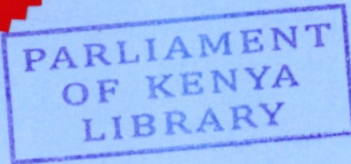


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL <i>Enhancing Accountability</i>	
THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	DATE: 10 JUN 2026
	DAY: WED
TABLED BY:	HON. NAOMI WARD, MP
OF	DEPUTY MAJORITY PARTY WHIP
WORK-AT THE-TABLE:	Y. WAMBOI

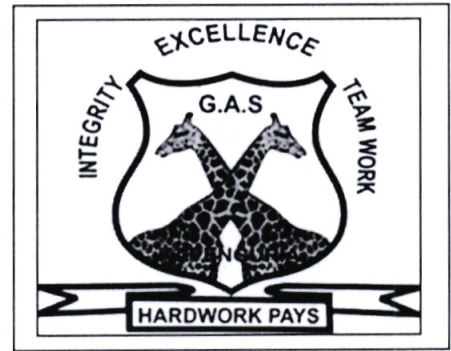
THE AUDITOR-GENERAL

ON

KAPENGURIA SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2024**

WEST POKOT COUNTY



KAPENGURIA SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

Prepared in accordance with the Cash Basis of Accounting Method 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 2024

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
CEMASTEIA	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 **2,034** students as at **30th June 2024**.

It has **Seven** streams and **75** teachers of which **5** 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	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. Ester 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. 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 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. Carolyne 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	Chairman Secretary	4 out of 4 4 out of 4

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2024**

		Mr. Josiah Rotino	Member	4 out of 4
		Mr. Riyaita William	Member	4 out of 4
		Mr. Amos Kibet	SCDE –Ministry	4 out of 4
6	Discipline ,ethics and integrity Committee	Mr. David Katula	Chairman	4 out of 4
		Mrs. Dinah Pkanan	Secretary	4 out of 4
		Mr. John Tinyang	Member	4 out of 4
		Mrs. Milka Psiwa	Member	4 out of 4
		Mrs. Jane Kiprono	Member	4 out of 4
7	Human rights and students welfare Committee	Mr. Laban Korellach	Chairman	4 out of 4
		Mrs. Elizabeth Pkukat	Secretary	4 out of 4
		Ms. Violet Simotwo	Member	4 out of 4
		Mrs. Jane Kiprono	Member	4 out of 4

(d) School operation Management

For the financial period ended 30th June 2024 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1.	Principal	Mr. Moses Ndeda	305385
2.	Deputy principal- Administration	Mr. Wilson Algony Tonyirwo	589816
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 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.

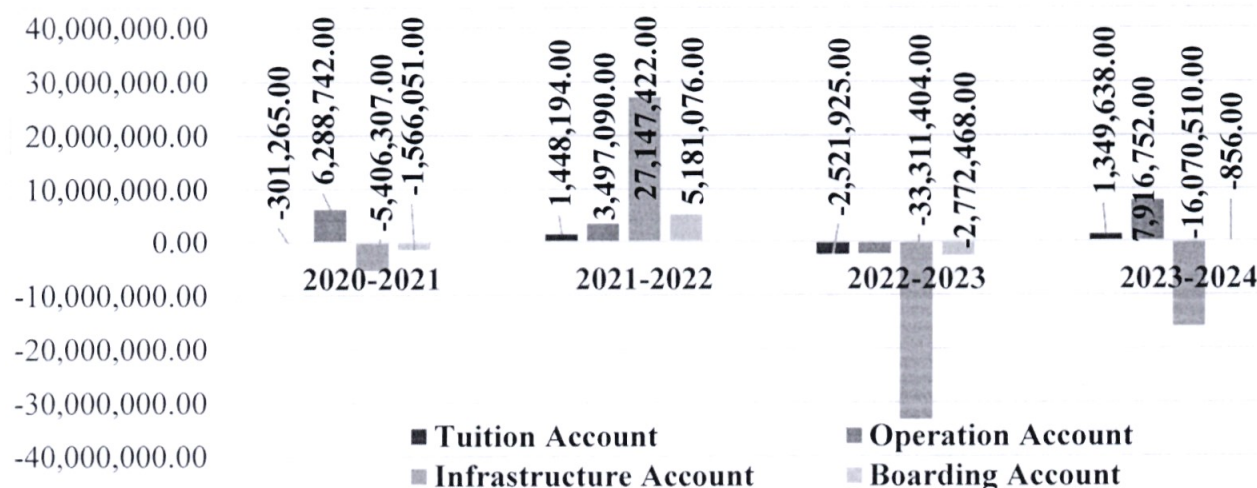
3. Summary Report of Performance of the School

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	2023-2024	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh	Ksh.
1.	Tuition Account	1,349,638	(2,521,925)	1,448,194	(301,265)
2.	Operation Account	7,916,752	(2,451,411)	3,497,090	6,288,742
3.	Boarding Account	(16,070,510)	(33,311,404)	(27,147,422)	(5,406,307)
4.	Infrastructure Account	(856)	(2,772,468)	5,181,076	(1,566,051)
	Total	(6,804,976)	(41,057,208)	(17,021,062)	(984,881)
	<i>increase/decrease</i>	34,252,232	(24,036,146)	(18,005,943)	(41,251,364)

