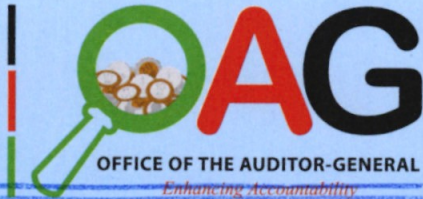


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL

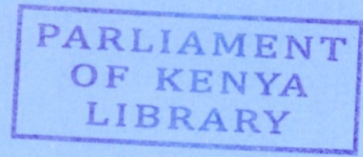
Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 JUN 2026	DAY. WED
TABLED BY OF	HON. NAOMI WAGDO, MP DEPUTY MAJORITY PARTY WHIP
CLERK-AT THE-TABLE:	V. WAMBUI

THE AUDITOR-GENERAL

ON



KAPENGURIA SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

WEST POKOT COUNTY



KAPENGURIA SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2022

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 2022

61 APR 2022

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Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

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 **1,922** students as at **30th June 2022**.

It has **Seven** streams and **78** teachers of which **10** 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. Rotino Josiah	Chairman- Rep Sponsor	31-5-2022
2	Mr. Moses Ndeda	Secretary – Principal	31-5-2022
3	Mr. William Riyaita	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	Mr. Jane Kiprono	Member – Rep CEB	31-5-2022
13	Mrs. Ester Menach	Member – Rep sponsor	31-5-2022
14	Rev. Morupus Joseph	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	Safari Leonard	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. Ester 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 Mrs. Milka Psiwa Mr. Moses Ndeda Mr. Riyata William Mrs. Jane Kiprono	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. Ester 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
5	Development Committee	Mr. Reuben Lotumale Mr. Moses Ndeda Mr. Josiah Rotino	Chairman Secretary Member	4 out of 4 4 out of 4 4 out of 4

		Mr. Riyaita William Mr. Amos Kibet	Member SCDE –Ministry	4 out of 4 4 out of 4
6	Discipline ,ethics and intergrity Committee	Mr. David Katula Mrs. Dinah Pkanan Mr. John Tinyang 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 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 2022 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
3.	Deputy principal –Academics	Mr. Peter Nanjendo	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 |
| 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 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.

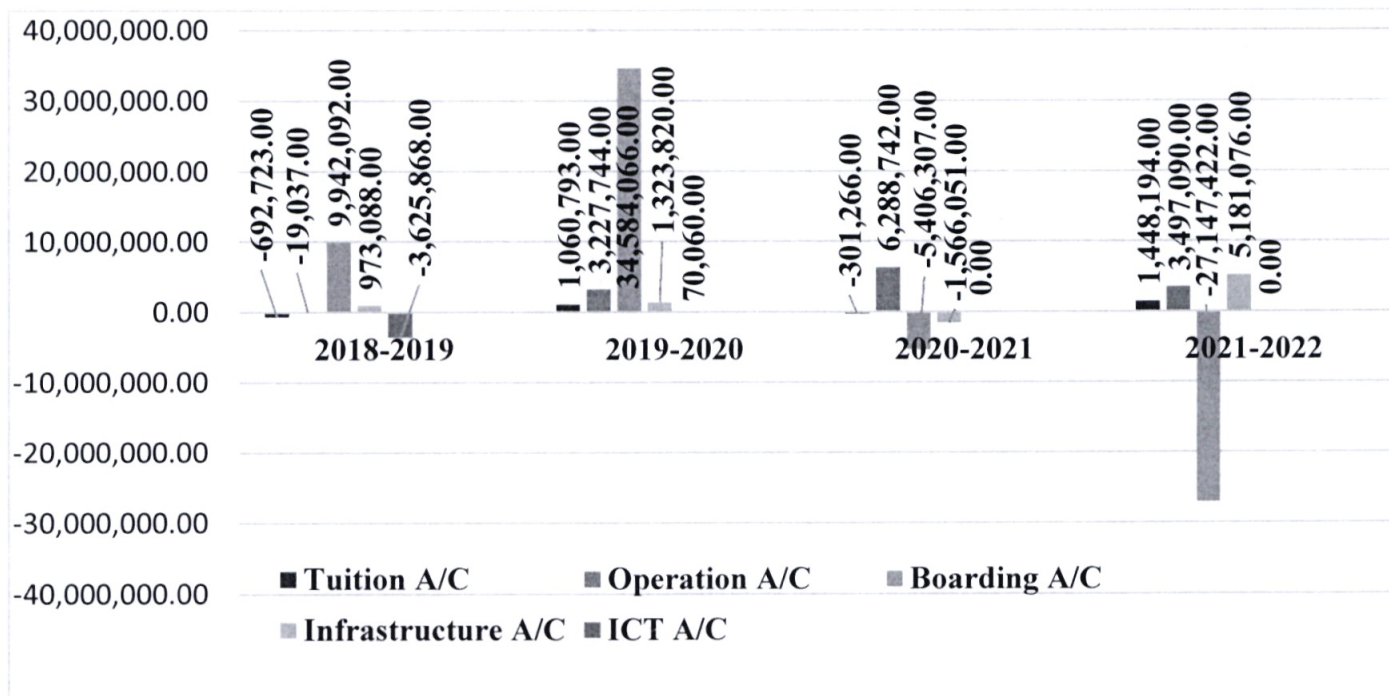
II. Summary Report of Performance of the School

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	2021-2022	2020-2021	2019-2020	2018-2019
		Ksh	Ksh	Ksh	Ksh.
1.	Tuition Account	1,448,194	(301,265)	1,060,793	(692,723)
2.	Operation Account	3,497,090	6,288,742	3,227,744	(19,037)
3.	Boarding Account	(27,147,422)	(5,406,307)	34,584,066	9,942,092
4.	Infrastructure Account	5,181,076	(1,566,051)	1,323,820	973,088
4.	ICT Account	0	0	70,060	(3,625,868)
	Total	(17,021,062)	(984,881)	40,266,483	6,577,552
	<i>increase/decrease</i>	(16,036,181)	(41,251,364)	33,688,931	(35,330,479)

