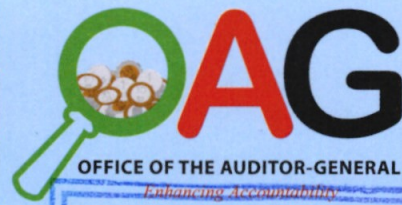


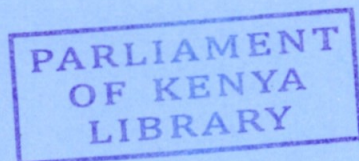
REPUBLIC OF KENYA



REPORT

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

THE AUDITOR-GENERAL

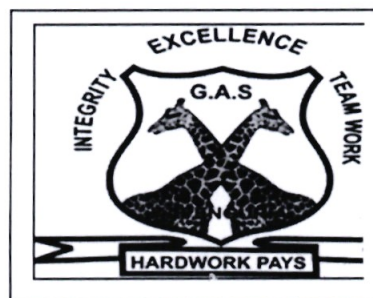


ON

KAPENGURIA SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

WEST POKOT COUNTY



KAPENGURIA SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary School

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 **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 **1,843** students as at **30th June 2023**.

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	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. 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 Mr. Josiah Rotino Mr. Riyaita William Mr. Amos Kibet	Chairman Secretary Member Member SCDE –Ministry	4 out of 4 4 out of 4 4 out of 4 4 out of 4 4 out of 4
6	Discipline ,ethics and integrity Committee	Mr. David Katula Mrs. Dinah Pkanan Mr. John Tinyang Mrs. Jane Kiprono	Chairman 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 2023 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. 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 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

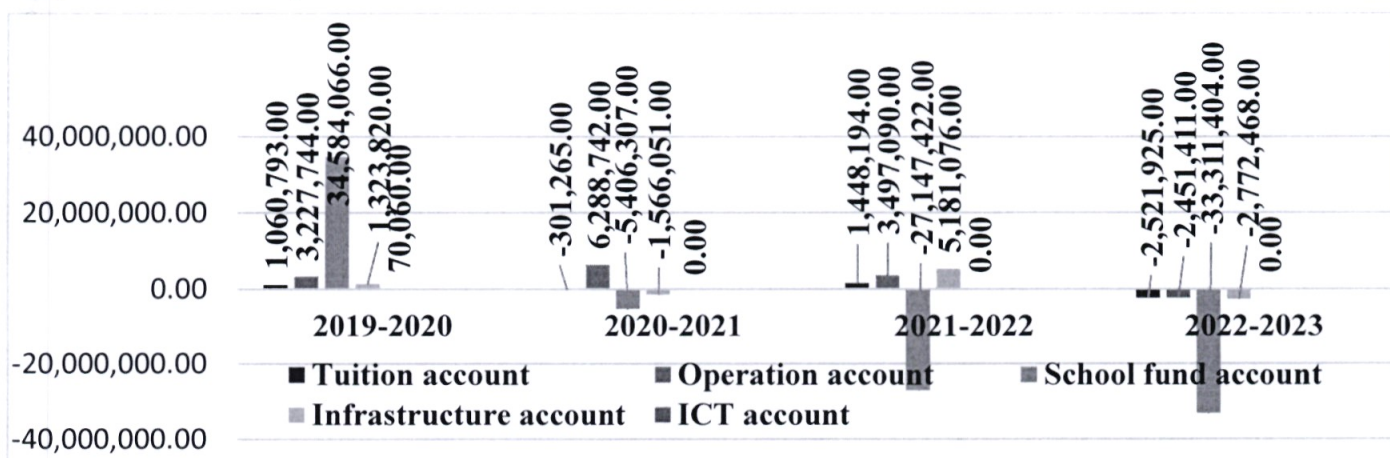
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Surplus /deficit during the year and a comparison of the same for the last four years

	Accounts	2022-2023	2021-2022	2020-2021	2019-2020
		Ksh	Ksh	Ksh	Ksh
1.	Tuition Account	(2,521,925)	1,448,194	(301,265)	1,060,793
2.	Operation Account	(2,451,411)	3,497,090	6,288,742	3,227,744
3.	Boarding Account	(33,311,404)	(27,147,422)	(5,406,307)	34,584,066
4.	Infrastructure Account	(2,772,468)	5,181,076	(1,566,051)	1,323,820
5.	ICT Account	0	0	0	70,060
	Total	(41,057,208)	(17,021,062)	(984,881)	40,266,483
	<i>increase/decrease</i>	(24,036,146)	(16,036,181)	(41,251,364)	33,688,931

Graphical trend in surplus/deficit over the last four years



Explanations

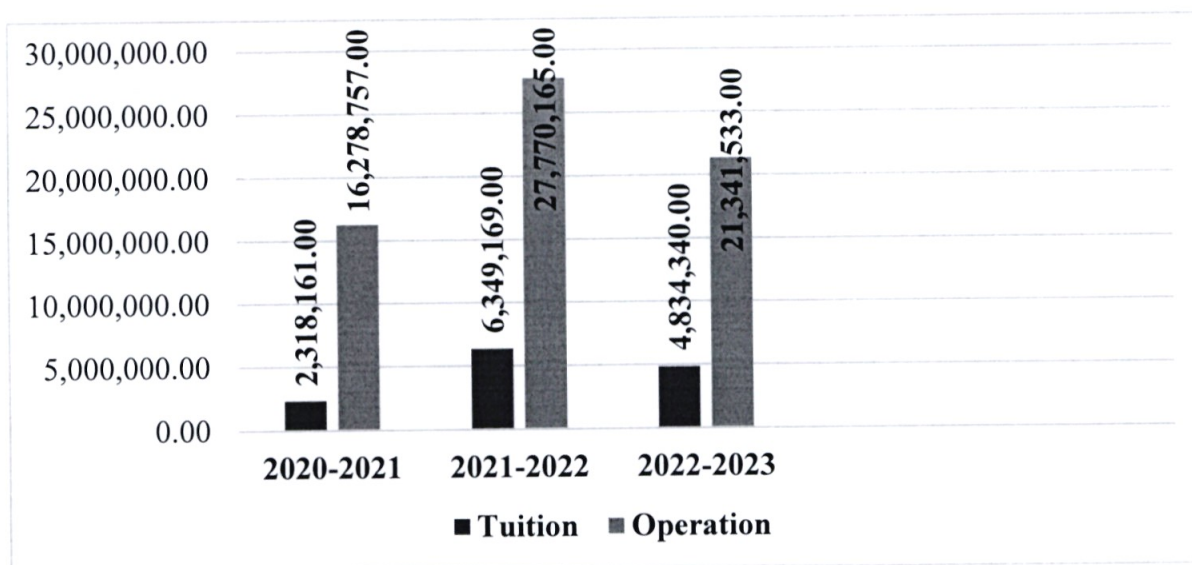
The decrease in total surplus was as a result of inadequate funding during the year.