Graphical trend in surplus/deficit over the last four years

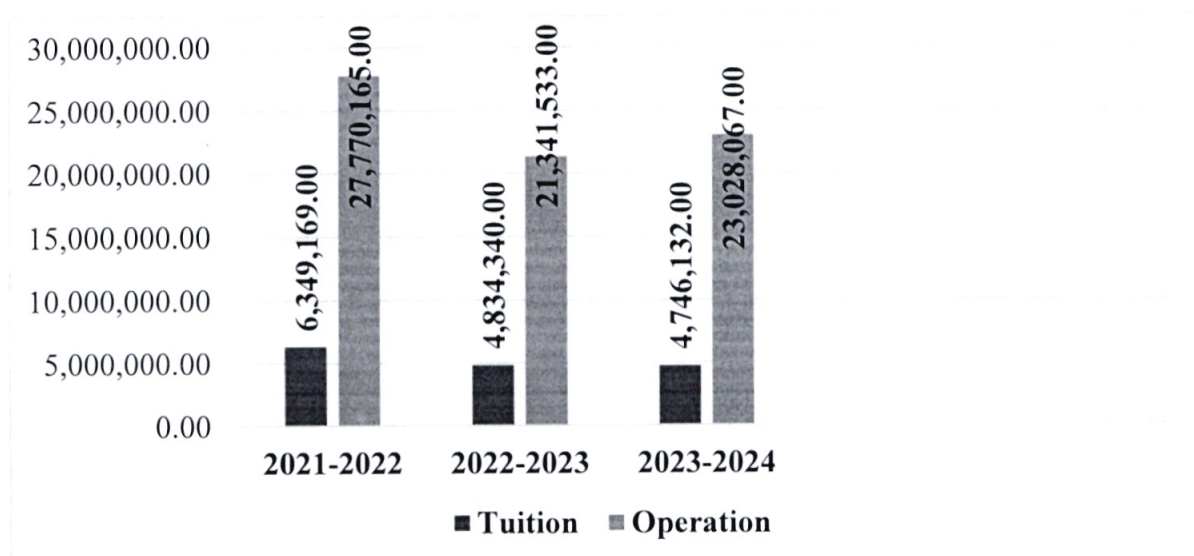


Explanations:

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 2024**

Capitation grants from the Ministry of Education for the last three years				
S/no	Account	2023-2024	2022-2023	2021- 2022
		Ksh	Ksh	Ksh
1	Tuition Account	4,746,132	4,834,340	6,349,169
2	Operation Account	23,028,067	21,341,533	27,770,165
	Total	27,774,199	26,175,873	34,119,334
	Increase/Decrease	1,598,326	(12,584,270)	15,522,416
	No of Students –NEMIS	2,034	1,843	1,922
	Actual number of students - class register	2,034	1,843	1,922
	Ratio of Capitation per student	1:14,361	1:14,664	1:21,622

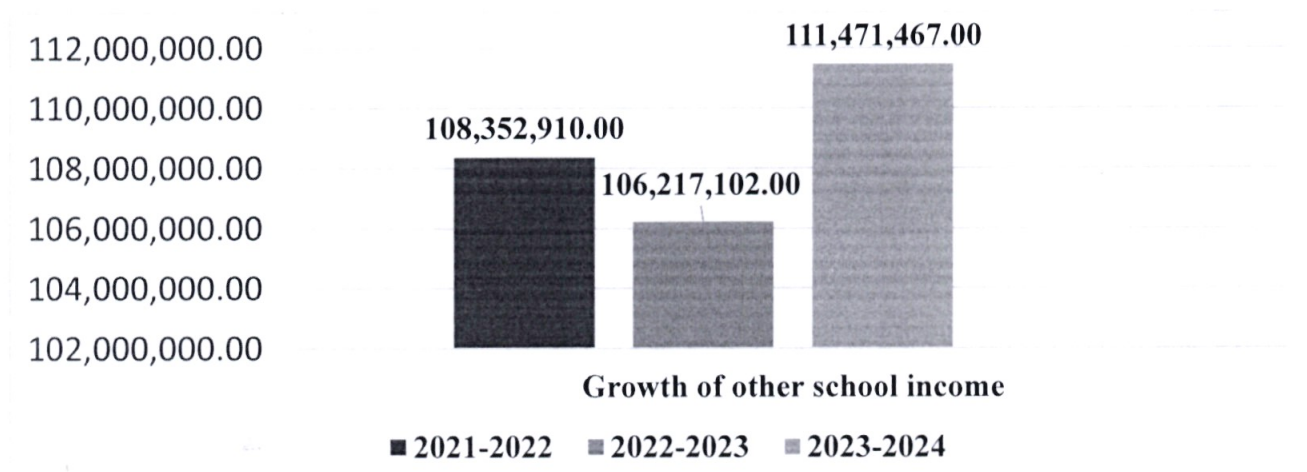
Trend in Capitation Grants over the last three years**Explanations:**

There was an increase in students enrolment, this resulted to an increase in total capitation during the financial year.

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2024**

Overview of growth of other school income earned by the school over the last three years				
S/No	Account	2023-2024	2022-2023	2021-2022
		Ksh	Ksh	Ksh
1	School Fund/Boarding Account	111,471,467	106,217,102	108,352,910
	Total	111,471,467	106,217,102	108,352,910
	Increase/Decrease	5,254,365	(2,135,808)	72,908,572