Graphical trend in surplus/deficit over the last three years



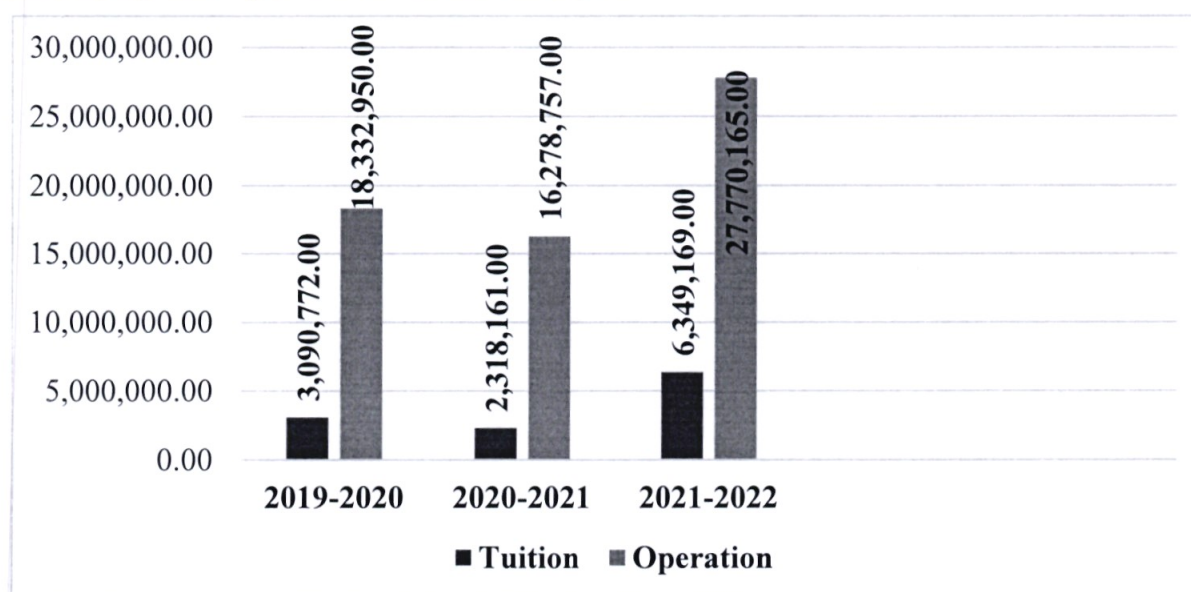
Explanations:

There was a deficit during the financial year as a result of inadequate funding from parents.

Capitation grants from the ministry of education for the last three years

S/no	Account	2021-2022	2020-2021	2019- 2020
		Ksh	Ksh	Ksh
1	Tuition Account	6,349,169	2,318,161	3,090,772
2	Operation Account	27,770,165	16,278,757	17,972,950
	Total	34,119,334	18,596,918	21,063,722
	Increase/Decrease	15,522,416	(2,466,804)	(2,067,177)
	No of Students –NEMIS	1,922	1,834	1,272
	Actual number of students	1,922	1,834	1,272
	Ratio of Capitation per student	1:21,622	1:12,738	1:14,319

Trend in capitation grants over the last three years



Explanations:

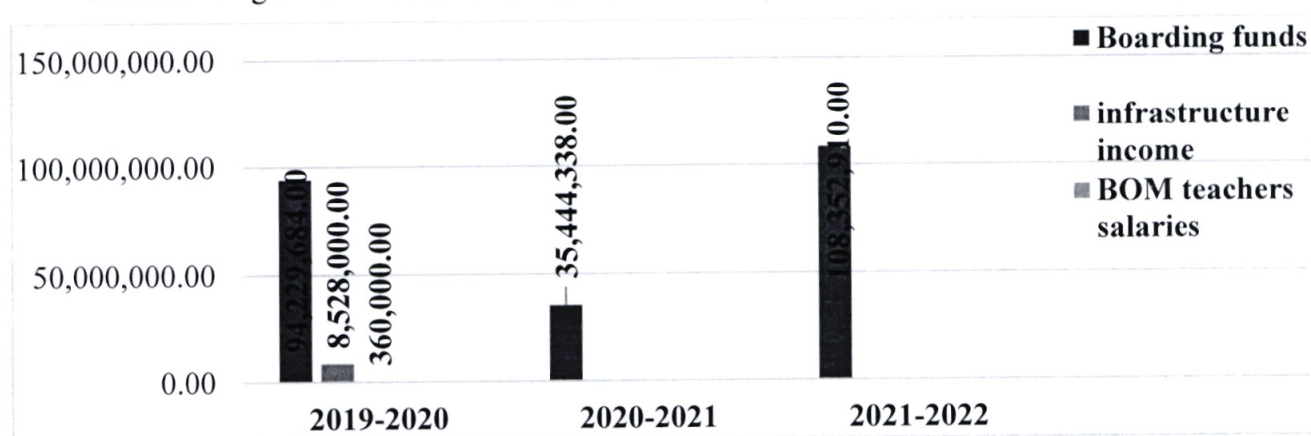
The increase in total capitation is as a result of the current financial year which covers a period of 12 months while the previous financial year which covers 6 months.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

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

s/no	Account	2021-2022	2020-2021	2019-2020
		Ksh	Ksh	Ksh
1	Boarding Account	108,352,910	35,444,338	94,229,684
2	Infrastructure income	0	0	8,528,000
3	BOM teachers salaries	0	0	360,000
	Total	108,352,910	35,444,338	103,117,684
	Increase/Decrease	72,908,572	(67,673,346)	13,221,513

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



Comments:

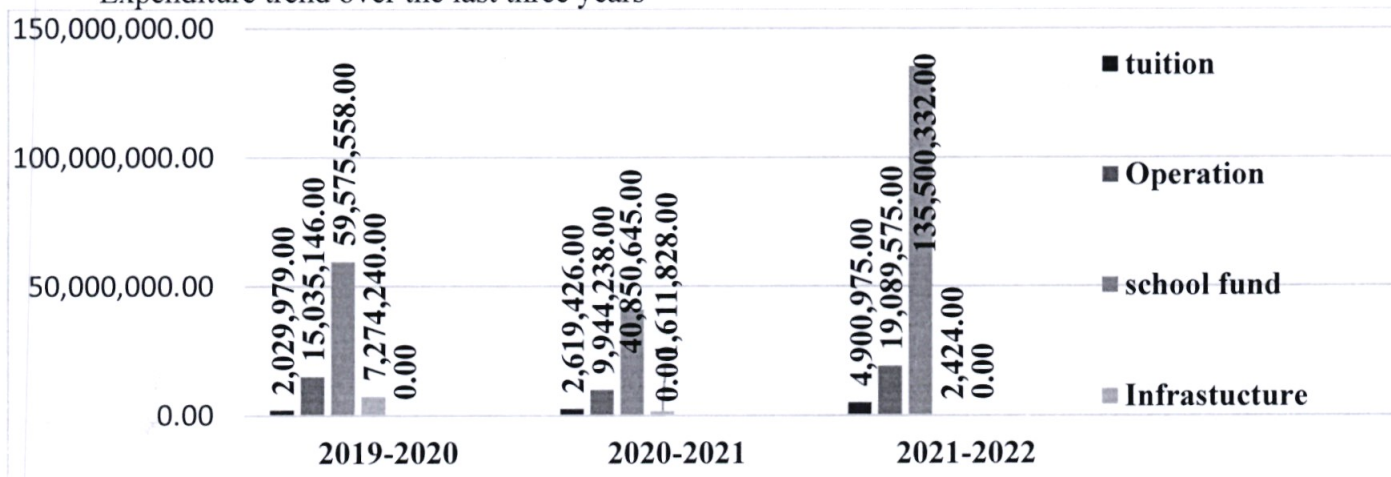
The financial period from 1st January 2021 to 30th June 2021 covers six months while the financial period from 1st July 2021 to 30th June 2022 covers 12 months.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

Overview of growth in expenditure of the school for the last three years

s/no	Account	2021-2022 Ksh	2020-2021 Ksh	2019-2020 Ksh
1	Tuition Account	4,900,975	2,619,426	2,029,979
2	Operation Account	19,089,575	5,179,015	15,035,146
3	Boarding Account	135,500,332	40,850,645	59,575,558
4	Infrastructure Account	2,424	6,377,051	7,274,240
	Total	159,493,306	55,026,137	83,914,923
	Increase/Decrease	104,482,169	(28,888,786)	(29,908,055)

Expenditure trend over the last three years



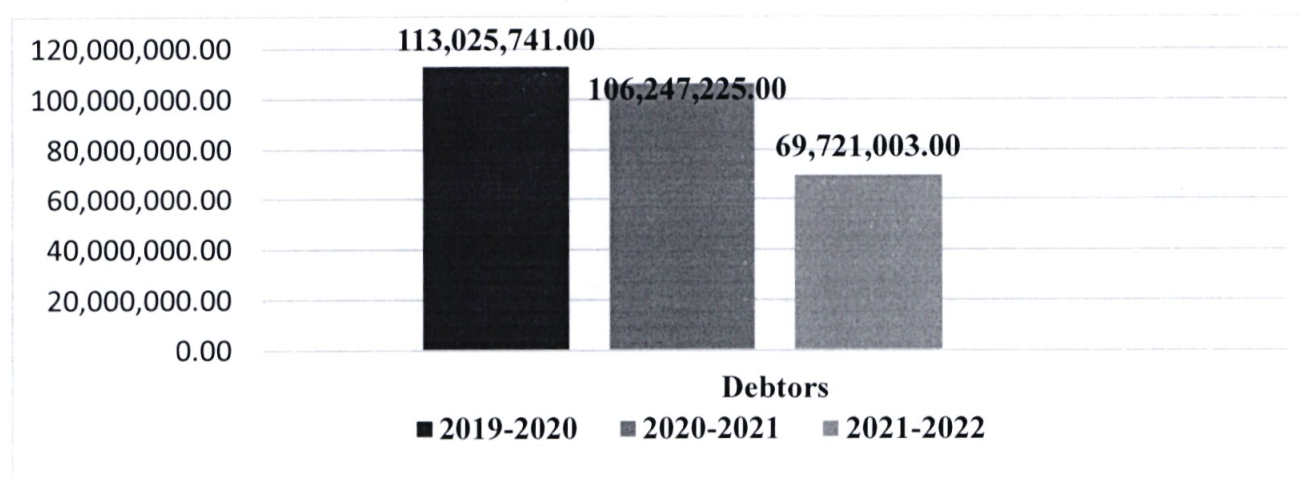
Comments:

The financial period from 1st January 2021 to 30th June 2021 covers six months while the financial period from 1st July 2021 to 30th June 2022 covers 12 months.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

Movement of debtors of the school over the last three years				
S/no	Accounts	2021-2022	2020-2021	2019-2020
		Ksh	Ksh	Ksh
1.	School Fund /Boarding Account	69,721,003	106,247,225	113,025,741
	Total	69,721,003	106,247,225	113,025,741
	Increase/Decrease	(36,526,222)	(6,778,516)	26,207,323

Trend of debtors over the last three years

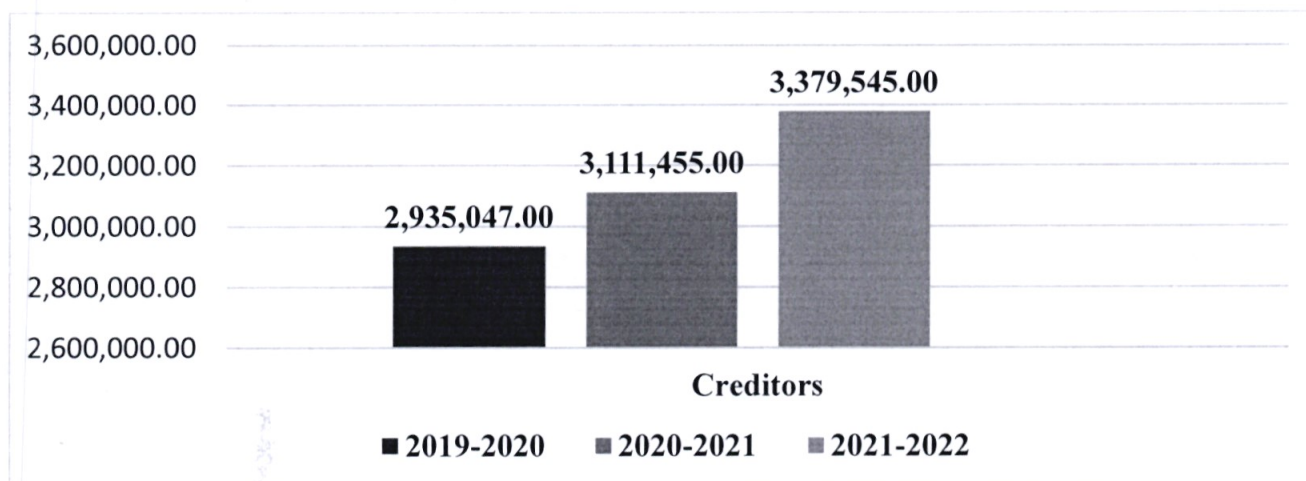


Comments:

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

Movement of creditors of the school over the last three years				
S/No	Accounts	2021-2022	2020-2021	2019-2020
		Ksh	Ksh	Ksh
1.	Creditors	3,379,545	3,111,455	2,935,047
	Total	3,379,545	3,111,455	2,935,047
	Increase/Decrease	268,090	176,408	(7,313,454)

Trend of creditors over the last three years



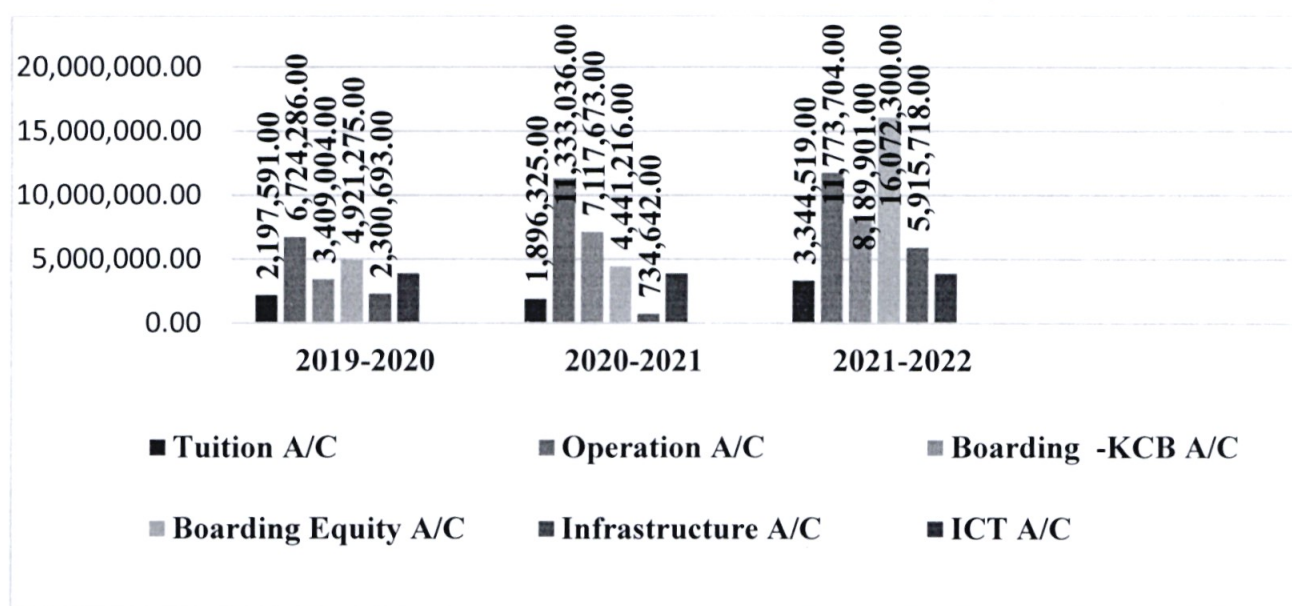
Comments:

The increase in trade creditors is a result of prepaid fees
The school is to issue receipts to students with prepaid fees during the next financial year.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

Movement of cash and bank balances over the last three years				
S/no	Account	2021-2022	2020-2021	2019-2020
		Ksh	Ksh	Ksh
1	Tuition Account	3,344,519	1,896,325	2,197,591
2	Operation Account	11,773,704	11,333,036	6,724,286
3	Boarding – KCB Account	8,189,901	7,117,673	3,409,004
4	Boarding – Equity Account	16,072,300	4,441,216	4,921,275
5	Infrastructure account	5,915,718	734,642	2,300,693
6	Laboratory Project/ ICT Account	3,893,987	3,893,987	3,893,987
	Totals	49,190,129	29,416,879	23,446,836
	Increase/ decrease	19,773,250	5,970,043	6,745,706

Trend in cash and bank balances over the last three years



Comments:

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

b) Teacher Student ratio:

Between the month of 1st July 2021 and 30th June 2022, the status of the teaching staff was as follows:

Number of teachers employed by School BOM	10
Number of teachers employed by TSC	68
Number of TSC teachers who transferred during the year	6
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	1,922
Teacher : students ratio	1:28
Number of streams	7
Total subjects taught at school	12
Teacher shortage subject combination	Number of teachers required
Maths/Phy	1
Maths/ Chem	2
Kisw/C.R.E.	1
Bio/Chem	2
Bio/Agric	2
Maths/ Computer	2

Comments:

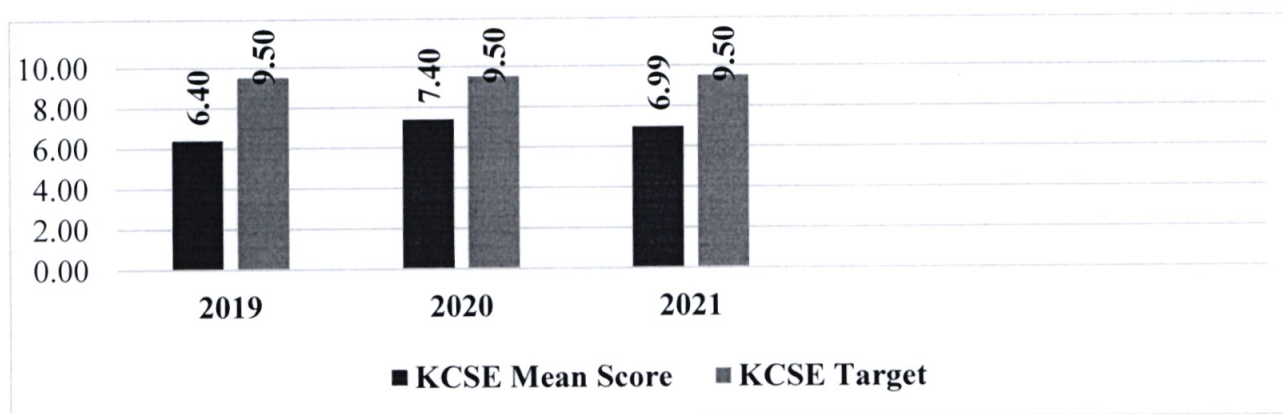
We have a shortage of **10** teachers as a challenge. This is as a result of increased students population .The school has hired **10** additional teachers on BOM terms, to ensure effective teaching and learning at school.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

(c) K.C.S.E Mean score in the year : 2019, 2020 and 2021.

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
2021	484	275	6.996	-0.453	6.08%	9.5000	There was a drop in performance
2020	354	247	7.449	+1.019	15.85%	9.5000	There was an improvement in students results due to hard work 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

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



Comments:

There was a drop in performance. The school has set strategies to improve and attain a mean of 9.500.

(d) KCSE Number of Candidates in the 2019, 2020 and 2021:

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

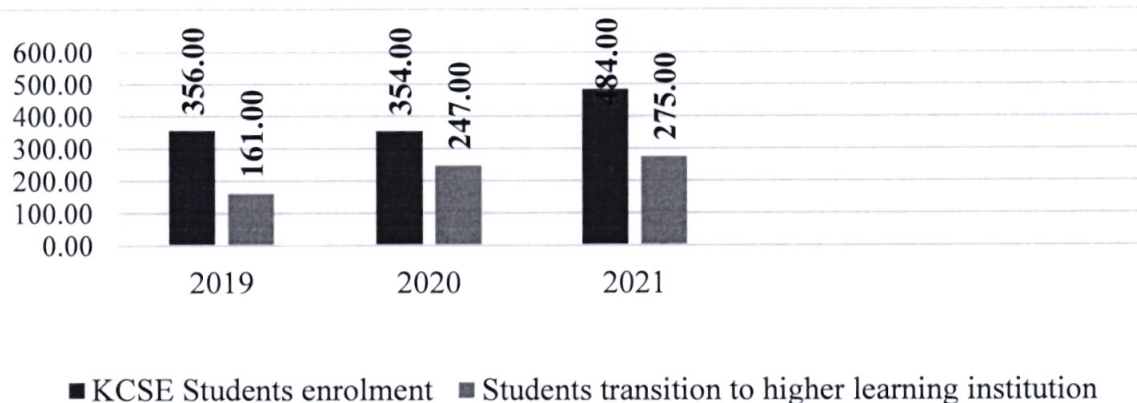
Year	2021	2020	2019
<i>KCSE No of candidates</i>	484	354	356
Total	484	354	356
<i>Increase/decrease</i>	<i>130</i>	<i>(2)</i>	<i>16</i>

Number of candidates that transitioned to higher learning institutions

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

Year	2021	2020	2019
<i>Number of students that transitioned to university</i>	275	247	161
Total	275	247	161
<i>Increase/decrease</i>	<i>28</i>	<i>86</i>	<i>13</i>

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 as most students transitioned to University while other students joined various colleges for further education.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

(e) Capacity of the school:

Financial year		From 1 st July 2021 - 30 th June 2022			
<i>Total Number of students</i>		1,922			
<i>Total teaching staff</i>		78			
<i>Total support staff</i>		41			
<i>Total population</i>		2,041			
school facilities	no. of facilities		ratio to students population	condition of the available facility	comments
	Status				
Administration block	Permanent	1	1:78	Excellent	Adequate
Dining hall	Permanent	1	1:1,922	Excellent	More space is required to meet increased students population
Classrooms	Permanent	28	1:68	Excellent	Inadequate
Dormitories	Permanent	11	1:174	Excellent	More dormitories required
Laboratories	Permanent	5	1:384	Excellent	Inadequate
Library	Permanent	1	1:1,922	Excellent	Inadequate
Store	Permanent	2	1:961	Excellent	Adequate
Staff quarters	Permanent	16	1:120	Excellent	More required to meet increased staff population
Abolition block-teachers	permanent	30	1:2	Excellent	Adequate
Kitchen	Permanent	1	1:1,922	Excellent	More required
Abolition block – students	Permanent	60	1:32	Excellent	More required to meet increased population
Departmental offices	Permanent	7	1:11	Excellent	More required to current population

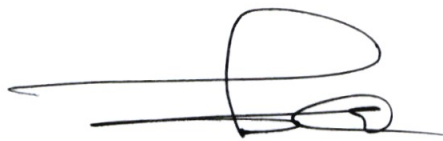
Comments:

The school is required to construct a modern dining hall and more staff quarters meet the increased students and staff population.

(f) Development projects carried out by the school:

Year	Type of project	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2021-2022	Construction of one general laboratory	Parents	Complete	5,224,138	3,164,210	30/6/2022
2021-2022	Construction of two classroom form 1 g and form 2n	Parents	Complete	3,088,400	2,830,206	30/6/2022
2021-2022	Repairs of toilets in administration block	Parents	Complete	400,000	377,242	30/6/2022
2021-2022	Painting of school structures for face lifting	Parents	Complete	2,500,000	3,068,224	30/6/2022
2021-2022	Construction of standard staff toilets around administration block	Parents	Complete	700,230	696,410	30/6/2022
2021-2022	Construction of bus garage	Parents	Complete	1,560,064	1,610,246	30/6/2023
2021-2022	Construction of one maize store and annex store	Parents	Complete	5,016,138	4,322,630	30/6/2022
2021-2022	Fixing of cabros from gate to administration block	Parents	On-going	3,462,300	3,220,310	30/6/2023
2021-2022	Construction of ten teachers staff quarters	Parents	Complete	10,564,028	8,521,230	30/6/2022
2021-2022	Construction of two storeyed dormitory	MOE	On-going	23,990,000	19,423,110	30/6/2023

Year	Type of project	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2021-2022	Repairs of 600 students chairs and 1,700 students lockers	Parents	Complete	1,760,000	1,528,053	30/12/2022
2021-2022	Purchase of 24 seats in the common room.	Parents	Complete	360,000	248,501	30/12/2021
2021-2022	Fencing between tomena secondary and the school	Parents	Complete	200,000	168,000	30/3/2022



PRINCIPAL
KAPENGURIA SCHOOL

.....
Sign

Mr. Moses Ndeda

School Principal

Date: 30/3/2026

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

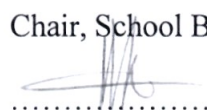
The Board of Management of Kapenguria School accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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, 2022, and of the school's financial position as at that date.