Kapenguria school

Annual Report and Financial Statements For the year ended 30th June 2023

Capitation grants from the Ministry of Education for the last three years				
S/no	Account	2022-2023	2021-2022	2020- 2021
		Ksh	Ksh	Ksh
1	Tuition Account	4,834,340	6,349,169	2,318,161
2	Operation Account	21,341,533	27,770,165	16,278,757
	Total	26,175,873	34,119,334	18,596,918
	Increase/Decrease	(12,584,270)	15,522,416	(2,466,804)
	No of Students –Nemis	1,843	1,922	1,834
	Actual number of students - class register	1,843	1,922	1,834
	Ratio of Capitation per student	1:14,664	1:21,622	1:12,738

Trend in capitation grants over the last three years



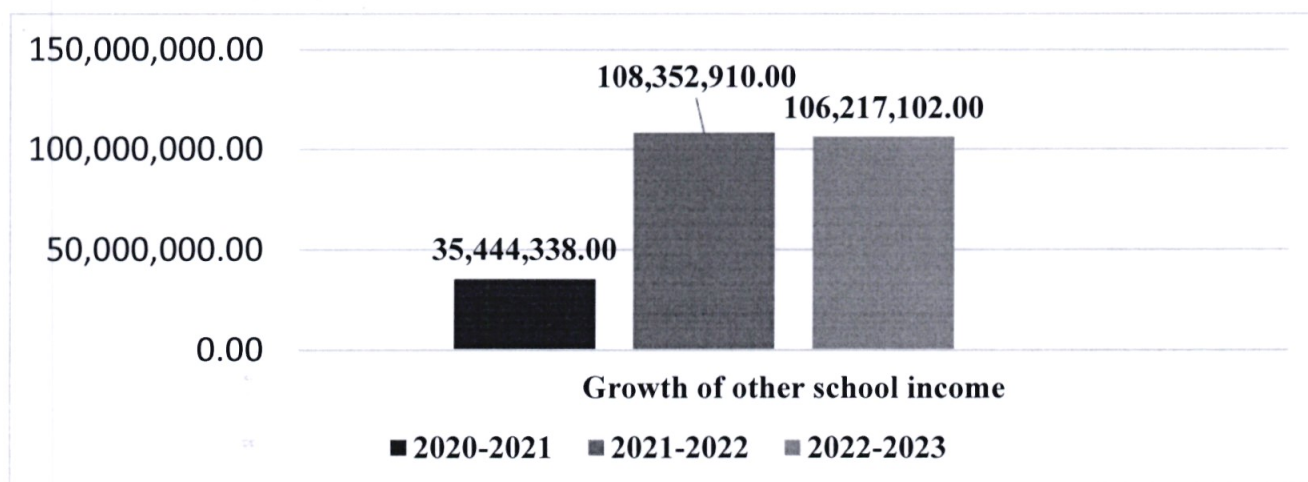
Explanations:

The decrease in total capitation received during the year was as a result of inadequate funding.

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

S/no	Account	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1	School Fund/Boarding Account	106,217,102	108,352,910	35,444,338
	Total	106,217,102	108,352,910	35,444,338
	Increase/Decrease	(2,135,808)	72,908,572	(58,785,346)

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



Comments:

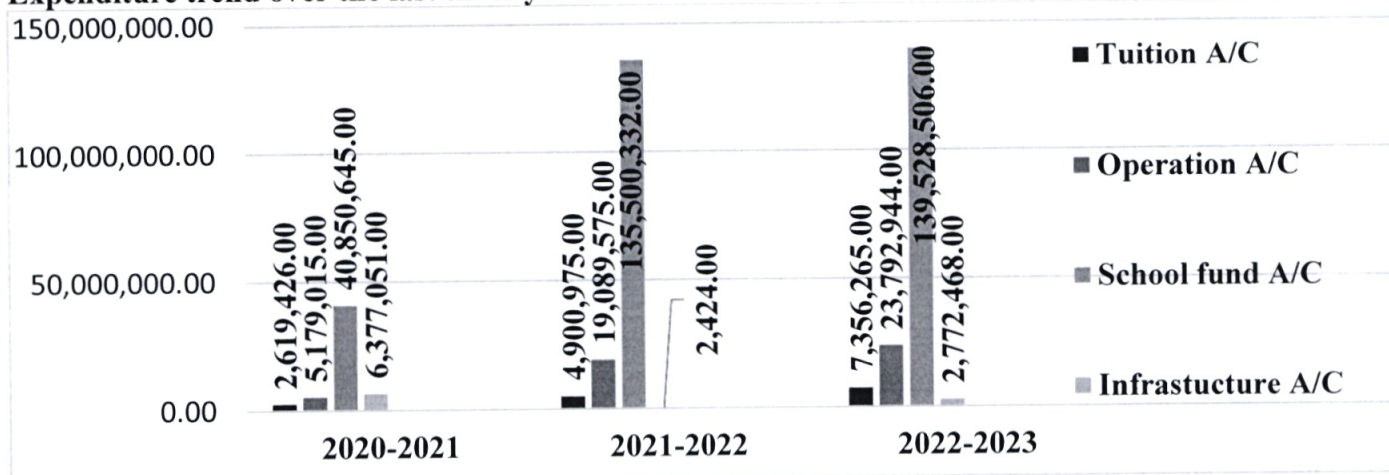
The decrease in total income was as a result of inadequate funding from parents.

