630	16,268,852	62%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MOE	4,377,800	0	4,377,800	4,184,500	96%
Maintenance & Improvement Parents contribution	15,000,000	0	15,000,000	14,843,942	99%
Sub-Total	19,377,800	0	19,377,800	19,028,442	98%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

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
(4) Fees Charged on Parents					
Personnel emoluments	5,414,150	5,239,500	10,653,650	9,717,221	91%
Repairs and maintenance	32,135,600	(19,211,500)	12,924,100	12,068,610	93%
Local transport / travelling	1,135,225	4,453,575	5,588,800	4,131,000	74%
Electricity and water	8,557,850	(2,969,050)	5,588,800	5,526,000	99%
Medical	0	0	0	0	0%
Administration costs	3,231,025	8,994,475	12,225,500	3,219,000	26%
Activity	436,625	1,676,640	2,113,265	2,109,910	99%
Fee on Boarding Equipment and stores	47,827,903	0	47,827,903	46,135,227	96%
Sub-Total	98,738,378	(1,816,360)	96,922,018	82,906,968	86%
5) miscellaneous income					
Commission income	0	0	0	317,988	0%
Gratuity income	0	0	0	308,007	0%
Loans/Borrowings	0	0	0	0	0%
Other Income	0	0	0	0	0%
Sub-Total	0	0	0	625,995	0%
Total income	156,965,324	(7,307,380)	149,657,944	123,675,277	83%
(6) Expenditure For Tuition					
Textbook	0	0	0	0	0%
Teaching / Learning Materials	7,237,496	0	7,237,496	6,194,838	86%
Exams And Assessment	0	0	0	0	0%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	C=A+B	D	C=D/C %
	Kshs	Kshs	Kshs	Kshs	Kshs
Teachers Guides	0	0	0	0	0%
Bank Charges	0	0	0	2,499	0%
Sub-Total	7,237,496	0	7,237,496	6,197,337	86%
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	9,081,800	(3,479,000)	5,602,800	2,358,288	42%
Repairs Maintenance Improvement	6,986,000	(4,377,800)	2,608,200	2,580,980	99%
Local Transport / Travelling	1,816,360	0	1,816,360	1,834,851	101%
Electricity And Water	2,724,540	1,931,580	4,656,120	4,612,222	99%
Medical	3,493,000	(873,250)	2,619,750	0	0%
Administration	4,540,900	2,617,700	7,158,600	7,040,990	98%
Activity Expenses	2,619,750	(1,310,250)	1,309,500	545,700	42%
Bank charges	0	0	0	7,393	0%
Smasse	349,300	0	349,300	0	0%
Service gratuity	0	0	0	739,862	0%
Sub-Total	31,611,650	(5,491,020)	26,120,630	19,720,286	75%
<i>(8) Expenditure For infrastructure</i>					
Construction of 14 staff quarters	4,377,800	0	4,377,800	0	0%
Bank charges	0	0	0	63,066	0%
Dining hall project	15,000,000	0	15,000,000	14,275,405	95%
Sub-Total	19,377,800	0	19,377,800	14,338,471	74%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

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
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	5,414,150	5,239,500	10,653,650	9,920,750	93%
Repairs And Maintenance & Improvements	32,135,600	(19,211,500)	12,924,100	8,104,126	63%
Local Transport / Travelling	1,135,225	4,453,575	5,588,800	5,489,149	98%
Electricity And Water	8,557,850	(2,969,050)	5,588,800	5,234,840	94%
Medical	0	0	0	289,465	0%
Administration Costs	3,231,025	8,994,475	12,225,500	11,995,289	98%
Activity	436,625	1,676,640	2,113,265	2,027,250	96%
Fee On Boarding Equipment and Stores	47,827,903	0	47,827,903	42,779,714	90%
Sub-Total	98,738,378	(1,816,360)	96,922,018	85,840,583	89%
Total expenditure	156,965,324	(7,307,380)	149,657,944	126,096,677	84%

Expalnation:

- There was underutilisation in receipt of income for teaching and learning materials as a result of inadequate funding from the government.
- There was underutilisation in receipt of income for operation account in the following voteheads:- repairs, maintenance and improvement , electricity , water and conservancy, administration votehead as a result of inadequate funding from the government.
- There was underutilisation in receipt of income for boarding account in administration, local transport and travel votehead as a result of inadequate funding by the parents.
- There was underutilisation in expenditure for on teaching and learning materials since there was availability of teaching and learning materials purchased during the previous year which were used during the year.