Name: **Mr. Josiah Rotino**

Designation: Chair, School Board of Management

Sign:

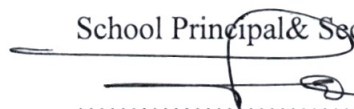

CHAIRMAN
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

Date: 30th March, 2026

Name: **Mr. Moses Ndeda**

Designation: School Principal & Secretary to Board of Management

Sign:

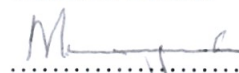

SECRETARY
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

Date: 30th March, 2026

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 YEAR ENDED 30 JUNE, 2022 – 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 18, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash

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, 2022 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.69,721,003 as disclosed in Note 11 of the financial statement. However, the balance included fees arrears balance of Kshs.31,259,320 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 outstanding receivables balance of Kshs.69,721,003 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.153,480,290 and Kshs.142,472,244 respectively, resulting in an under-funding of Kshs.11,008,046 or 7% of the budget. Further, the School spent an amount of Kshs.159,493,306 against the actual receipts of Kshs.142,472,244 resulting in an over-utilization of Kshs.17,021,062 or 12% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of 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 xxi 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 Kshs.27,770,165 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.11,876,000 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 Kshs.5,183,500 was transferred to infrastructure account, leaving a balance of Kshs.6,692,500. 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

Review of payment documents revealed that Management transferred an amount of Kshs.1,479,200 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, value for money transferred to KESSHA amounting to Kshs.1,479,200 could not be confirmed.

5. 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.

6. 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. In addition, 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 which may lead to inefficiencies in resource allocation and distribution and 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 of an Internal Audit Unit

Review of the governance structure revealed that the School had not constituted a functional Audit Committee or establish 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, CBS
AUDITOR-GENERAL

Nairobi

15 April, 2026

V. Statement Of Receipts And Payments Period To 30th June 2022

Description Of Vote Head	Note	2021-2022 Kshs	2020-2021 Kshs
Receipts			
Capitation grants for tuition	1	6,349,169	2,318,161
Capitation grants for operations	2	27,770,165	16,278,757
School fund income- parents' contributions	3	56,020,175	11,413,525
School fund income- other receipts	4	52,332,735	24,030,813
Proceeds from borrowings		0	0
Total Receipts		142,472,244	54,041,256
Payments			
Payments for tuition	5	4,900,975	2,619,426
Payments for operations	6	19,091,999	11,556,066
Boarding and school fund payments	7	135,500,332	40,850,645
Total Payments		159,493,306	55,026,137
Surplus/Deficit		(17,021,062)	(984,881)

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



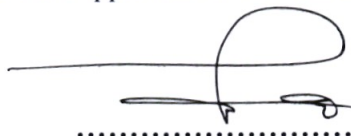
.....

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

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

Description	Note	2021-2022 KShs	2020-2021 KShs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	49,093,967	28,794,159
Cash balances	9	96,162	622,720
Short term investment	10	0	0
Total cash and cash equivalent		49,190,129	29,416,879
Account's receivables	11	69,721,003	106,247,225
Total financial assets		118,911,132	135,664,104
Financial liabilities			
Accounts payables	12	(3,379,545)	(3,111,455)
Net financial assets		115,531,587	132,552,649
Represented by			
Accumulated fund b/fwd	13	132,552,649	133,537,530
Surplus/deficit for the year		(17,021,062)	(984,881)
Net financial position		115,531,587	132,552,649

The school's 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

Bursar/ Finance Officer

Date: 30/3/2026

VII. Statement of Cash Flows for The Period Ended 30th June 2022

Description	Notes	2021-2022 Kshs	2020-2021 Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	6,349,169	2,318,161
Capitation grants for operations	2	27,770,165	16,278,757
School fund income- parents contributions/ fees	3	55,921,736	8,457,435
School fund income- other receipts	4	98,118,753	39,830,341
Other income		0	0
Total receipts		188,159,823	66,884,694
Payments			
Payments for tuition	5	4,900,975	2,619,426
Payments for operations	6	22,948,421	7,577,592
Boarding and school fund payments	7	96,580,825	43,741,837
Total payments		124,430,221	53,938,855
Net cash flow from operating activities		63,729,602	12,945,839
Cashflow from investing activities			
Proceeds from sale of assets		0	0
Acquisition of assets		(43,956,352)	(6,975,796)
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities		(43,956,352)	(6,975,796)
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		19,773,250	5,970,043
Cash and cash equivalent at beginning of the year		29,416,879	23,446,836
Cash and cash equivalent at end of the year		49,190,129	29,416,879

VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget A Kshs.	Adjustments B Kshs.	Final Budget C=A+B Kshs.	Actual on Comparable Basis D Kshs.	Budget Utilization Difference E=A-D Kshs.	% of Utilization F=E/A Kshs.
Receipts						
(1) Capitation Grant on Tuition						
Textbooks And Reference Materials	1,602,860	(1,602,860)	0	0	0	0%
Teaching / Learning Materials	6,477,140	0	6,477,140	6,349,169	127,971	98%
Sub totals	8,080,000	(1,602,860)	6,477,140	6,349,169	127,971	98%
(2) Capitation Grant on Operations						
Personnel Emoluments	9,165,000	0	9,165,000	7,791,390	1,373,610	85%
Repairs And Maintenance	9,750,000	0	9,750,000	9,653,000	97,000	99%
Local Transport / Travelling	2,749,500	0	2,749,500	2,324,215	425,285	85%
Electricity And Water	2,749,500	4,750,500	7,500,000	4,529,279	2,970,721	61%
Medical	3,900,000	(3,820,000)	80,000	0	80,000	0%
SMASSE	390,000	(390,000)	0	0	0	0%
Administration Costs	4,582,500	0	4,582,500	3,472,281	1,110,219	76%
Activity	2,925,000	(2,625,000)	300,000	0	300,000	0%
Sub totals	36,211,500	(2,084,500)	34,127,000	27,770,165	6,356,835	81%
(3) Fees Charged on Parents						
Personnel emoluments	6,045,000	0	6,045,000	5,526,575	518,425	91%
Repairs and maintenance	4,680,000	31,200,000	35,880,000	35,619,310	260,690	99%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	B	C = A+B	D	E = C-D	F = E/C
	Kshs	Kshs			Kshs	Kshs
Local transport / travelling	1,267,500	1,332,500	2,600,000	1,267,500	1,332,500	49%
Electricity and water	9,555,000	0	9,555,000	9,555,000	0	100%
Administration costs	3,607,500	0	3,607,500	3,564,290	43,210	99%
Activity	487,500	0	487,500	487,500	0	100%
Fee on Boarding Equipment and stores	53,400,750	0	53,400,750	52,332,735	1,068,015	98%
Income from farming	1,300,400	0	1,300,400	0	1,300,400	0%
Sub -Total	80,343,650	32,532,500	112,876,150	108,352,910	4,523,240	97%
Total Income	124,635,150	28,845,140	153,480,290	142,472,244	11,008,046	93%
(1) Expenditure For Tuition						
Textbooks And Reference Materials	1,602,860	(1,602,860)	0	0	0	0%
Teaching / Learning Materials	6,477,140	0	6,477,140	4,899,625	1,577,515	75%
Bank Charges	0	0	0	1,350	(1,350)	0%
Sub -total	8,080,000	(1,602,860)	6,477,140	4,900,975	1,576,165	76%
(2) Expenditure For Operations						
Personnel Emoluments	9,165,000	0	9,165,000	880,162	8,284,838	10%
Repairs Maintenance Improvement	9,750,000	0	9,750,000	3,463,825	6,286,175	36%
Local Transport / Travelling	2,749,500	0	2,749,500	1,670,284	1,079,216	61%
Electricity And Water	2,749,500	4,750,500	7,500,000	7,059,689	440,311	94%
Medical	3,900,000	(3,820,000)	80,000	71,040	8,960	89%
Administration	4,582,500	0	4,582,500	5,706,885	(1,124,385)	125%

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budgetary Variance	% of Budget
	A	B	C=A+B	D	E=C-D	F=E/C
	Kshs	Kshs				
Activity Expenses	2,925,000	(2,625,000)	300,000	237,690	62,310	8%
SMASSE	390,000	(390,000)	0	0	0	0%
Bank charges - infrastructure	0	0	0	2,424	(2,424)	0%
Sub -total	36,211,500	(2,084,500)	34,127,000	19,091,999	15,035,001	56%
(3) Expenditure For School Fund						
Personnel Emoluments	6,045,000	0	6,045,000	8,290,006	(2,245,006)	137%
Expenses On farming activities	1,300,400	0	1,300,400	1,242,013	58,387	95%
Repairs And Maintenance & Improvements	4,680,000	31,200,000	35,880,000	43,956,352	(8,076,352)	123%
Local Transport / Travelling	1,267,500	1,332,500	2,600,000	2,507,254	92,746	96%
Electricity And Water	9,555,000	0	9,555,000	2,915,009	6,639,991	31%
Administration Costs	3,607,500	0	3,607,500	3,631,677	(24,177)	100%
Activity	487,500	0	487,500	85,220	402,280	17%
Fee On Boarding Equipment and Stores	53,400,750	0	53,400,750	72,872,801	(19,472,051)	136%
Sub-Total	80,343,650	32,532,500	112,876,150	135,500,332	(22,624,182)	120%
Totals expenditure	124,635,150	28,845,140	153,480,290	159,493,306	(6,013,016)	103%

Explanation:

- There was overutilization in boarding equipment and stores expenditure as a result of an increase in students' population. The school boarding section had to be improved hence additional funds was required during the year.*
- There was under utilization in expenditure for electricity water and conservancy as a result of few repairs done during the year.*

- iii. *There was over utilisation on personal emolument as a result of increase in salaries to pay BOM teachers' salaries.*
- iv. *The underutilisation in expenditure for activity votehead was as a result of availability of sports equipment from the previous year.*
- v. *There was over utilisation in expenditure for repairs maintenance and improvement votehead as a result of increased construction activities during the year..*
- vi. *Few repairs were done leading to underutilisation in expenditure for electricity water and conservancy votehead.*
- vii. *Increased number of departmental meetings , benchmarking, teachers workshops and students motivation led to overutilization in expenditure for administrative votehead. This led to an improvement in performance.*
- viii. *There was underutilisation in receipt of income for personal emolument, local transport and travel, electricity water and conservancy and administration votehead as a result of inadequate funding by Ministry of Education.*

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 2022.

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	0	0
Exercise Books	0	0
Laboratory Equipment	0	0
Internal Exams	0	0
Teaching / Learning Materials	6,349,169	2,318,161
Chalks	0	0
Exams And Assessment	0	0
Teachers Guides	0	0
Total	6,349,169	2,318,161

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	7,791,390	4,258,015
Repairs And Maintenance	9,653,000	6,613,500
Local Transport / Travelling	2,324,215	1,253,873
Electricity And Water	4,529,279	2,416,295
Medical	0	0
Administration Costs	3,472,281	1,737,074
Activity	0	0
Totals	27,770,165	16,278,757

Notes To The Financial Statements (Continued)

3 Parents Contribution/Fees – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	5,526,575	2,636,472
Repairs and maintenance	35,619,310	2,054,615
Local transport / travelling	1,267,500	567,838
Electricity and water	9,555,000	4,337,300
Medical	0	0
Administration costs	3,564,290	1,596,050
Activity	487,500	221,250
Total	56,020,175	11,413,525

