

REPUBLIC OF KENYA



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REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 NOV 2024	DAY: Tuesday
TABLED BY:	Hon. Naomi Wago Deputy Majority Whip
OF	hormale

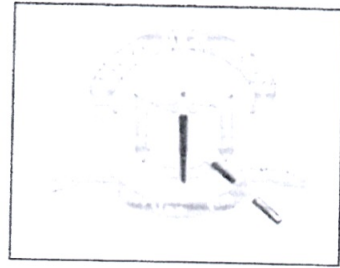
THE AUDITOR-GENERAL

ON

BARINGO HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

BARINGO COUNTY



BARINGO HIGH 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)

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

Table of Contents	Page
1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility	xiv
5. Report Of The Independent Auditors <i>(To be attached)</i>	xv
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2023	1
7. Statement of Assets and Liabilities As At 30 th June 2023	2
8. Statement of Cash Flows for the Year Ended 30 th June 2023	4
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2023	6
10. Significant Accounting Policies	11
11. Notes To The Financial Statements	13
12. Annexes	25

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

I. 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 Education

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

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 in **Baringo County, Koibatek Sub-County**.

The school was registered in **15/12/2021** under registration number **30/3000/1228** and is currently categorized as a **National**. Public school established, owned or operated by the Government.

The school is a day/boarding school and had **1220** number of students as at **30th June 2023**. It has **6** streams and **60** teachers of which **13** 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	DR STELLA KERETO	ChairLlady-Special group	27/7/2022
2	MR TITUS NGETICH	Secretary- Principal	27/7/2022
3	PROF HENRY KIPLAGAT	Member-Community	27/7/2022
4	MR PIUS KIBET	Member-Community	27/7/2022
5	PROF COLLINS OUMA	Member-Community	27/7/2022
6	MRS MARGARET LANGAT	Member-Community	27/7/2022
7	MRS NDIRANGU LUCY	Member-Community	27/7/2022
8	MR JOSEPH CHERUIYOT	Member – Community	27/7/2022
9	ENG JOHN TANUI	Member-Rep CEB	27/7/2022
10	MS MAGDALINE LITUNDA	Member- Rep Teachers	27/7/2022
11	REV DAVID KUTTO	Members - Sponsor	27/7/2022
12	MR PHILIP CHANGWONY	Member-Sponsor	27/7/2022
13	MS SARAH MARSIANA	Member-Sponsor	27/7/2022
14	MR PAUL LIMO	Member-Special group	27/7/2022
15	WESLEY OLIVER OMONDI	Rep Students	27/7/2022

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

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. LUCY NDIRANGU 2. DR STELLA KERETO 3. MR TITUS NGETICH 4. DR SAMUEL KUGUI 5. MR PIUS KIBET	CHAIR LADY MEMBER SECRETARY PA CHAIR MEMBER	2 TIMES
2	Audit Committee	1. HON JAMES BETT 2. MS MARGARET LAGAT 3. MS GLADYS MOMANYI	CHAIRMAN MEMBER. MEMBER	
3	Finance, procurement and general purposes Committee	1. MS SARAH CHEBURET 2. MS LUCY NDIRANGU 3. MR JOSEPH CHERUIYOT 4. ENG JOHN TANUI 5. MR PHILIP CHANGWONY	CHAIRLADY MEMBER MEMBER MEMBER MEMBER	3 TIMES
4	Academic Committee	1. PROF COLLINS OUMA 2. ENG PAUL LIMO 3. DR SAMUEL KUGUI 4. MS LITUNDA MAGDALINE 5. MS MARGARET LAGAT	CHAIRMAN MEMBER MEMBER MEMBER MEMBER	2 TIMES
5	Discipline and welfare Committee	1. MR PIUS KIBET 2. MS GLADYS MOMANYI 3. REV DAVID KUTTO	CHAIRMAN MEMBER MEMBER	3 TIMES

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

		4.MS LUCY NDIRANGU 5.SCDE SIMION PETER KEMEI	MEMBER MEMBER	
6	SCHOOL INFRASTRUCTURE	1.PROF HENRY KIPLAGAT 2.MR PIUS KIBET 3.DR STELLA KERETO 4.MR TITUS NGETICH 5.MR MOSES KOECH 6.DR SAMUEL KUGUI 7.SCDE SIMION PETER KEMEI	CHAIRMAN MEMBER MEMBER MEMBER MEMBER MEMBER MEMBER	3 TIMES

(d) School operation Management

For the financial year ended 30th June 2023, the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	MR TITUS K NGETICH	TSC No. 372723
2	Deputy Principal	MR MOSES KOECH	TSC No.419165
3	School Bursar	MR HILLARY KIBET	<i>Bom</i>
4	Other (specify)		

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

(e) Schools contacts

Post Office Box: 23-Eldama ravine
Telephone: 0202001879
E-mail: principalbaringohigh@gmail.com