Kapenguria school

Annual Report and Financial Statements For the year ended 30th June 2023

Overview of growth in expenditure of the school for the last three years				
S/no	Account	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1	Tuition Account	7,356,265	4,900,975	2,619,426
2	Operation Account	23,792,944	19,089,575	5,179,015
3	Boarding Account	139,528,506	135,500,332	40,850,645
4	Infrastructure Account	2,772,468	2,424	6,377,051
	Total	173,450,183	159,493,306	55,026,137
	Increase/Decrease	13,956,877	104,482,169	(28,888,786)

Expenditure trend over the last three years

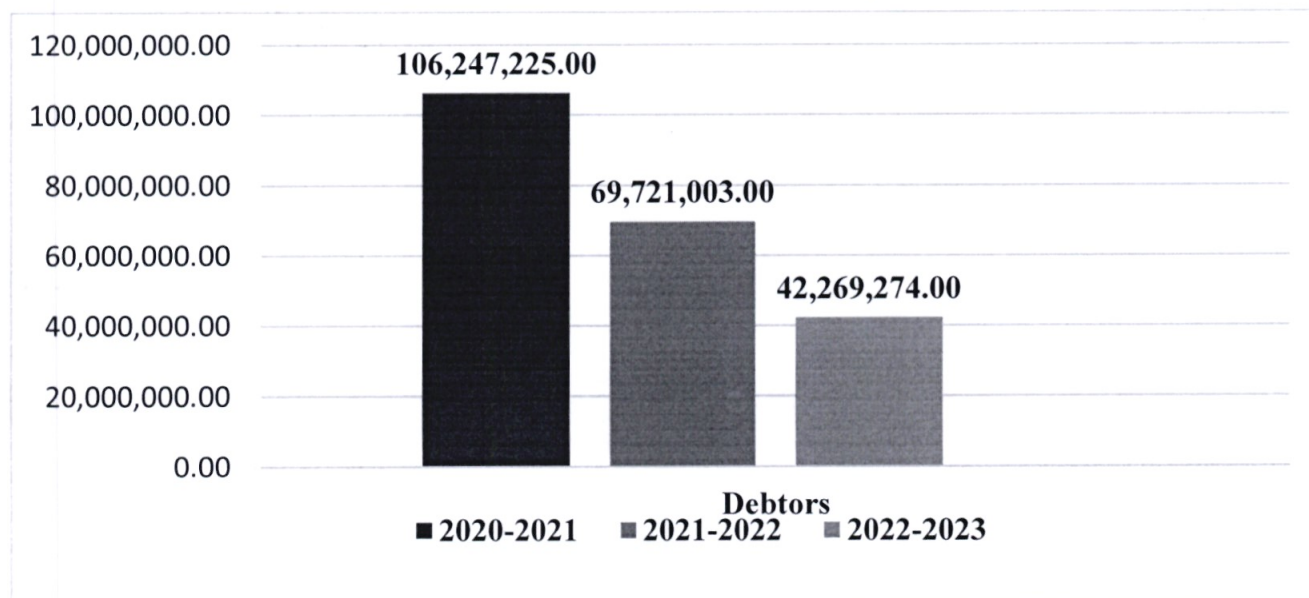


Comments:

The increase in school expenses was a result of construction of school structures to meet the increased students population.

Movement of debtors of the school over the last three years				
S/no	Accounts	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1.	School Fund /Boarding Account	42,269,274	69,721,003	106,247,225
	Total	42,269,274	69,721,003	106,247,225
	Increase/Decrease	(27,451,729)	(36,526,222)	(6,778,516)

Trend of debtors over the last three years



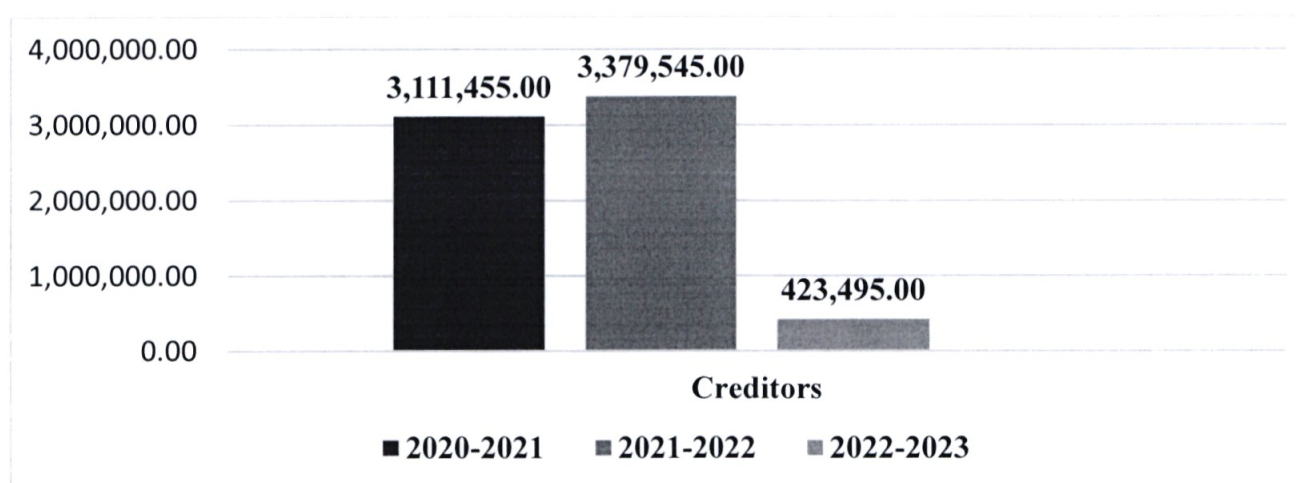
Comments:

The school was able to collect students' arrears during the year , this resulted to a decrease on total debtors during the year.