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

**Comments:**

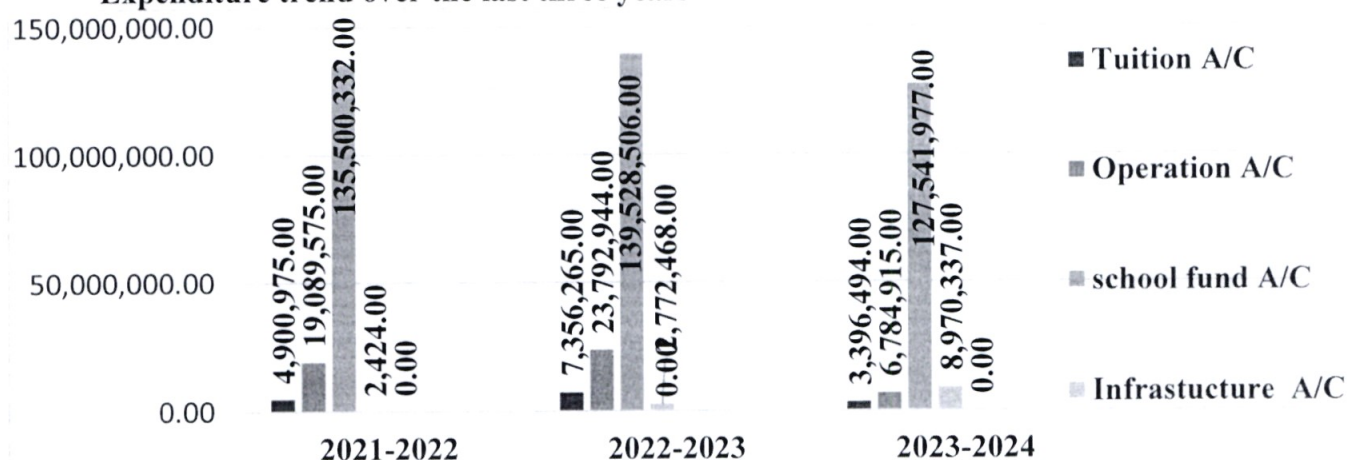
There was an increase in school income as a result of an increase in students population and most parents were able to pay students fees on time.

Kapenguria School

Annual Report and Financial Statements For the year ended 30th June 2024

Overview of growth in expenditure of the school for the last three years				
S/No	Account	2023-2024	2022-2023	2021-2022
		Ksh	Ksh	Ksh
1	Tuition Account	3,396,494	7,356,265	4,900,975
2	Operation Account	6,784,915	23,792,944	19,089,575
3	School Fund/Boarding Account	127,541,977	139,528,506	135,500,332
4	Infrastructure Account	8,970,337	2,772,468	2,424
	Total	146,693,723	173,450,183	159,493,306
	Increase/Decrease	(26,756,468)	13,956,877	104,482,169

Expenditure trend over the last three years

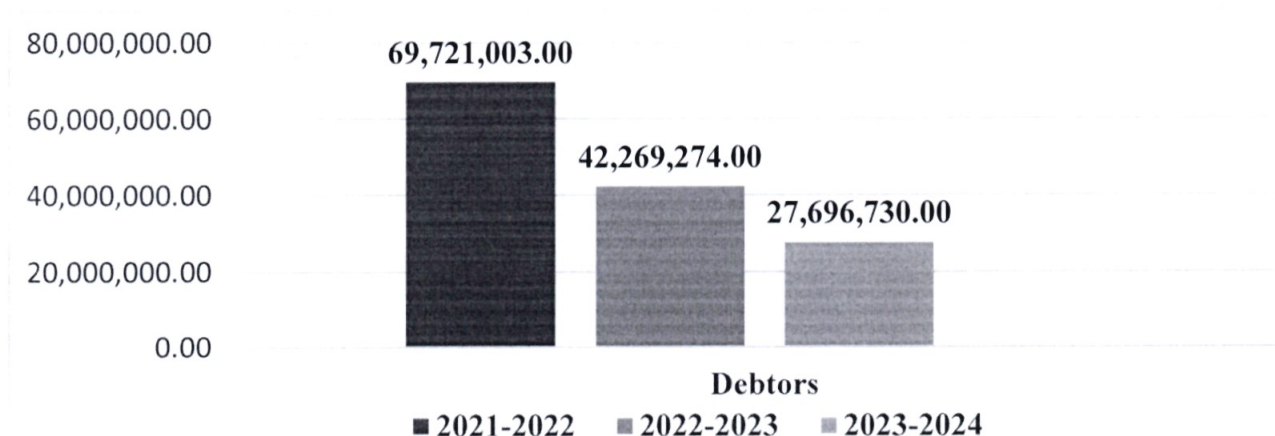


Comments:

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	2023-2024	2022-2023	2021-2022
		Ksh	Ksh	Ksh
1.	School Fund /Boarding Account	27,696,730	42,269,274	69,721,003
	Total	27,696,730	42,269,274	69,721,003
	Increase/Decrease	(14,572,544)	(27,451,729)	(36,526,222)

Trend of debtors over the last three years



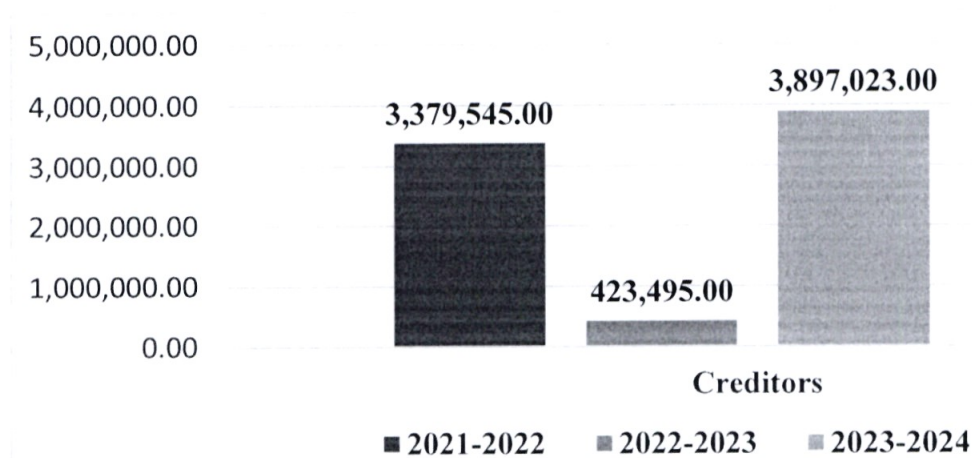
Comments:

The school was able to students arrears during the year.