Website: www.baringohighschool.sc.ke
Facebook: N/A
Twitter: N/A

(f) School Bankers

1. Name of Bank: **Tuition Account-KCB**
Account no; 1105630986
Branch Eldama Ravine
Postal Address.415-200103
2. Name of Bank; **Operation Account-Kcb**
Account no; 1105631583
Branch; Eldama Ravine
Postal Address.415-200103
3. Name of Bank; **collection Account- Kcb**
Account no; 1105628779
Branch; Eldama ravine
Postal Address415-200103
4. Name of Bank; **collection Account- Equity**
Account no; 1310260583573
Branch; Eldama Ravine
Postal Address
5. Name of Bank; **Farm Account- Equity**
Account no; 1310260992224
Branch; Eldama Ravine
Postal Address;75104
6. Name of Bank; **collection Account- Boresha**
Account no; 50401261420
Branch; Eldama Ravine
Postal Address; 80-20103
7. Name of Bank; **Infrastructure Account- Kcb**
Account no; 1139043471
Branch; Eldama Ravine
Postal Address 415-200103

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

8. Name of Paybills

@Business no 522123 Account 20180k

@Business no 4045541 account adm no

(g) Independent Auditors

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

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

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:

i) Surplus/ deficit for the year and a comparison of the same for the last three years

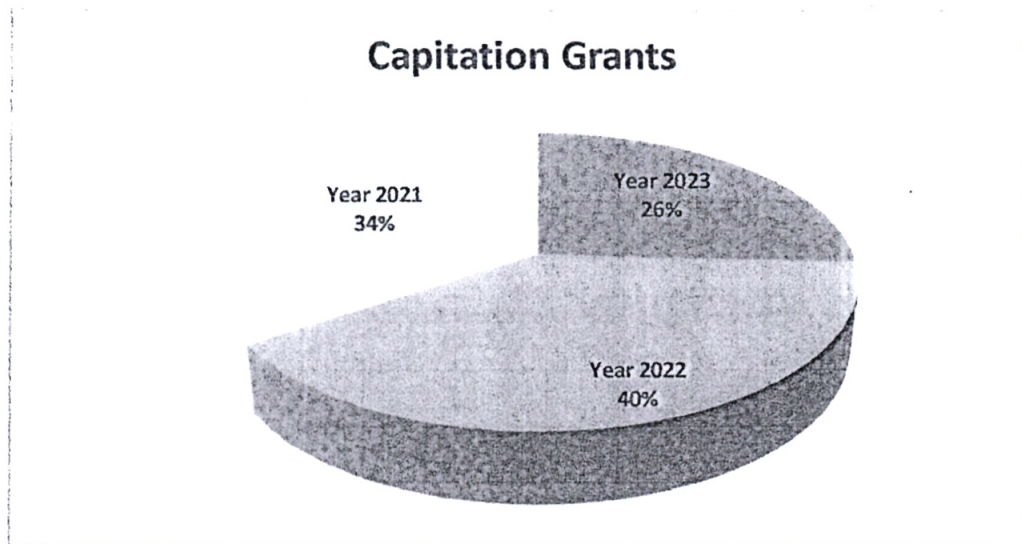
<i>Details</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>
<i>Tuition Account</i>	335,520.70	(396,156.20)	309,014.00
<i>Operation Account</i>	5,478,134.00	(698,749.45)	580,610.35
<i>School Fund a/c</i>	2,649,763.37	5,450,753.14	(6,157,862.90)
<i>Total</i>	8,463,418.07	4,355,847.49	(5,268,238.55)



Graphical representation of reported surplus/deficit over a three year period

ii) Capitation grants from the Ministry of Education for the last three years

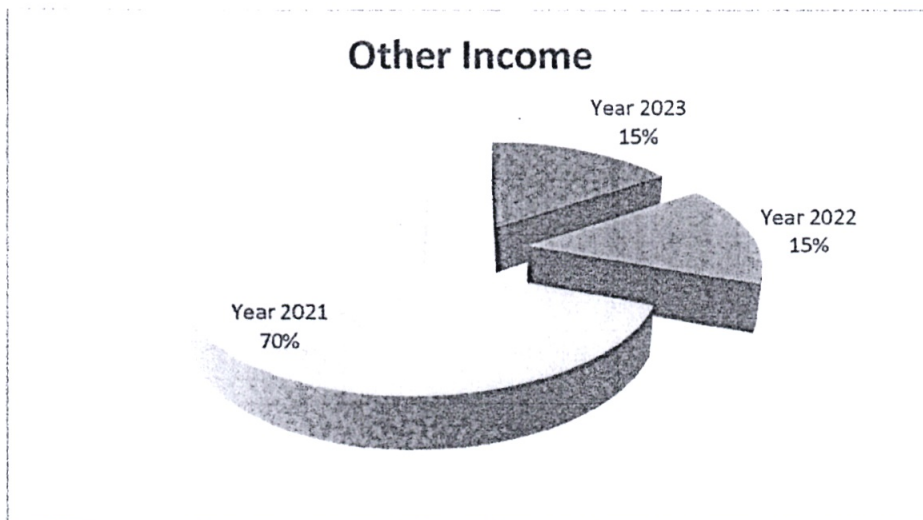
<i>Details</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>
<i>Tuition Account</i>	3,045,271.75	4,898,975.00	1,327,957.00
<i>Operation Account</i>	16,494,946.00	25,022,596.55	9,015,243.35
<i>Total Grants</i>	19,540,217.75	29,921,571.55	26,111,384.45
<i>Student Enrolment</i>	1220	1195	1094
<i>Capitation ratio</i>	1:16,017.00	1:25,039.00	1:23,868.00