Kapenguria school**Annual Report and Financial Statements For the year ended 30th June 2023**

Movement of creditors of the school over the last three years				
S/no	Accounts	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1.	Creditors	423,495	3,379,545	3,111,455
	Total	423,495	3,379,545	3,111,455
	Increase/Decrease	(2,956,050)	268,090	176,408

Trend of creditors over the last three years

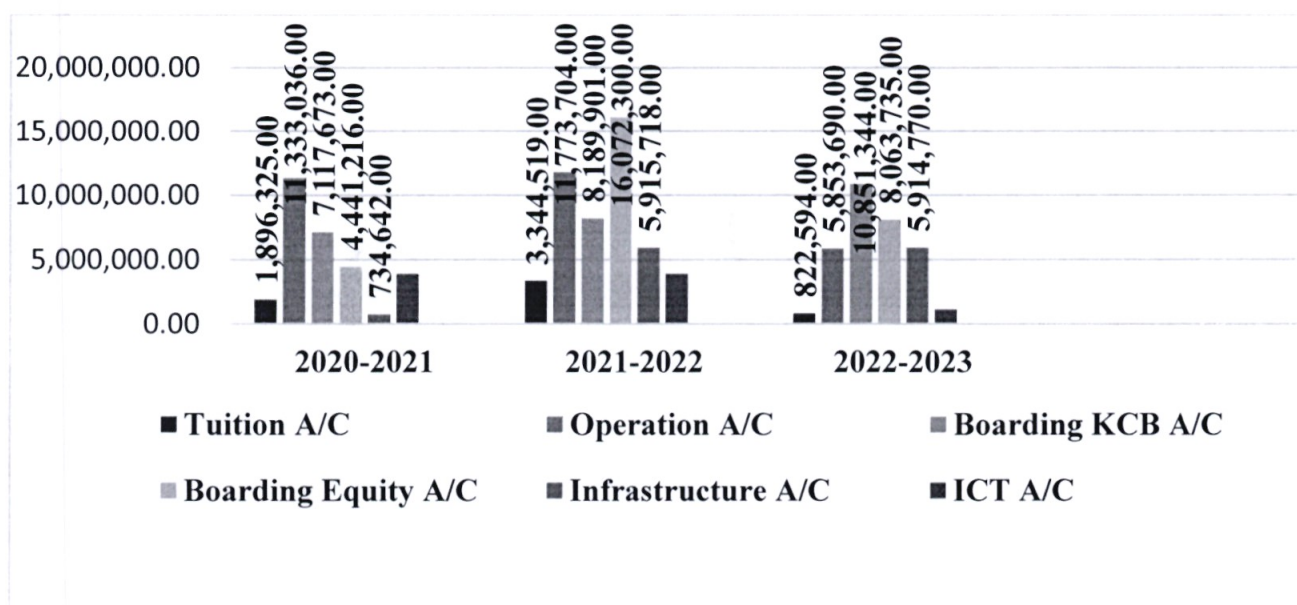


Comments:

The school issued receipts to students with prepaid fees , this resulted to a decrease in total creditors during the year.

Movement of cash and bank balances over the last three years				
S/no	Account	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1	Tuition Account	822,594	3,344,519	1,896,325
2	Operation Account	5,853,690	11,773,704	11,333,036
3	School Fund Account/Boarding-KCB	10,851,344	8,189,901	7,117,673
4	School Fund Account/Boarding-Equity	8,063,735	16,072,300	4,441,216
5	Infrastructure account	5,914,770	5,915,718	734,642
6	ICT Account	1,122,467	3,893,987	3,893,987
	Totals	32,628,600	49,190,129	29,416,879
	Increase/ decrease	(16,561,529)	19,773,250	5,970,043

Trend in cash and bank balances over the last three years



Comments:

The decrease in total cash and bank balances was as a result of increase in school expenses during the year.

Kapenguria school**Annual Report and Financial Statements For the year ended 30th June 2023**

b) Teacher Student ratio:

Between the month of 1st July 2022 and 30th June 2023, 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	1,843
Teacher : students ratio	1:25
Number of streams	7
Total subjects taught at school	12
Teacher shortage subject combination	Number of teachers required
Maths/Biology	1
Kiswahili /History	1
Physics /Chemistry	1
Biology /Agriculture	1
English/Literature	1

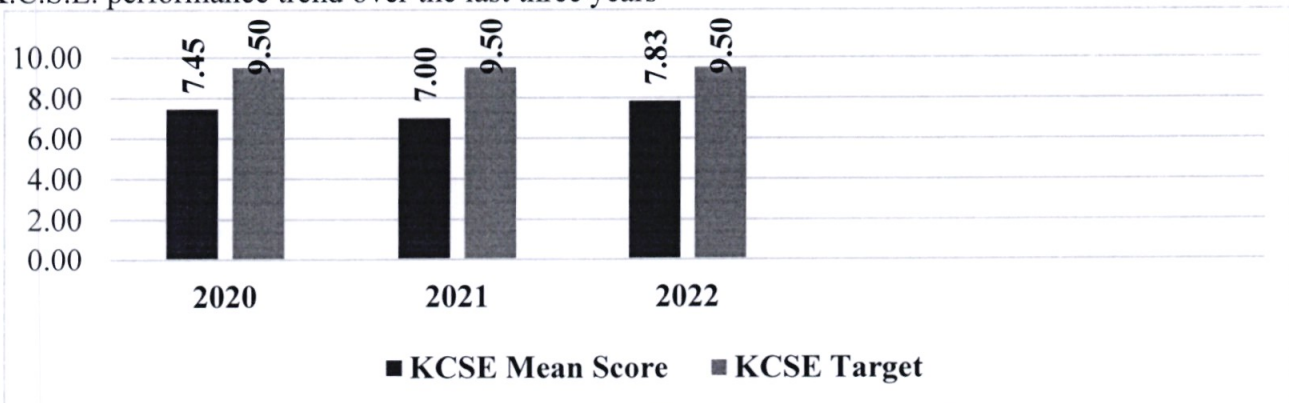
Comments:

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 : 2020, 2021 and 2022.

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
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.
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.

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



Comments: There was an improvement.

Kapenguria school
Annual Report and Financial Statements For the year ended 30th June 2023

(d) KCSE Number of Candidates in the 2020, 2021 and 2022:

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

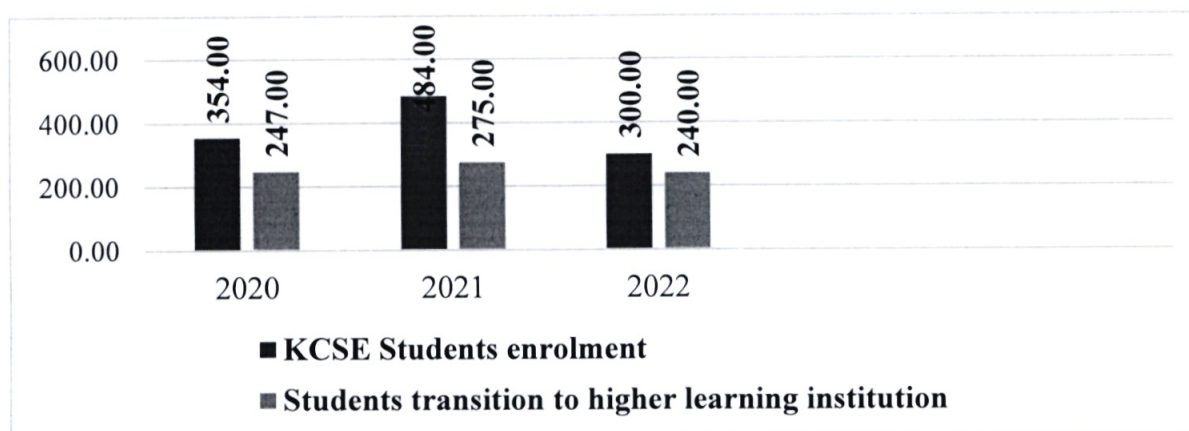
Year	2022	2021	2020
<i>KCSE No of candidates</i>	300	484	354
Total	300	484	354
<i>Increase/decrease</i>	<i>(184)</i>	<i>130</i>	<i>(2)</i>

Number of candidates that transitioned to higher learning institutions

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

Year	2022	2021	2020
<i>Number of students that transitioned to university</i>	240	275	247
Total	240	275	247
<i>Increase/decrease</i>	<i>(35)</i>	<i>28</i>	<i>86</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 for University education . The school has set strategies to ensure 100% transition to higher learning institutions.

(e) Capacity of the school:

Financial year		From 1 st July 2022 - 30 th June 2023			
<i>Total Number of students</i>		1,843			
<i>Total teaching staff</i>		75			
<i>Total support staff</i>		41			
<i>Total population</i>		1,959			
school facilities	no. of facilities		ratio of students to population	condition of the available facility	comments
	Status				
Administration block	Permanent	1	1:75	Excellent	Adequate
Dining hall	Permanent	1	1:1,843	Excellent	More space is required to meet increased students population
Classrooms	Permanent	28	1:66	Excellent	Inadequate
Dormitories	Permanent	11	1:168	Excellent	More dormitories required
Laboratories	Permanent	6	1:307	Excellent	Inadequate
Library	Permanent	1	1:1,843	Excellent	Inadequate
Store	Permanent	2	1:922	Excellent	Adequate
Staff quarters	Permanent	16	1:115	Excellent	More required to meet increased staff population
Abolition block-teachers	permanent	30	1:61	Excellent	Adequate
Kitchen	Permanent	1	1:1,843	Excellent	More required
Abolition block – students	Permanent	60	1:31	Excellent	More required to meet increased population
Departmental offices	Permanent	7	1:263	Excellent	More required to current population

Comments:

The school is required to complete the construction of students dining hall.

Kapenguria school
Annual Report and Financial Statements For the year ended 30th June 2023

(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
2022-2023	Painting of the school for face lifting	Parents	Complete	3,106,220	3,310,240	30/12/2022
2022-2023	Repairs of five dormitories namely : falcon, tausi,samba,nyati and chui. 1. Fixing of terrazzo 2. Repairs of windows 3. Painting	Parents	Complete	2,850,000	2,346,157	30/12/2022
2022-2023	Planting of flowers	Parents	On-going	600,000	644,320	30/6/2023
2022-2023	Construction of a notice board and a powerhouse	Parents	Complete	520,400	486,296	30/6/2023
2022-2023	Construction of six teachers staff quarters	Parents	Complete	9,410,000	8,224,710	30/6/2023
2022-2023	Construction of basket ball pitch	Parents	Complete	600,000	748,160	30/6/2023
2022-2023	Construction of a tennis pitch	Parents	Complete	300,000	294,600	30/6/2023
2022-2023	Fencing dormitory area	Parents	Complete	300,000	147,600	30/6/2023
2022-2023	Construction of one new kitchen and a water heating system	Parents	Complete	3,400,000	2,771,040	30/6/2023