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

- v. The underutilisation in expenditure for repairs maintenance and improvement of 7% was as a result of few repairs done during the year.
- vi. The underutilisation in expenditure for personal emolument was as a result of inadequate funding.
- vii. There was underutilisation in expenditure for repairs maintenance and improvement was as a result of few repairs done during the year.

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

Statement of Compliance

The financial statements have been prepared in accordance with the PFM Act and International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore, these first/second/third/year financial statements are transitional financial statements.

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, statement of cash flow). Under an accrual basis, revenues are recognized when rights to assets are earned or levied rather than when cash is received, and expenses are recognized when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of revenue and expenditure

The school recognizes all revenue from various sources when earned and all expenses when incurred.

The capitation grants include recurrent and development grants. Recurrent capitation are recognised in the statement of financial performance while development grants are recognised in the statement of financial position after meeting the revenue recognition criteria. The conditional grants will be recognised as revenue upon fulfilment of the set conditions.

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 financial performance both as revenue and as expenditure 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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2025.

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Reference Materials	0	0
Exercise Books	0	0
Laboratory Equipment	0	0
Internal Exams	0	0
Teaching / Learning Materials	4,845,020	4,746,132
Total	4,845,020	4,746,132

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	5,593,808	1,823,583
Repairs And Maintenance	1,780,000	1,820,189
Local Transport / Travelling	1,678,142	905,130
Electricity And Water	1,118,766	2,749,299
Medical	2,234,145	0
Administration Costs	2,796,906	4,352,465
Activity	1,067,085	3,051,001
Totals	16,268,852	14,701,667

Notes to the Financial Statements (continued)

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement MOE	4,184,500	8,326,400
Maintenance & Improvement Parents contribution	14,843,942	608,000
Total	19,028,442	8,934,400

4 School Fund Income -Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	9,717,221	6,437,205
Repairs and maintenance	12,068,610	33,455,072
Local transport / travelling	4,131,000	3,520,000
Electricity and water	5,526,000	9,966,600
Administration costs	3,219,000	3,650,700
Activity	2,109,910	508,500
Fee on Boarding Equipment and stores	46,135,227	53,933,390
Total	82,906,968	111,471,467

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Commission income	317,988	35,081
Gratuity income	308,007	0
Loans/Borrowings	0	0
Other Income	0	0
Total	625,995	35,081

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

Notes to the Financial Statements (continued)

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	0	0
Reference materials	0	0
Laboratory Equipment	0	0
Teaching / Learning Materials	6,194,838	3,394,806
Exams And Assessment	0	0
Teachers Guides	0	0
Bank Charges	2,499	1,688
Total	6,197,337	3,396,494

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	2,358,288	78,700
Repairs Maintenance Improvement	2,580,980	139,580
Local Transport / Travelling	1,834,851	861,329
Electricity And Water	4,612,222	2,924,009
Medical	0	0
Administration	7,040,990	2,492,926
Activity Expenses	545,700	288,371
Bank charges	7,393	0
Service gratuity	739,862	0
Total	19,720,286	6,784,915

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Construction of 14 staff quarters	0	0
Bank charges	63,066	0
Dining hall project	14,275,405	8,965,737
Bank charges	0	4,600
Total	14,338,471	8,970,337

Notes to the Financial Statements (continued)