Pie chart representation of capitation grants over a period of three years

iii) *A three-year overview of growth of other income(s) earned by the school.*

Details	2023	2022	2021
Farm a/c (Bank)	28,288.92	28,288.92	128,288.92

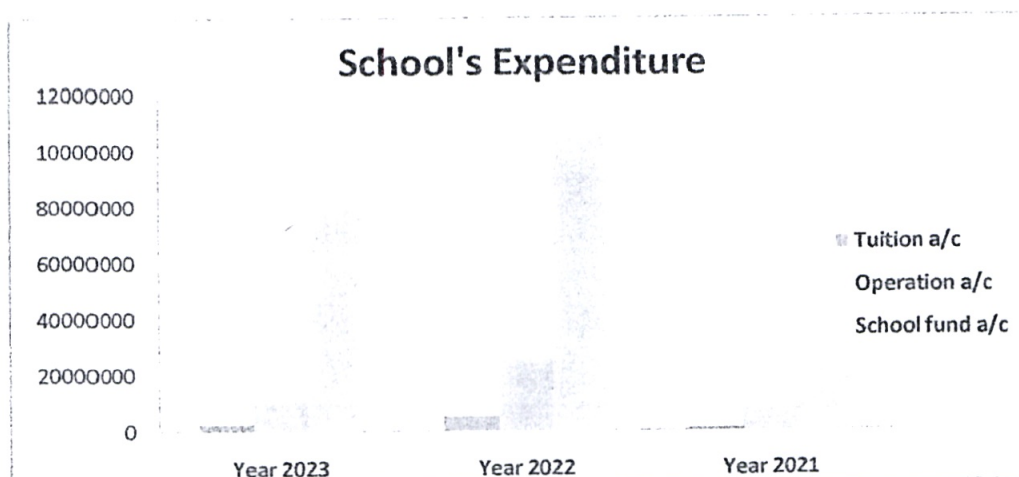


Pie chart representation of School's other income

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

iv) *A three-year overview of growth in expenditure of the school*

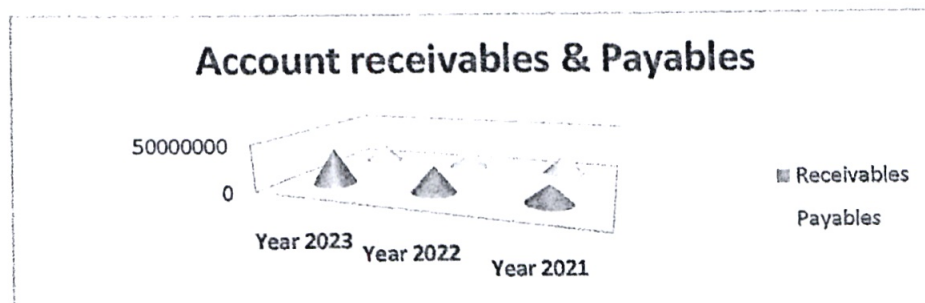
Details	2023	2022	2021
Tuition Account	2,709,751.05	5,295,131.20	1,018,943.00
Operation Account	11,016,812.00	25,721,346.00	8,434,633.00
School fund a/c	83,550,081.13	105,134,790.87	21,926,047.00
Total Expenditures	97,276,644.18	136,151,268.07	31,379,623.00
Growth	(38,874,623.89)	104,771,645.07	-