Kapenguria school**Annual Report and Financial Statements For the year ended 30th June 2023**

2022-2023	Purchase of teachers seats at staff centre(84) Departmental chairs(95) Tables in the boardroom (10)	Parents	Complete	895,000	733,900	30/6/2023
2022-2023	Construction of staff centre	Parents	Complete	3,000,000	2,449,170	30/6/2023
2022-2023	Construction of a school dispensary	Parents	Complete	1,500,000	677,186	30/6/2023
2022-2023	Completion of storey dormitory	Parents	Complete	10,546,000	8,060,500	30/6/2023
2022-2023	Fixing of carbons from administration block to lower staff quarters	Parents	Complete	1,843,200	1,820,810	30/6/2023
2022-2023	Construction of one well equipped dairy unit	Parents	Complete	1,500,000	1,402,160	30/6/2023
2022-2023	Construction of phase 1, 1,800 capacity dining	M.O.E	Not-Complete	11,994,000	0	31/12/2025
2022-2023	Renovation of old kitchen	Parents	Complete	800,000	629,749	30/6/2023
2022-2023	Purchase of beds (427)	Parents	Complete	6,400,000	6,405,000	30/6/2023
2022-2023	Repairs of students beds	Parents	Complete	982,000	629,722	30/6/2023



.....

Mr. Moses Ndeda

School Principal

Date: 30/3/2026

PRINCIPAL
KAPENGURIA SCHOOL

Kapenguria school

Annual Report and Financial Statements For the year ended 30th June 2023

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.

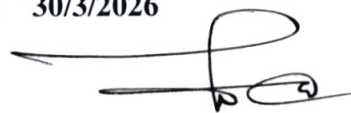
The Board of Management of Kapenguria School accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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, 2023, and of the school's financial position as at that date.


.....
Name: Mr. Josiah Rotino

Designation: Chair, School Board of Management

Date: 30/3/2026


.....
Name: Mr. Moses Ndeda

Designation: School Principal & Secretary to Board of Management

Date: 30/3/2026


.....

Name: Mr. James Nalelia

Designation: Finance Officer

Date: 30/3/2026

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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, 2023 – 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 assets and liabilities as at

30 June, 2023, 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, 2023 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 Account Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.42,269,274 as disclosed in Note 13(a) of the financial statements. However, the balance included fees arrears balance of Kshs.12,329,965 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.42,269,274 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.162,301,947 and Kshs.132,392,975 respectively, resulting in an under-funding of Kshs.29,908,972 or 18 % of the budget. Further, the School spent an amount of Kshs.173,450,183 against the actual receipts of Kshs.132,392,975 resulting in an over-utilization of Kshs.41,057,208 or 31% of the actual receipts

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Establish a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional. Procurement activities were undertaken by individuals lacking the requisite qualifications. This was contrary to Section 47(2) of the Public Procurement

and Asset Disposal Act, 2015 which provides that a procuring entity shall establish a procurement function.

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

2. Failure to Prepare an Annual Procurement Plan

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

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

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

The statement of receipts and payments reflects operations grants amount of 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 assets and liabilities reflects accounts payables balance of Kshs.40,947,221 as disclosed in Note 14. to the financial statements. However, the balance includes a trade payables balance of Kshs.34,912,708 which has remained outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which 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

16 April, 2026

Kapenguria school

Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Year Head	Note	2022-2023 KShs	2021-2022 KShs
Receipts			
Government grants for tuition	1	4,834,340	6,349,169
Government grants for operations	2	21,341,533	27,770,165
Government Grants for infrastructure	3	0	0
School fund income- parents' contributions	4	106,217,102	56,020,175
Miscellaneous incomes	5	0	52,332,735
Total Receipts		132,392,975	142,472,244
Payments			
Tuition	6	7,356,265	4,900,975
Operations	7	23,792,944	19,091,999
Infrastructure	8	2,772,468	0
Boarding and school fund	9	139,528,506	135,500,332
Total Payments		173,450,183	159,493,306
Surplus/Deficit		(41,057,208)	(17,021,062)

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

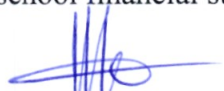
Date:30/3/2026

Kapenguria school
Annual Report and Financial Statements For the year ended 30th June 2023

7. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022-2023 Kshs	2021-2022 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	32,181,226	49,093,967
Cash balances	11	447,374	96,162
Short term investments	12	0	0
Total cash and cash equivalent		32,628,600	49,190,129
Account's receivables	13	42,269,274	69,721,003
Total financial assets		74,897,874	118,911,132
Financial liabilities			
Accounts payables	14	(423,495)	(3,379,545)
Net financial assets		74,474,379	115,531,587
Represented by			
Accumulated fund b/fwd	15	115,531,587	132,552,649
Surplus/deficit for the year		(41,057,208)	(17,021,062)
Net financial position		74,474,379	115,531,587

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

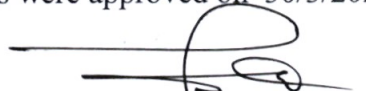

 Name:

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

2
 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 2023

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	4,834,340	6,349,169
Government grants for operations	2	21,341,533	27,770,165
Government grants for infrastructure	3	0	0
School fund income- parents contributions/ fees	4	136,501,000	55,921,736
Other income	5	0	98,118,753
Total receipts		162,676,873	188,159,823
Payments			
Cash outflows for tuition	6	7,356,265	4,900,975
Cash outflows for operations	7	27,261,547	22,948,421
Cash outflows Boarding/lunch and school fund payments	9	102,839,270	96,580,825
Total payments		137,457,082	124,430,221
Net cash inflow/outflow from operating activities		25,219,791	63,729,602
Cash flow from investing activities			
Acquisition of assets	8	(41,781,320)	(43,956,352)
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash inflow/outflows from investing activities		(41,781,320)	(43,956,352)
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		(16,561,529)	19,773,250
Cash and cash equivalent at beginning of the FY		49,190,129	29,416,879
Cash and cash equivalent at end of the FY		32,628,600	49,190,129