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

Movement of creditors of the school over the last three years				
S/no	Accounts	2023-2024	2022-2023	2021-2022
		Ksh	Ksh	Ksh
1.	Creditors	3,897,023	423,495	3,379,545
	Total	3,897,023	423,495	3,379,545
	Increase/Decrease	3,473,528	(2,956,050)	268,090

Trend of creditors over the last three years



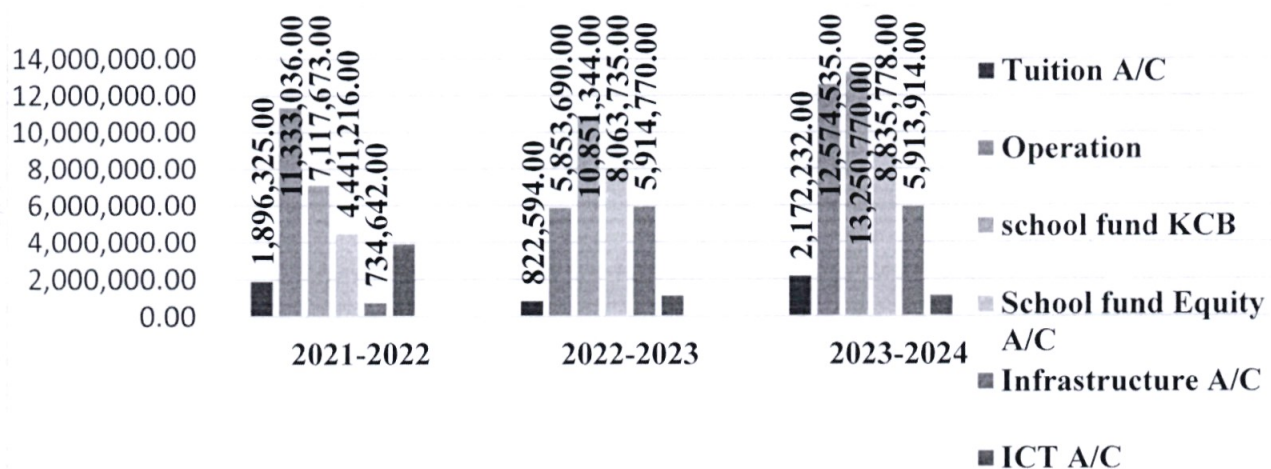
Comments:

The increase in total creditors was as a result of prepaid fees during the year.

The school is to issue receipts to students with prepaid fees during the next financial year.

Movement of cash and bank balances over the last three years				
S/no	Account	2023-2024	2022-2023	2021-2022
		Ksh	Ksh	Ksh
1	Tuition Account	2,172,232	822,594	3,344,519
2	Operation Account	12,574,535	5,853,690	11,773,704
3	Boarding-KCB	13,250,770	10,851,344	8,189,901
4	Boarding-Equity	8,835,778	8,063,735	16,072,300
5	Infrastructure account	5,913,914	5,914,770	5,915,718
6	ICT Account	1,122,467	1,122,467	3,893,987
	Totals	43,869,696	32,628,600	49,190,129
	Increase/ decrease	11,241,096	(16,561,529)	19,773,250

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 2024**

b) Teacher Student ratio:

Between the month of 1st July 2023 and 30th June 2024, the status of the teaching staff was as follows:

Number of teachers employed by School BOM	5
Number of teachers employed by TSC	70
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	2,034
Teacher : students ratio	1:27
Number of streams	7
Total subjects taught at school	12
Teacher shortage subject combination	Number of teachers required
Eng /Literature	1
Maths/ Chem	1
Bio/Chemistry	1
Kiswahili/C.R.E	1
Maths/Business Studies	1

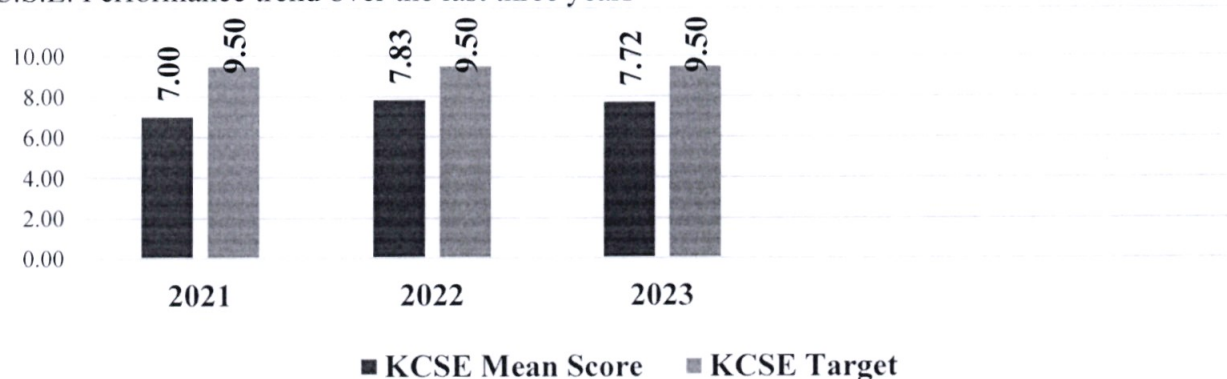
comments:

We have a shortage of **5** teachers as a challenge. This is as a result of increased students population. The school has hired **5** additional teachers on BOM terms, to ensure effective teaching and learning at school.