Graphical representation of school expenditure over a three year period

v) *Movement of debtors and creditors of the school over the last three years*

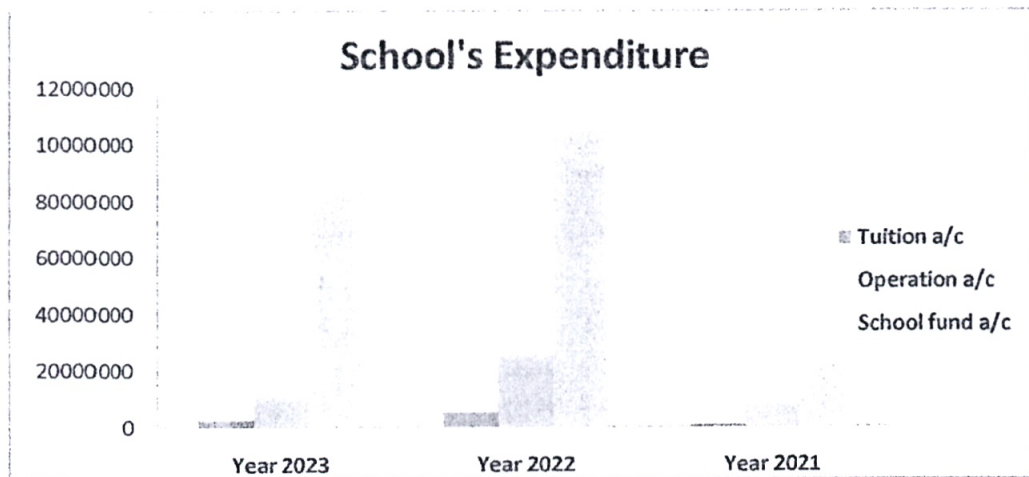
Details	2023	2022	2021
Account Receivables	38,753,712.44	28,137,737.44	19,398,157.44
Account Payables	20,804,007.95	14,273,460.95	23,937,148.57



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

iv) A three-year overview of growth in expenditure of the school

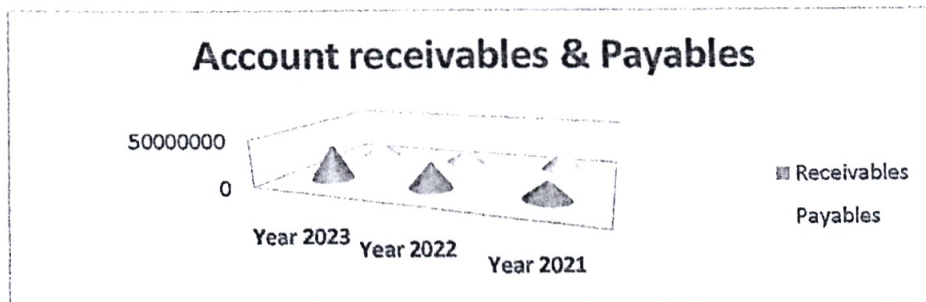
Details	2023	2022	2021
Tuition Account	2,709,751.05	5,295,131.20	1,018,943.00
Operation Account	11,016,812.00	25,721,346.00	8,434,633.00
School fund a/c	83,550,081.13	105,134,790.87	21,926,047.00
Total Expenditures	97,276,644.18	136,151,268.07	31,379,623.00
Growth	(38,874,623.89)	104,771,645.07	-



Graphical representation of school expenditure over a three year period

v) Movement of debtors and creditors of the school over the last three years

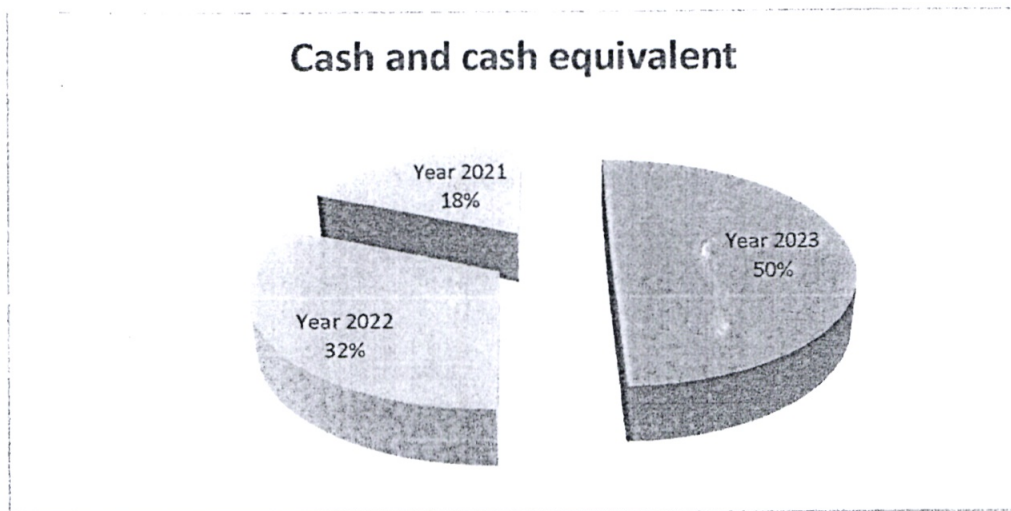
Details	2023	2022	2021
Account Receivables	38,753,712.44	28,137,737.44	19,398,157.44
Account Payables	20,804,007.95	14,273,460.95	23,937,148.57