The school's financial statements were approved on 30/03/2026 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

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

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>					
Internal exams	0	0	0	0	0%
Teaching / learning materials	7,844,592	0	7,844,592	4,834,340	62%
Chalks	0	0	0	0	0%
Sub –Total	7,844,592	0	7,844,592	4,834,340	62%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	8,897,100	(8,297,100)	600,000	262,472	9%
Repairs And Maintenance	9,465,000	2,535,000	12,000,000	9,465,000	79%
Local Transport / Travelling	1,779,420	0	1,779,420	1,779,420	100%
Electricity And Water	2,669,130	3,500,000	6,169,130	2,669,130	43%
Medical	3,786,000	(3,786,000)	0	0	0%
Administration Costs	4,448,550	0	4,448,550	4,548,549	102%
Activity	2,839,500	0	2,839,500	2,616,962	92%
Smasse	378,600	(378,600)	0	0	0%
Sub-Totals	34,263,300	(6,426,700)	27,836,600	21,341,533	77%
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	0	0	0	0	0%
M&I parents' contribution	0	0	0	0	0%
Sub – Total	0	0	0	0	0%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(4) Fees Charged on Parents					
Personnel emoluments	5,868,300	5,000,000	10,868,300	5,868,300	100%
Repairs and maintenance	4,543,200	29,488,000	34,031,200	34,031,200	100%
Local transport / travelling	1,230,450	3,000,000	4,230,450	1,230,450	100%
Electricity and water	9,275,700	0	9,275,700	9,275,700	100%
Administration costs	3,502,050	12,000,000	15,502,050	3,502,605	100%
Activity	473,250	400,000	873,250	469,042	99%
Fee on Boarding Equipment and stores	51,839,805	0	51,839,805	51,839,805	100%
Sub-Total	76,732,755	49,888,000	126,620,755	106,217,102	100%
5) miscellaneous income					
Income From Farming Activities	0	0	0	0	0%
Insurance Compensation	0	0	0	0	0%
Income From Posho Mill	0	0	0	0	0%
Income From Bus Hire	0	0	0	0	0%
Loans/Borrowings	0	0	0	0	0%
Sub-Total	0	0	0	0	0%
Total income	118,840,647	43,461,300	162,301,947	132,392,975	93%
(6) Expenditure For Tuition					
Teaching / Learning Materials	7,844,592	0	7,844,592	7,351,311	94%
Exams And Assessment	0	0	0	0	0%
Bank Charges	0	0	0	4,954	0%
Sub -Total	7,844,592	0	7,844,592	7,356,265	94%

Kapenguria school
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Per Utilization
	A	B	C=A+B	D	E=D/C
	Kshs	Kshs	Kshs	Kshs	Kshs
(7) Expenditure For Operations					
Personnel Emoluments	8,897,100	(8,297,100)	600,000	541,814	91%
Repairs Maintenance Improvement	9,465,000	2,535,000	12,000,000	11,290,100	94%
Local Transport / Travelling	1,779,420	0	1,779,420	1,973,655	111%
Electricity And Water	2,669,130	3,500,000	6,169,130	5,824,724	94%
Medical	3,786,000	(3,786,000)	0	0	0%
Administration	4,448,550	0	4,448,550	2,709,011	61%
Activity Expenses	2,839,500	0	2,839,500	1,453,640	51%
SMASSE	378,600	(378,600)	0	0	0%
Sub-Total	34,263,300	(6,426,700)	27,836,600	23,792,944	99%
(8) Expenditure For infrastructure					
Construction of a new kitchen and a water heating system	0	0	0	2,771,040	0%
Bank charges Ict A/c	0	0	0	480	0%
Bank charges Infrastructure A/c				948	0%
Sub-Total	0	0	0	2,772,468	0%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	5,868,300	5,000,000	10,868,300	10,712,473	99%
Repairs And Maintenance & Improvements	4,543,200	29,488,000	34,031,200	55,677,240	164%
Local Transport / Travelling	1,230,450	3,000,000	4,230,450	4,016,406	95%
Electricity And Water	9,275,700	0	9,275,700	1,818,351	20%

Kapenguria school
Annual Report and Financial Statements For the year ended 30th June 2023

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	3,502,050	12,000,000	15,502,050	14,623,211	94%
Activity	473,250	400,000	873,250	806,350	92%
Fee On Boarding Equipment and Stores	51,839,805	0	51,839,805	51,874,475	100%
Sub-Total	76,732,755	49,888,000	126,620,755	139,528,506	110%
Total expenditure	118,840,647	43,461,300	162,301,947	173,450,183	107%

Explanation

- i. There was underutilisation in receipt of income for teaching and learning materials as a result of underfunding by the Ministry of Education
- ii. There was underutilisation in receipt of income for personal emolument in operation account as a result of underfunding by Ministry of Education.
- iii. There was overutilization in expenditure for Repairs, Maintenance and improvement due to increase in construction activities to meet the increased number of students.
- iv. There was over utilisation in expenditure for Local Transports and Travel due to increase in students tours during benchmarking for better results.
- v. There was underutilisation on electricity water and conservancy due to few repairs done during the year and availability of electricity fittings and materials which had been purchased during the previous year.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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 2023.