(c) K.C.S.E Mean score in the year : 2021, 2022 and 2023.

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
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 .
2021	484	275	6.996	-0.453	6.08%	9.5000	There was a drop in KCSE mean score due to inadequate teaching staff.

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



Comments:

There was a negative deviation from the previous mean. The school is determined to improve and attain a mean target of 9.500.

(d) KCSE Number of Candidates in the 2021, 2022 and 2023:

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

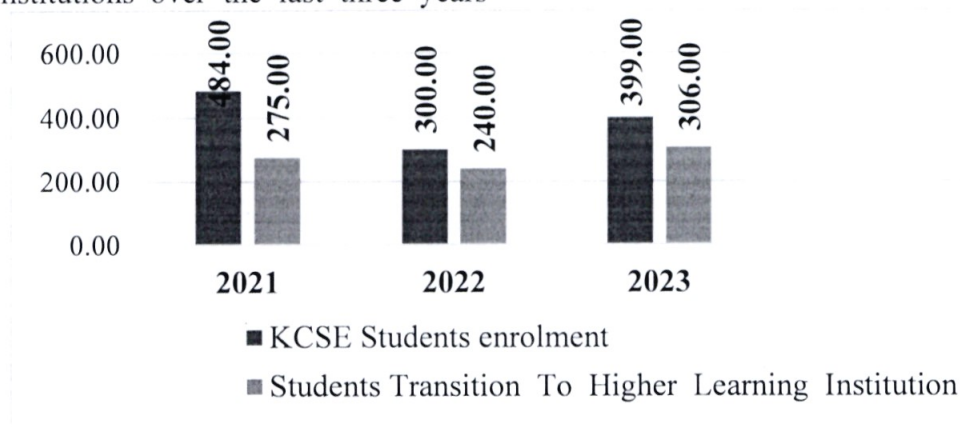
Year	2023	2022	2021
<i>KCSE No of candidates</i>	399	300	484
Total	399	300	484
<i>Increase/decrease</i>	99	(184)	130

Number of candidates that transitioned to higher learning institutions

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

Year	2023	2022	2021
<i>Number of students that transitioned to university</i>	306	240	275
Total	306	240	275
<i>Increase/decrease</i>	66	(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 has been a continuous improvement in the number of students who proceed to University for further education in all KCSE Examinations . The school is determined to maintain the positive trend.

Kapenguria School

Annual Report and Financial Statements For the year ended 30th June 2024

(e) Capacity of the school:

Financial year		From 1 st July 2023 - 30 th June 2024			
Total Number of students		2,034			
Total teaching staff		75			
Total support staff		41			
Total population		2,150			
school facilities	No. of facilities		ratio to students population	condition of the available facility	comments
	Status				
Administration block	Permanent	1	1:75	Excellent	Adequate
Dining hall	Permanent	1	1:2,034	Excellent	More space is required to meet increased students population
Classrooms	Permanent	28	1:72	Excellent	Inadequate
Dormitories	Permanent	17	1:119	Excellent	More dormitories required
Laboratories	Permanent	6	1:339	Excellent	Inadequate
Library	Permanent	1	1:2,034	Excellent	Inadequate
Store	Permanent	2	1:1,017	Excellent	Adequate
Staff quarters- Teachers	Permanent	16	1:4	Excellent	More required to meet increased staff population
Staff quarters- support staff	Permanent	20	1:2	Excellent	More required
Abolition block- teachers	Permanent	30	1:2	Excellent	Adequate
Kitchen	Permanent	1	1:2,034	Excellent	More required
Abolition block – students	Permanent	60	1:34	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 complete the construction of the on-going project that is construction of 1,800 capacity dining hall according to the school strategic plan.

(g) Development projects carried out by the school:

Year	Type of project	Source of funds	Status	Initial Cost (KShs)	Amount Spent (KShs)	Expected completion time
2023-2024	Construction of phase I , 1,800 capacity Dining hall	MOE	On- going	11,914,000	8,968,414	30/7/2024
2023-2024	Renovation of two CBC classroom as marking centre	Parents	Complete	2,000,000	1,942,916	30-1-2024
2023-2024	Renovation of three SEQUIP classrooms	Parents	Complete	500,000	334,424	15/1/2024
2023-2024	Landscaping of CBC area	Parents	Complete	900,000	774,180	30/6/2024
2023-2024	Landscaping and planting of flowers around dormitory area	Parents	Complete	1,946,600	1,629,400	31/12/2023
2023-2024	Construction of three teachers staff Quarters and sanitation facilities	Parents	Complete	2,550,000	2,150,000	31/10/2023
2023-2024	Construction of stairway between assembly ground and Form 4C	Parents	Complete	250,000	210,800	30/12/2023
2023-2024	Fencing staff zone B	Parents	Complete	300,000	366,500	30/10/2023
2023-2024	Fencing staff zone D	Parents	Complete	400,000	386,400	1/1/2024
2023-2024	Fixing of carbons from bus parking to the road heading towards main field	Parents	Complete	1,200,000	1,200,000	30/11/2023

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2024**

Year	Type of project	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2023-2024	Renovation of three staff houses and converting white house to staff quarters.	Parents	Complete	1,000,000	995,650	30/2/2024
2023-2024	Landscaping dining hall area	Parents	Complete	500,000	578,106	30/4/2024
2023-2024	Construction of students eating point around the school kitchen	Parents	Complete	1,500,000	1,647,779	30/4/2024
2023-2024	Fencing around staff quarters zone A and around SEQUIP classes	Parents	Complete	200,000	122,600	30/4/2024
2023-2024	Construction of a drainage system around the dormitory section and the kitchen area	Parents	Complete	500,000	447,197	30/6/2024
2023-2024	Renovation of three dormitories: Mbuni , Jogoo, Pelikans, (Repairs of floor and windows)	Parents	Complete	1,200,000	1,126,900	31/12/2023
2023-2024	Renovation of two dormitories: Tausi , Falcon (repairs of	Parents	Complete	1, 300,000	1,100,000	30/11/2023