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

vi) Movement of cash and bank over the last three years

<i>Details</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>
<i>Tuition Account</i>	472,249.85	136,729.15	532,885.35
<i>Operation Account</i>	7,015,651.20	651,327.20	1,350,076.65
<i>School fund a/c</i>	4,599,352.37	6,921,207.00	2,527,740.21
<i>Farm a/c</i>	28,288.92	28,288.92	128,288.92
<i>Total cash & Bank</i>	<i>12,115,542.92</i>	<i>7,737,552.27</i>	<i>4,518,040.13</i>
<i>Growth</i>	<i>4,377,990.65</i>	<i>3,219,512.14</i>	-



Pie chart representation of cash and cash equivalent over a three year period

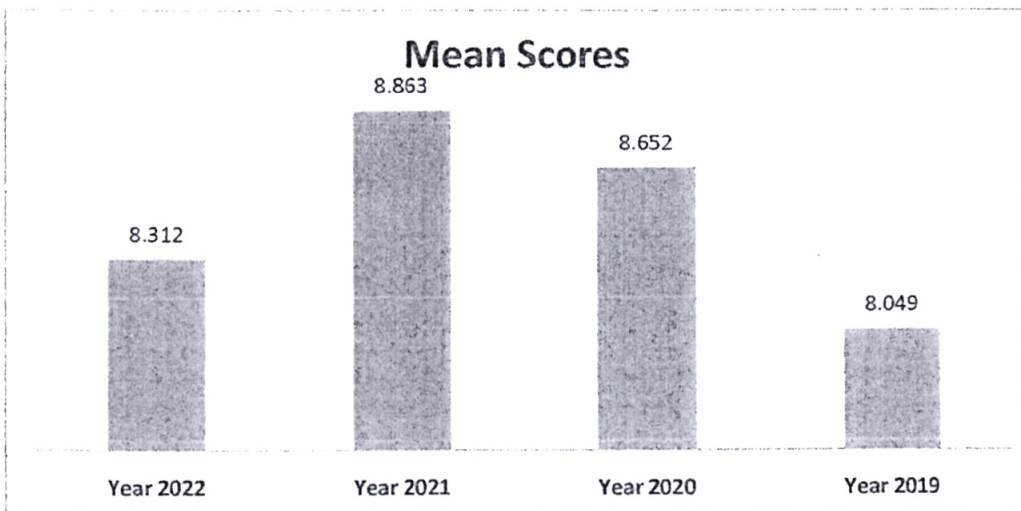
vii) Teacher Student ratio

<i>Details</i>	<i>No.</i>
<i>TSC Teachers</i>	47
<i>BOM Teachers</i>	13
<i>Recruited</i>	0
<i>Transferred</i>	2
<i>Total No</i>	60
<i>Student Enrol</i>	1220
<i>Ratio</i>	1:21
<i>Excess</i>	11

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

viii) **Mean score in the 2022 KCSE:**

Year	Total Candidates	Successful Candidates	Mean Score	Deviation	Grade	Transition
2022	250	224	8.312	-0.551	B-	90%TRANSITION
2021	227	213	8.863	+0.211	B-	94%TRANSITION
2020	204	182	8.652	+0.603	B-	89%TRANSITION
2019	225	177	8.049	+0.836	B-	79%TRANSITION



Graphical representation of school means scores over a period of four years

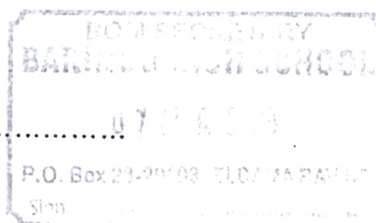
BARINGO HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

ix) **Capacity of the school:**

<i>Dormitories</i>	9	820
<i>Laboratories</i>	4	75
<i>Toilets (doors)</i>	81	1220
<i>Classrooms</i>	24	1220
<i>Dining Hall</i>	1	700

Sign

.....
School Principal



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

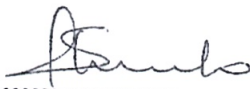
4. Statement of School Management Responsibility

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 **BARINGO HIGH 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.



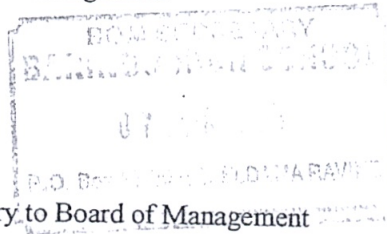
.....
Name: **DR STELLA KERETO**
Designation: Chairman, School Board of Management

Date:



.....
Name: **MR TITUS K NGETICH**
Designation: School Principal & Secretary to Board of Management

Date:

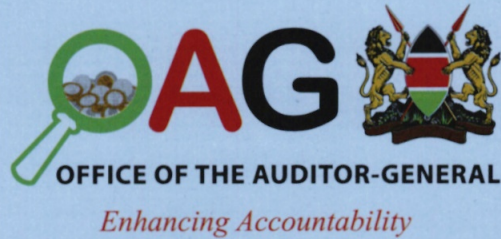


.....
Name: **MR HILLARY KIBET**
Designation: Bursar/ Finance Officer

Date:

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 BARINGO HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - BARINGO COUNTY

PREAMBLE

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

- A. Report on the 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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Baringo High School - Baringo County set out on pages 1 to 16, which comprise of the statement of financial assets and

Report of the Auditor-General on Baringo High School for the year ended 30 June, 2023 - Baringo County

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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Baringo High School - Baringo County as 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 Public Finance Management Act, 2012 and Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

(a) Variances Between the Statement of Receipts and Payments and the Statement of Cashflows

The statement of receipts and payments reflects school fund income-other receipts of Kshs.75,036,176 and boarding and school fund payments of Kshs.83,550,081 respectively as disclosed in Notes 4 and 7 to the financial statements respectively. However, the balance varies with Kshs.63,451,616 and Kshs.78,157,118 reflected in the Statement of Cash flows resulting to an unexplained or an unreconciled variance of Kshs.11,584,560 and Kshs.5,392,963 respectively

In the circumstances, the accuracy and completeness of the statement of receipts and payments and the statement of cash flows amounts could not be confirmed.

(b) Missing Reference Notes to the Financial Statements

The statement of cash flows is not fully referenced with notes to the figures in the financial statements on payments for tuition, payment for operations and boarding and school fund payments. In addition, cash and cash equivalents at the beginning of the year is wrongly referenced to Note 10 to the financial statements whereas Note 10 refers to short term investments.

In the circumstances, the completeness and accuracy of the financial statements could not be confirmed.

2. Unsupported Receipts

The statement of receipts and payments reflects school fund income - parents' contribution and school fund income-other receipts of Kshs.11,163,669 and

Kshs.75,036,176 respectively as disclosed in Notes 3 and 4 to the financial statements respectively. However, the receipts were not supported with details of students.

Further, the cash book provided for audit reflected parents' contributions and other receipts amounting to Kshs.10,722,497 and Kshs.58,538,455 respectively resulting to an unexplained variance of Kshs.441,172 and Kshs.16,497,720 respectively.

In the circumstances, the accuracy and completeness of the school fund income- parents' contributions and school fund income - other receipts of Kshs.11,163,669 and Kshs.75,036,176 respectively could not be confirmed.

3. Unsupported Boarding and School Fund Payments

The statement of receipts and payments reflects boarding and school funds payments of Kshs.83,550,081 as disclosed in Note 7 to the financial statements. This amount includes expenditure totalling Kshs.32,145,343 in respect of boarding, equipment and stores which was not supported by approved list of prequalified suppliers, Local Purchase order, Goods Receive Note, requisition notes, inspection and acceptance report which is contrary to Regulation 104(1) of the Public Finance Management Regulations, 2015 which requires that all receipts and payments vouchers of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

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

4. Inaccuracies of Boarding and School Fund Payments

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.83,550,081 as disclosed in Note 7 to the financial statements while the supporting ledger schedule and Cash book balances reveals a corresponding amount of Kshs.85,493,343 resulting to an unreconciled and unexplained variance of Kshs.1,943,262. Further, included in the amount of Kshs.83,550,081 in respect to boarding and school fund payments is Kshs.5,912,667 in respect to previous fees arrears balances that had not been posted to the students' fees accounts per vote heads

In the circumstances, the accuracy, completeness and the effectiveness of internal controls over the collection and recording of parents' contributions of the school fund income parents' contributions totalling Kshs.83,550,081 could not be confirmed.

5. Unsupported Fuel Payments

The statement of receipts and payments reflects boarding and school fund payments balance of Kshs.11,016,812 as disclosed in Note 6 to the financial statements. This balance of payments includes Kshs.474,000 incurred to purchase motor vehicle fuel. However, the payments were not supported by fuel detail orders, fuel register, work

tickets, Local Purchase order (LPO) and a reconciliation between the vendor and school data.

In the circumstances, the occurrence, accuracy and completeness of Kshs.474,000 on fuel could not be confirmed.

6.0 Accounts Receivables

6.1 Unsupported Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.38,753,712 as disclosed in Note 11 to the financial statements. However, a detailed movement schedule indicating opening balance, fees payable and fees paid to arrive at the balance was not provided for audit.

In the circumstances, the accuracy and completeness of accounts receivables of Kshs.38,753,712 as at 30 June, 2023 could not be confirmed.

6.2 Long Outstanding Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.38,753,712 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.21,814,820 which had been outstanding for more than one (1) year. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.19,398,157 could not be confirmed.

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.107,882,837 and Kshs.77,729,034 respectively, resulting to an under-funding of Kshs.30,153,803 or 28% of the budget. However, the School spent a balance of Kshs.78,831,702 against actual receipts of Kshs.77,729,034 resulting to an over-utilization of Kshs.1,102,668 or 1% of actual receipts.