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11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials	0	0
Exercise Books	0	0
Laboratory Equipment	0	0
Internal Exams	0	0
Teaching / Learning Materials	4,834,340	6,349,169
Total	4,834,340	6,349,169

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	262,472	7,791,390
Repairs And Maintenance	9,465,000	9,653,000
Local Transport / Travelling	1,779,420	2,324,215
Electricity And Water	2,669,130	4,529,279
Medical	0	0
Administration Costs	4,548,549	3,472,281
Activity	2,616,962	0
Totals	21,341,533	27,770,165

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance &Improvement	0	0
School fund	0	0
Economic stimulus grants	0	0
Other NGCDF and County govt.	0	0
Total	0	0

Notes to the Financial Statements (continued)

4 School Fund Income -Parents Contribution/Fees

Description	2022-2023 Kshs	2021-2022 Kshs
Personnel emoluments	5,868,300	5,526,575
Repairs and maintenance	34,031,200	35,619,310
Local transport / travelling	1,230,450	1,267,500
Electricity and water	9,275,700	9,555,000
Medical	0	0
Administration costs	3,502,605	3,564,290
Activity	469,042	487,500
Fee on Boarding Equipment and stores	51,839,805	0
Total	106,217,102	56,020,175

5 Miscellaneous Incomes

Description	2022-2023 Kshs	2021-2022 Kshs
Fee on Boarding Equipment and stores	0	52,332,735
Dividends Income	0	0
Loans/Borrowings*	0	0
Other Income	0	0
Total	0	52,332,735

6 Tuition

Description	2022-2023 Kshs	2021-2022 Kshs
Exercise Books	0	0
Laboratory Equipment	0	0
Teaching / Learning Materials	7,351,311	4,899,625
Exams And Assessment	0	0
Teachers Guides	0	0
Bank Charges	4,954	1,350
Total	7,356,265	4,900,975

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Notes to the Financial Statements (continued)

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	541,814	880,162
Repairs Maintenance Improvement	11,290,100	3,463,825
Local Transport / Travelling	1,973,655	1,670,284
Electricity And Water	5,824,724	7,059,689
Medical	0	71,040
Administration	2,709,011	5,706,885
Activity Expenses	1,453,640	237,690
Bank charges- Infrastructures	0	2,424
Total	23,792,944	19,091,999

8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of a new kitchen and a water heating system	2,771,040	0
Bank charges ict a/c	480	0
Bank charges infrastructure a/c	948	0
Classroom repairs	0	0
Purchase of equipment	0	0
Purchase of apparatus	0	0
Drilling of boreholes	0	0
Total	2,772,468	0

Notes to the Financial Statements (continued)

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	10,712,473	8,290,006
Expenses On farming activities	0	1,242,013
Repairs And Maintenance & Improvements	55,677,240	43,956,352
Local Transport / Travelling	4,016,406	2,507,254
Electricity And Water	1,818,351	2,915,009
Medical	0	0
Administration Costs	14,623,211	3,631,677
Activity	806,350	85,220
Fee On Boarding Equipment and Stores	51,874,475	72,872,801
Total	139,528,506	135,500,332

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Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/ Dormant		Kshs	Kshs
Tuition Account	Active	1106201345	822,594	3,344,519
Operations Account	Active	1108293549	5,829,563	11,769,794
School Fund Account/Boarding-KCB	Active	1108293344	10,851,344	8,097,649
School Fund Account/Boarding-Equity	Active	1070294811167	7,640,488	16,072,300
Infrastructure Account	Active	2041627282	5,914,770	5,915,718
Laboratory Project /ICT Account	Active	1070296924107	1,122,467	3,893,987
Total			32,181,226	49,093,967

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	447,374	96,162
Total	447,374	96,162

Notes to the Financial Statements (continued)

12 Short Term Investments

Description	2022-2023	2021-2022
	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	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	42,269,274	69,721,003
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	42,269,274	69,721,003

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs	% of the total	Kshs	% of the total
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	12,613,409	30%	12,372,028	18%
Between 1- 2 years	7,765,400	18%	7,348,975	11%
Between 2-3 years	9,560,500	23%	18,740,680	26%
Over 3 years	12,329,965	29%	31,259,320	45%
Total (should tie to note 13 a)	42,269,274	100%	69,721,003	100%

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Notes to the Financial Statements (continued)

14 a. Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0	0
Prepaid Fees	390,017	2,746,067
Direct deposits	33,478	633,478
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Total	423,495	3,379,545

14 b. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% 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	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	49,093,967	28,794,159
Cash Balances	96,162	622,720
Short Term Investments	0	0
Receivables	69,721,003	106,247,225
Payables	(3,379,545)	(3,111,455)
Total	115,531,587	132,552,649

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	2022-2023 Kshs	2021-2022 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	Number	2022-2023 Kshs	2021-2022 Kshs
Serving bull	1	85,000	75,000
Dairy cows	19	1,575,000	1,425,000
Heifers	3	30,000	90,000
Calves	6	100,000	120,000
Goats	0	0	0
Indigenous Trees	8,017	8,017,000	8,017,000
Maize plantation for agriculture project (1 acre)	30 bags	150,000	120,000
Vegetable plantation (3acres)	49,680 Kgs	0	1,242,013
Tree plantation 20 acres			
Blue gum	8,000 trees	80,000	80,000
Cyprus	4,000 trees	40,000	40,000
Total		10,077,000	11,209,013

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Other important disclosure notes

18 Borrowings

Description	2022-2023	2021-2022
	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	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	325,078	69,350
Lab consumables	155,450	50,000
Farm produce	240,000	50,000
Medicine	22,050	31,500
Construction Materials	1,425,000	125,800
Stationery	85,000	44,000
Electrical materials	23,500	35,300
Office materials	11,500	37,665
Examination materials	55,220	105,000
Totals	2,342,798	548,615

Kapenguria school

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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	Amount Pending
	A	B		C	
	Kshs	Kshs	Kshs	Kshs	

All trade creditors and pending bills were paid by 30/6/2023 hence there were no trade creditors at the end of the financial period.

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land	161,000,000	0	0	161,000,000
Buildings And Structures	383,834,576	41,781,320	0	425,615,896
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	626,573,557	41,781,320	0	668,354,877