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2024**

	terrazzo)					
2023-2024	Construction of pavements by fixing carbons around the dormitory area.	Parents	Complete	2,910,000	2,890,000	31/12/2023
2023-2024	Repairs of terrazzo : Form 2N	Parents	Complete	800,000	578,150	31/12/2023
2023-2024	Renovation of toilets for staff use around staff zone D	Parents	Complete	400,000	347,040	30/4/2024
2023-2024	Construction of 4 single support staff quarters around the school dairy and sanitation facility.	Parents	Complete	850,000	950,000	30/4/2024
2023-2024	Installation of new cookers for the new students' kitchen	Parents	Complete	3,000,000	2,500,000	30/12/2023

**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 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, 2024, and of the school's financial position as at that date.

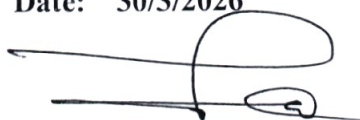


CHAIRMAN
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

.....
Name: Mr. Josiah Rotino

Designation: Chair, School Board of Management

Date: 30/3/2026



SECRETARY
BOARD OF MANAGEMENT
KAPENGURIA SCHOOL

.....
Name: Mr. Moses Ndeda

Designation: School Principal & Secretary to Board of Management

Date: 30/3/2026



.....
Name: Mr. James Nalelia

Designation: Bursar/ Finance Officer

Date: 30/3/2026

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, 2024 – 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 20, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash

Report of the Auditor-General on Kapenguria School for the year ended 30 June, 2024 – West Pokot County

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kapenguria School at 30 June, 2024 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 receivable balance of Kshs.27,696,730 as disclosed in Note 13(a) of the financial statement. However, the balance included fees arrears balance of Kshs.7,501,767 which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy of the long outstanding accounts receivables balance of Kshs.27,696,730 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.

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.21,341,533 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount was Kshs.6,761,400 which was to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, no amount was transferred to infrastructure account.

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 within 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 records revealed that Management transferred an amount of Kshs.680,800 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.680,800 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.

7. Long Outstanding Accounts Payables

The statement of financial assets and financial 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 states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates.

In the circumstances, Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Ineffective Textbooks Management

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

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

2. Failure to Establish a Functional Audit Committee and 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

17 April, 2026

Kapenguria School**Annual Report and Financial Statements For the year ended 30th June 2024****6. Statement Of Receipts and Payments For the Year Ended 30th June 2024**

Description Of Vote Head	Note	2023-2024 Kshs	2022-2023 Kshs
Receipts			
Government grants for tuition	1	4,746,132	4,834,340
Government grants for operations	2	14,701,667	21,341,533
Government Grants for infrastructure	3	8,934,400	0
School fund income- parents' contributions	4	111,471,467	106,217,102
Miscellaneous incomes	5	35,081	0
Total Receipts		139,888,747	132,392,975
Payments			
Tuition	6	3,396,494	7,356,265
Operations	7	6,784,915	23,792,944
Infrastructure	8	8,970,337	2,772,468
Boarding and school fund	9	127,541,977	139,528,506
Total Payments		146,693,723	173,450,183
Surplus/Deficit		(6,804,976)	(41,057,208)

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

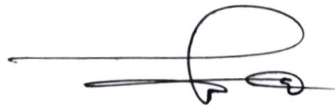


Name:
Mr. Josiah Rotino

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 2024

7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	43,865,368	32,181,226
Cash balances	11	4,328	447,374
Short term investments	12	0	0
Total cash and cash equivalent		43,869,696	32,628,600
Account's receivables	13	27,696,730	42,269,274
Total financial assets		71,566,426	74,897,874
Financial liabilities			
Accounts payables	14	(3,897,023)	(423,495)
Net financial assets		67,669,403	74,474,379
Represented by			
Accumulated fund b/fwd	15	74,474,379	115,531,587
Surplus/deficit for the year		(6,804,976)	(41,057,208)
Net financial position		67,669,403	74,474,379

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

8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	4,746,132	4,834,340
Government grants for operations	2	14,701,667	21,341,533
Government grants for infrastructure	3	8,934,400	0
School fund income- parents contributions/ fees	4	132,483,924	136,501,000
Other income	5	35,081	0
Total receipts		160,901,204	162,676,873
Payments			
Cash outflows for tuition	6	3,396,494	7,356,265
Cash outflows for operations	7	7,980,822	27,261,547
Cash outflows Boarding/lunch and school fund payments	9	107,036,336	102,839,270
Total payments		118,413,652	137,457,082
Net cash inflow/outflow from operating activities		42,487,552	25,219,791
Cash flow from investing activities			
Acquisition of assets	8	(31,246,456)	(41,781,320)
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash inflow/outflows from investing activities		(31,246,456)	(41,781,320)
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		11,241,096	(16,561,529)
Cash and cash equivalent at beginning of the FY		32,628,600	49,190,129
Cash and cash equivalent at end of the FY		43,869,696	32,628,600