The under-funding and over-expenditure 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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Baringo High 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in 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. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The Summary Report of Performance of the School against the set performance evaluation criteria on Development projects carried out by the school is left out. The page ought to reveal the Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format even where there were no Development projects carried out by the school.
- ii. The Annual Report and Financial Statements from pages 1 to 15 does not have a heading as per the prescribed template. The Statement of Cash Flows at page 4 is

not signed by the Bursar/ Finance Office while Note 18 to Annual Report and Financial Statements is missing.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making.

2. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflect payments for operations of Kshs.16,494,946 as disclosed in Note 2 to the financial statements. Included in this balance is payment made by the School and transferred as co-curricular funds totalling Kshs.292,200 to Kenya Secondary School Heads Association (KESSHA), a private entity that is a welfare organization that draws its membership from school Principals only and is not subject to Public Finance Management Act, 2012 or any other public finance regulations.

Further, the organization is not defined in Government Funding 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 School may not have received value for the Kshs.292,200 transferred to KESSHA.

3. Irregular Remuneration of Members of the Board of Management

The statement of receipts and payments reflects payments for operations of Kshs.11,016,812 and as revealed in note 6 to the financial statements. Included in this balance is expenditure of Kshs.9,812,978 for Administration and Other Cost which includes board allowances amounting to Kshs.1,324,000 paid to the Board of management and other subcommittees as allowances. However, no evidence of approvals from the Cabinet Secretary as provided in Section 63 of the Basic Education Act of 2013 was provided for audit. In addition, the school failed to provide attendance registers and minutes of the board meetings for audit.

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

4. Failure to Prepare Bank Reconciliations and Maintain Proper Cashbooks

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.12,115,542. Included in this balance are bank balances and cash balances of Kshs.12,056,712 and Kshs.58,830 respectively as disclosed in Notes 8 and 9 to the financial statements respectively. Review of documents provided for audit revealed the School operates six (6) banks accounts and one (1) SACCO account. However, bank reconciliations were not prepared on a monthly basis. In addition, the cash books provided indicated that transactions for four (4) bank accounts were recorded in

Report of the Auditor-General on Baringo High School for the year ended 30 June, 2023 - Baringo County

one school fund/boarding consolidated cashbook contrary to Regulation 90(1) of the Public Finance Management Regulations, 2015.

In the circumstance, the accuracy and completeness of cash and cash equivalents balance of Kshs.12,115,542 could not be confirmed and Management was in breach of the law.

5. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects Capitation grants for operations balance of Kshs.16,494,946 as disclosed in Note 2 to the financial statements. Out of this amount, Kshs.4,465,000 was supposed to be transferred to the infrastructure account within fifteen (15) days of the receipts of funds. However, all the infrastructure grants received were not transferred to the infrastructure account contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

In the circumstances, management is in breach of the law.

6. Late Submission of Financial Statements for Audit

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2023 but were submitted on 8 March, 2024 contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

7. Underfunding of Capitation Grants

The statement of receipts and payments reflects Kshs.3,045,271 and Kshs.16,494,946 in respect of capitation grants for tuition, capitation grants for operations and infrastructure grants respectively and as disclosed in Notes 1 and 2 to the financial statements totalling Kshs.19,540,217. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial period 2022/2023, NEMIS reflected on average One thousand one hundred and sixteen (1116) students while records from the County Director of Education had One thousand one hundred and eighty six (1186) students, resulting to an underfunding of the School by an amount of Kshs.828,180. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 THE 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 matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, 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. Lack of Approved Information Technology Security Policy

Review of the School Information Technology Systems revealed that the School did not have an approved IT Policy for governance and management of its ICT resources. Further, there was no ICT Steering Committee in place to assist in the development of ICT Policy framework to enable the School to realize its long-term ICT strategic goals. Lack of an approved IT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the School's ICT assets. In addition, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

In the circumstances, the School may be exposed to financial losses or falsification of records in the absence of information and communication Technology policy.

2. Failure to Develop School Improvement Plan and Poor Infrastructure

Section 2.2.1 of the Operational Manual for Utilization of Learner Capitation, Grant and Other School funds requires a school to develop improvement plan which is a road map for changes that a school needs to improve the school environment and learning outcomes. However, during the year under review, the school did not develop a School Improvement Plan to be used to measure school improvement activities and hold schools accountable, keep the school in focus in achieving the school target, prioritization of

school needs, ensuring prudent utilization of resources and to improve accountability. Further, site visit conducted at the School revealed that the school lacks clearly demarcated grounds, and proper fencing.

In the circumstances, Management is in breach of the requirements of the Operational Manual for Utilization of Learner Capitation Grant and Other School Funds.

3. Effectiveness in the Management of Textbooks

The special audit established that in the financial years 2021/2021, 2021/2022, 2022/2023 for Baringo High school, there was no evidence of instructional need assessment that provided basis for determining the number and subject of instructional material needed by the school. In addition, there was no evidence of School Instructional Materials Selection Committee (SIMSC) committee that was set up.