4 School Fund Account – Other Receipts

Description	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and stores	52,332,735	24,030,813
Total	52,332,735	24,030,813

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Notes To The Financial Statements (Continued)

5 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	0	0
Exercise Books	0	0
Internal Exams	0	0
Teaching / Learning Materials	4,899,625	2,129,467
Laboratory Equipment	0	489,080
Exams And Assessment	0	0
Bank Charges	1,350	879
Total	4,900,975	2,619,426

6 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	880,162	1,782,207
Repairs Maintenance Improvement	3,463,825	676,880
Local Transport / Travelling	1,670,284	264,291
Electricity And Water	7,059,689	1,734,853
Medical	71,040	164,645
Administration	5,706,885	368,509
Activity Expenses	237,690	187,630
Acquisition of an asset	0	6,371,467
Bank charge	2,424	5,584
Total	19,091,999	11,556,066

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	8,290,006	5,829,019
Expenses On farming activities	1,242,013	533,975
Repairs And Maintenance & Improvements	43,956,352	3,273,660
Local Transport / Travelling	2,507,254	472,950
Electricity And Water	2,915,009	748,721
Medical	0	0
Administration Costs	3,631,677	2,242,271
Activity	85,220	0
Fee On Boarding Equipment and Stores	72,872,801	27,750,049
Total	135,500,332	40,850,645

Kapenguria School
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Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022 Kshs	2020-2021 Kshs
Tuition Account	1106201345	3,344,519	1,896,325
Operations Account	1108293549	11,769,794	11,332,845
School Fund Account/Boarding-KCB	1108293344	8,097,649	6,495,144
School Fund Account/Boarding-Equity	1070294811167	16,072,300	4,441,216
Infrastructure Account	2041627282	5,915,718	734,642
ICT Account	1070296924107	3,893,987	3,893,987
Total		49,093,967	28,794,159

9 Cash In Hand

Description	2021-2022 Kshs	2020-2021 Kshs
Tuition Account	0	0
Operation Account	3,910	191
School Fund account	92,252	622,529
Total	96,162	622,720

10 Short Term Investments

Description	2021-2022 Kshs	2020-2021 Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit	0	0
Equity Stock	0	0
Other Investments	0	0
Total	0	0

Notes To The Financial Statements (Continued)

11 a. Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	69,721,003	106,247,225
Other Non-Fees Receivables	0	0
Salary Advances	0	0
Imprest	0	0
Total	69,721,003	106,247,225

11.b Ageing analysis of Accounts receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	12,372,028	16,282,185
Fees Arrears For The Previous Year	7,348,975	5,267,500
Fees Arrears between 2-3 years	18,740,680	41,130,490
Fees Arrears For Prior Periods (Over Three Years)	31,259,320	43,567,050
Total	69,721,003	106,247,225

12 a Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0	0
Prepaid Fees	2,746,067	3,077,977
Direct deposits	633,478	33,478
Total	3,379,545	3,111,455

12 b. Ageing analysis of Accounts payables

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	0	0
Trade Creditors for The Previous Year	0	0
Trade Creditors for Prior Periods (Over Two Years)	0	0
Total	0	0

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	28,794,159	23,390,953
Cash Balances	622,720	55,883
Short Term Investments	0	0
Receivables	106,247,225	113,025,741
Payables	(3,111,455)	(2,935,047)
Total	132,552,649	133,537,530

Other important disclosure notes

IPSAS 1 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	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Total	0	0

15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Serving bull	1	75,000	80,000
Dairy cows	19	1,425,000	1,125,000
Heifers	3	90,000	60,000
Calves	6	120,000	60,000
Goats	0	0	0
Indigenous Trees	8,017	8,017,000	8,017,000
Maize plantation for agriculture project (1 acre)	20 bags	120,000	100,000
Vegetable plantation (3acres)	49,680 kgs	1,242,013	533,975
Tree plantation 20 acres			
Blue gum	8,000 trees	80,000	60,000
Cyprus	4,000 trees	40,000	20,000
Total		11,209,013	10,055,975

Kapenguria School**Reports and Financial Statements For the year ended 30th June 2022**

16 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	0	0
Balance at end of the year	0	0

17. Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock inventory at the beginning of the year	598,790	3,188,790
Stock inventory purchased during the year	46,845,725	15,405,400
Stock inventory issued during the year	(46,895,900)	(17,995,400)
Balance at the end of the year.	548,615	598,790

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)	Timeframes: (Put a date when you expect the issue to be resolved)



Sign

Mr. Moses Ndeda

Principal

Date 30/3/2026

PRINCIPAL
KAPENGURIA SCHOOL

Openguria School
Reports and Financial Statements For the year ended 30th June 2022

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To- Date	Outstanding Balance 2021-2022	Outstanding Balance 2020 - 2021	Comments
	Kshs	Kshs	Kshs	Kshs	Kshs	
All trade creditors were paid by 30/6/2022						

Kapenguria School
Reports and Financial Statements For the year ended 30th June 2022

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land	Balance b/f 1/7/2021	Kapenguria	161,000,000	0	0	161,000,000
Buildings And Structures	Balance b/f 1/7/2021	Kapenguria	339,878,224	43,956,352	0	383,834,576
Motor Vehicles	Balance b/f 1/7/2021	Kapenguria	14,665,000	0	0	14,665,000
Office Equipment, Furniture And Fittings	Balance b/f 1/7/2021	Kapenguria	36,094,000	0	0	36,094,000
ICT Equipment, And Other ICT Assets	Balance b/f 1/7/2021	Kapenguria	12,638,100	0	0	12,638,100
Tools And Apparatus	Balance b/f 1/7/2021	Kapenguria	3,470,000	0	0	3,470,000
Textbooks	Balance b/f 1/7/2021	Kapenguria	10,891,356	0	0	10,891,356
Other Machinery And Equipment	Balance b/f 1/7/2021	Kapenguria	3,350,000	0	0	3,350,000
Heritage And Cultural Assets	Balance b/f 1/7/2021	Kapenguria	400,000	0	0	400,000
Intangible Assets- Soft Ware	Balance b/f 1/7/2021	Kapenguria	230,525	0	0	230,525
Total			582,617,205	43,956,352	0	626,573,557