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

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

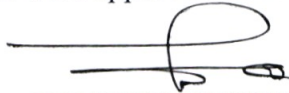


.....
Name:
Mr. Josiah Rotino

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

Finance Officer

Date: 30/3/2026

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

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>					
Textbooks	3,547,296	(3,547,296)	0	0	0%
Teaching / learning materials	4,881,600	0	4,881,600	4,746,132	97%
Sub –Total	8,428,896	(3,547,296)	4,881,600	4,746,132	97%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	10,485,270	(8,485,270)	2,000,000	1,823,583	91%
Repairs And Maintenance	1,900,000	0	1,900,000	1,820,189	96%
Local Transport / Travelling	905,130	0	905,130	905,130	100%
Electricity And Water	2,949,300	0	2,949,300	2,749,299	93%
Medical	4,068,000	(4,068,000)	0	0	0%
Administration Costs	4,779,900	0	4,779,900	4,352,465	91%
Activity	3,051,000	0	3,051,000	3,051,001	100%
SMASSE	406,800	(406,800)	0	0	0%
Sub-Totals	28,545,400	(12,960,070)	15,585,330	14,701,667	94%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	8,270,000	0	8,270,000	8,326,400	100%
M&I parents' contribution	650,000	0	650,000	608,000	93%
Sub – Total	8,920,000	0	8,920,000	8,934,400	100%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

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	6,305,400	0	6,305,400	6,437,205	100%
Repairs and maintenance	4,881,600	32,544,000	37,425,600	33,455,072	91%
Local transport / travelling	1,322,100	2,237,400	3,559,500	3,520,000	98%
Electricity and water	9,966,600	0	9,966,600	9,966,600	100%
Administration costs	3,762,900	8,613,990	12,376,890	3,650,700	29%
Activity	508,500	0	508,500	508,500	99%
Fee on Boarding Equipment and stores	55,701,090	0	55,701,090	53,933,390	96%
Sub-Total	82,448,190	43,395,390	125,843,580	111,471,467	91%
5) miscellaneous income					
Commission income	0	0	0	35,081	0%
Income From Farming Activities	0	0	0	0	0%
Income From Posho Mill	0	0	0	0	0%
Income From Bus Hire	0	0	0	0	0%
Sub-Total	0	0	0	35,081	0%
Total income	128,342,486	26,888,024	155,230,510	139,888,747	91%
(6) Expenditure For Tuition					
Textbook	3,547,296	(3,547,296)	0	0	0%
Teaching / Learning Materials	4,881,600	0	4,881,600	3,394,806	70%
Bank Charges	0	0	0	1,688	0%
Sub -Total	8,428,896	(3,547,296)	4,881,600	3,396,494	70%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

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
(7) Expenditure For Operations					
Personnel Emoluments	10,485,270	(8,485,270)	2,000,000	78,700	4%
Repairs Maintenance Improvement	1,900,000	0	1,900,000	139,580	7%
Local Transport / Travelling	905,130	0	905,130	861,329	95%
Electricity And Water	2,949,300	0	2,949,300	2,924,009	99%
Medical	4,068,000	(4,068,000)	0	0	0%
Administration	4,779,900	0	4,779,900	2,492,926	52%
Activity Expenses	3,051,000	0	3,051,000	288,371	9%
Smasse	406,800	(406,800)	0	0	0%
Sub-Total	28,545,400	(12,960,070)	15,585,330	6,784,915	44%
(8) Expenditure For infrastructure					
Dining hall project	8,920,000	0	8,920,000	8,965,737	100%
Bank charges	0	0	0	4,600	0%
Sub-Total	8,920,000	0	8,920,000	8,970,337	100%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	6,305,400	0	6,305,400	11,486,278	182%
Repairs And Maintenance & Improvements	4,881,600	32,544,000	37,425,600	35,864,513	96%
Local Transport / Travelling	1,322,100	2,237,400	3,559,500	3,489,623	98%
Electricity And Water	9,966,600	0	9,966,600	9,421,917	94%
Medical	0	0	0	0	0%

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

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
Administration Costs	3,762,900	8,613,990	12,376,890	11,134,964	90%
Activity	508,500	0	508,500	1,652,764	325%
Fee On Boarding Equipment and Stores	55,701,090	0	55,701,090	54,491,918	98%
Sub – Total	82,448,190	43,395,390	125,843,580	127,541,977	101%
Total expenditure	128,342,486	26,888,024	155,230,510	146,693,723	95%

Explanation:

- i. There was underutilisation in receipt of funds for boarding equipment and stores as a result of inadequate funding from parents
- ii. There was over utilisation in expenditure for activity votehead in school fund account was due to students doing better in the following games activities:- rugby, basketball, music, badminton and lawn tennis while science congress for mathematics and science subjects proceeded to national level. All the listed school activities had to proceed to regional competition which required additional funds.
- iii. 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.
- iv. The overutilization in expenditure for personal emolument of 182% in school fund account was as a result of additional payment of salaries paid to BOM teaching staff so as to ensure effective service delivery in teaching and learning activities at school for students better performance .
- 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 administration and activity votehead in operation account was as a result of inadequate funding, hence most of the payments were made through school fund account.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials	0	0
Exercise Books	0	0
Laboratory Equipment	0	0
Internal Exams	0	0
Teaching / Learning Materials	4,746,132	4,834,340
Total	4,746,132	4,834,340

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	1,823,583	262,472
Repairs And Maintenance	1,820,189	9,465,000
Local Transport / Travelling	905,130	1,779,420
Electricity And Water	2,749,299	2,669,130
Medical	0	0
Administration Costs	4,352,465	4,548,549
Activity	3,051,001	2,616,962
Totals	14,701,667	21,341,533

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Notes to the Financial Statements (continued)

3 Government Grants for infrastructure

Description	2023-2024 Kshs	2022-2023 Kshs
Maintenance & Improvement MOE	8,326,400	0
Maintenance & Improvement - Parents contribution	608,000	0
Total	8,934,400	0