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	9,920,750	11,486,278
Repairs And Maintenance & Improvements	8,104,126	35,864,513
Local Transport / Travelling	5,489,149	3,489,623
Electricity And Water	5,234,840	9,421,917
Medical	289,465	0
Administration Costs	11,995,289	11,134,964
Activity	2,027,250	1,652,764
Fee On Boarding Equipment and Stores	42,779,714	54,491,918
Total	85,840,583	127,541,977

Kapenguria School
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Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024-2025	2023-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1106201345	819,915	2,172,232
Operations Account	Active	1108293549	9,430,198	12,573,773
School Fund Account/Boarding-KCB	Active	1108293344	18,608,448	13,250,770
School Fund Account/Boarding-Equity	Active	1070294811167	10,660,584	8,832,212
Infrastructure Account	Active	2041627282	10,921,873	5,913,914
Laboratory Project /ICT Account	Active	1070296924107	1,122,467	1,122,467
Total			51,563,485	43,865,368

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	1,873	4,328
Total	1,873	4,328

Notes to the Financial Statements (continued)

12 Short Term Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

13 a. Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	15,852,305	27,696,730
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	15,852,305	27,696,730

13 b Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
		Kshs		Kshs
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	6,340,150	40%	6,779,263	24%
Between 1- 2 years	3,340,684	21%	8,643,200	31%
Between 2-3 years	2,240,890	14%	4,772,500	17%
Over 3 years	3,930,581	25%	7,501,767	28%
Total (should tie to note 13 a)	15,852,305	100%	27,696,730	100%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

Notes to the Financial Statements (continued)

14 a. Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0	0
Prepaid Fees	1,883,760	3,394,482
Direct deposits	285,900	502,541
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Total	2,169,660	3,897,023

14b. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	0	0%	0	0%
Between 1- 2 years	0	0%	0	0%
Between 2-3 years	0	0%	0	0%
Total (should tie to note 14 a)	0	0%	0	0%

15 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	43,865,368	32,181,226
Cash Balances	4,328	447,374
Short Term Investments	0	0
Receivables	27,696,730	42,269,274
Payables	(3,897,023)	(423,495)
Total	67,669,403	74,474,379

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	2024-2025	2023-2024
	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

17 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Serving bull	2	100,000	80,000
Dairy cows	23	1,500,000	1,500,000
Heifers	2	50,000	30,000
Calves	7	120,000	70,000
Goats	0	0	0
Indigenous Trees	10,000	10,010,000	10,000,000
Maize plantation for agriculture project (1 acre)	20 bags	200,000	160,000
Tree plantation 20 acres			
Blue gum	11,000 trees	140,000	110,000
Cyprus	9,000 trees	120,000	90,000
Total		12,240,000	12,040,000

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025

Other important disclosure notes

18 Borrowings

Description	2024-2025	2023-2024
	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

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	448,300	548,600
Lab consumables	150,300	290,600
Farm produce	70,500	30,000
Medication	2,500	5,000
Construction Materials	141,500	340,600
Laboratory chemicals	135,250	45,600
Electrical fittings and materials	25,250	15,350
Office materials/stationery	38,220	48,520
Examination materials	80,800	120,000
Totals	1,092,620	1,444,270

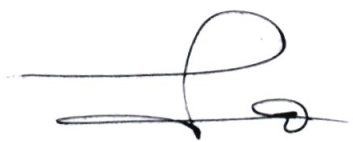
Kapenguria School

Annual Report and Financial Statements For the year ended 30th June 2025

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

**PRINCIPAL
KAPENGURIA SCHOOL**

Mr. Moses Ndeda

Principal

Date: 30/3/2026

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount supplied	Amount Paid To Date	Outstanding Balance 2024/2025
	A	B			
	Kshs	Kshs	Kshs	Kshs	

All trade creditors and pending bills were paid by 30/6/2025 hence there were no trade creditors at the end of the financial period.

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2025
Annex 2 – Summary Of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land (161 acres)	161,000,000	0	0	161,000,000
Buildings And Structures	456,862,352	22,442,597	0	479,304,949
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	699,601,333	22,442,597	0	722,043,930