4 School Fund Income -Parents Contribution/Fees

Description	2023-2024 Kshs	2022-2023 Kshs
Personnel emoluments	6,437,205	5,868,300
Repairs and maintenance	33,455,072	34,031,200
Local transport / travelling	3,520,000	1,230,450
Electricity and water	9,966,600	9,275,700
Administration costs	3,650,700	3,502,605
Activity	508,500	469,042
Fee on Boarding Equipment and stores	53,933,390	51,839,805
Total	111,471,467	106,217,102

5 Miscellaneous Incomes

Description	2023-2024 Kshs	2022-2023 Kshs
Commission income	35,081	0
Dividends Income	0	0
Loans/Borrowings	0	0
Other Income	0	0
Total	35,081	0

Notes to the Financial Statements (continued)

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books	0	0
Textbooks	0	0
Reference materials	0	0
Laboratory Equipment	0	0
Teaching / Learning Materials	3,394,806	7,351,311
Exams And Assessment	0	0
Teachers Guides	0	0
Bank Charges	1,688	4,954
Total	3,396,494	7,356,265

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	78,700	541,814
Repairs Maintenance Improvement	139,580	11,290,100
Local Transport / Travelling	861,329	1,973,655
Electricity And Water	2,924,009	5,824,724
Medical	0	0
Administration	2,492,926	2,709,011
Activity Expenses	288,371	1,453,640
Total	6,784,915	23,792,944

8 Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Construction of a new kitchen and a water heating system	0	2,771,040
Bank charges – ICT /c	0	480
Dining hall project	8,965,737	0
Bank charges - Infrastructure A/c	4,600	948
Total	8,970,337	2,772,468

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Notes to the Financial Statements (continued)

9 Boarding And School Fund

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	11,486,278	10,712,473
Expenses On farming activities	0	0
Repairs And Maintenance & Improvements	35,864,513	55,677,240
Local Transport / Travelling	3,489,623	4,016,406
Electricity And Water	9,421,917	1,818,351
Medical	0	0
Administration Costs	11,134,964	14,623,211
Activity	1,652,764	806,350
Fee On Boarding Equipment and Stores	54,491,918	51,874,475
Total	127,541,977	139,528,506

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1106201345	2,172,232	822,594
Operations Account	Active	1108293549	12,573,773	5,829,563
School Fund Account/Boarding-KCB	Active	1108293344	13,250,770	10,851,344
School Fund Account/Boarding-Equity	Active	1070294811167	8,832,212	7,640,488
Infrastructure Account	Active	2041627282	5,913,914	5,914,770
Laboratory Project /ICT Account	Active	1070296924107	1,122,467	1,122,467
Total			43,865,368	32,181,226

11 Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	4,328	447,374
Total	4,328	447,374

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Notes to the Financial Statements (continued)

12 Short Term Investments

Description	2023-2024	2022-2023
	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	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	27,696,730	42,269,274
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	27,696,730	42,269,274

13 b Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
		Kshs		Kshs
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	6,779,263	24%	12,613,409	30%
Between 1- 2 years	8,643,200	31%	7,765,400	18%
Between 2-3 years	4,772,500	17%	9,560,500	23%
Over 3 years	7,501,767	28%	12,329,965	29%
Total (should tie to note 13 a)	27,696,730	100%	42,269,274	100%

Notes to the Financial Statements (continued)

14 a. Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0	0
Prepaid Fees	3,394,482	390,017
Direct deposits	502,541	33,478
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Total	3,897,023	423,495

14b. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	% of the total	2022-2023	% 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	2023-2024	2022-2023
	Kshs	Kshs
Bank Balances	32,181,226	49,093,967
Cash Balances	447,374	96,162
Short Term Investments	0	0
Receivables	42,269,274	69,721,003
Payables	(423,495)	(3,379,545)
Total	74,474,379	115,531,587

Kapenguria School
Annual Report and Financial Statements For the year ended 30th June 2024

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	2023-2024	2022-2023
	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	2023-2024	2022-2023
		Kshs	Kshs
Serving bull	1	80,000	85,000
Dairy cows	20	1,500,000	1,575,000
Heifers	2	30,000	30,000
Calves	7	70,000	100,000
Goats	0	0	0
Indigenous Trees	10,000	10,000,000	8,017,000
Maize plantation for agriculture project (1 acre)	20 bags	160,000	150,000
Tree plantation 20 acres			
Blue gum	11,000 trees	110,000	80,000
Cyprus	9,000 trees	90,000	40,000
Total		12,040,000	10,077,000

Other important disclosure notes

18 Borrowings

Description	2023-2024	2022-2023
	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	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	548,600	325,078
Lab consumables	290,600	155,450
Farm produce	30,000	240,000
Medication	5,000	22,050
Construction Materials	340,600	1,425,000
Laboratory chemicals	45,600	85,000
Electrical fittings and materials	15,350	23,500
Office materials/stationery	48,520	11,500
Examination materials	120,000	55,220
Totals	1,444,270	2,342,798

Kapenguria School

Annual Report and Financial Statements For the year ended 30th June 2024

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

Mr. Moses Ndeda

Principal

Date: 30/3/2026

PRINCIPAL
KAPENGURIA SCHOOL

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 2023-2024
	A	B		C	
	Kshs	Kshs	Kshs	Kshs	

All trade creditors and pending bills were paid by 30/6/2024 hence there were no trade creditors at the end of the financial year.

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Annual Report and Financial Statements For the year ended 30th June 2024
Annex 2 – Summary Of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land (161 acres)	161,000,000	0	0	161,000,000
Buildings And Structures	425,615,896	31,246,456	0	456,862,352
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	668,354,877	31,246,456	0	699,601,333