Further, Review of text books records and books stocks as at 5 June, 2024 revealed a total of 10,588 lost books of unknown value.

In the circumstances, Management was in breach of the requirements of the Operational Manual for Utilization of Learner Capitation Grant and Other School Funds.

4. Management of School Assets

4.1 Failure to Maintain a Fixed Assets Register

Annex 2 to the financial statements reflects a summary of various categories of fixed assets with nil balances. However, Review of the assets listing revealed that the School did not maintain an Assets Register to indicate date of purchase, cost, supplier, location, unique identification number, accumulated depreciation and net book values of the assets.

Further, Public Sector Accounting Standards Board template and The National Treasury's Circular Ref: AG/4/16/3/Vol.3(66) dated 6 July, 2022 provide for the inclusion of the register in the financial statements.

In the circumstances, the School was in breach of the law and school assets are exposed to pilferage and loss.

4.2 Disputed Ownership of Land

Annex 2 to the financial statements reflects a summary of various categories of fixed assets with nil balances. However, a scrutiny of the School Land records revealed that Plot No 498/12/SEC/RAVINE and 498/13/SEC/RAVINE belonging to the School has an outstanding Legal Court Case dating back to 27 June, 2003 but was concluded on 19 December, 2019. A study of the judgement shows that the Case was ruled in favor of the plaintiff.

Although, the court ruled that the National Land Commission be responsible in making compensation to the plaintiff on behalf of the School, there is no documentation to confirm that the compensation was done.

In the circumstances, the conclusion of the matter is not confirmed.

4.3 Encroachment of the School Land

Annex 2 to the financial statements reflects a summary of various categories of fixed assets with nil balances. However, the School land at Plot: F/R No.240/188 has been encroached by private developers although management explained that there is a case in court challenging the same.

In the circumstances, the plot of land is likely to be lost to land grabbers.

4.4 Failure by the School Institution to Transfer the Ownership of Land

Annex 2 to the financial statements reflects a summary of various categories of fixed assets with nil balances. The school has donated Land assets with no values to Eldama Ravine Technical and Vocational College for the Institute to be constructed. Although the Institute has made request to the School to transfer the title to the Institute the same has not been done.

In the circumstances, the effective control and management of assets by the School Management could not be confirmed.

5. Failure to Develop School Improvement Plan and Poor Infrastructure

Section 2.2.1 of the Operational Manual for Utilization of Learner Capitation, Grant and Other School funds requires a school to develop improvement plan which is a road map for changes that a school needs to improve the school environment and learning outcomes. However, during the year under review, the school did not develop a School Improvement Plan to be used to measure school improvement activities and hold schools accountable, keep the school in focus in achieving the school target, prioritization of school needs, ensuring prudent utilization of resources and to improve accountability. Further, site visit conducted at the School revealed that the school lacks clearly demarcated school grounds, and proper fencing.

In the circumstances, Management was in breach of the requirements of the Operational Manual for Utilization of Learner Capitation Grant and Other School Funds.

6. Lack of Approved Information Technology Security Policy

Review of the School Information Technology Systems revealed that the School did not have an approved IT Policy for governance and management of its ICT resources. Further, there was no ICT Steering Committee in place to assist in the development of

ICT Policy framework to enable the School to realize long-term ICT strategic goals. Lack of an approved IT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the School's ICT assets. In addition, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

In the circumstances, the School may be exposed to financial losses or falsification of records in the absence of information and communication Technology policy.

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 control, 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 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or 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 are in compliance 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

03 October, 2024

BARINGO HIGH SCHOOL

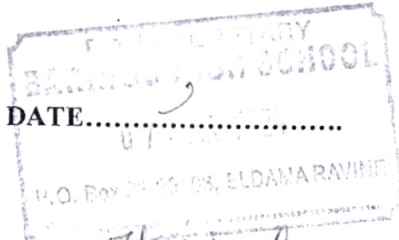
I. STATEMENT OF RECEIPTS AND PAYMENTS

DESCRIPTION OF VOTE HEAD	NOTE	2023 KSHS.CTS	2022 KSHS.CTS
RECEIPTS			
Capitation grants for tuition	1	3,045,271.75	4,898,975.00
Capitation grants for operations	2	16,494,946.00	25,022,596.55
School Fund Income- Parents' Contributions	3	11,163,669.00	16,967,028.86
School Fund Income- Other receipts	4	75,036,175.50	93,618,515.15
Proceeds from borrowings			
TOTAL RECEIPTS		105,740,062.25	140,507,115.56
PAYMENTS			
Payments for Tuition	5	2,709,751.05	5,295,131.20
Payments for operations	6	11,016,812.00	25,721,346.00
Boarding and school fund payments	7	83,550,081.13	105,134,790.87
TOTAL PAYMENTS		97,276,644.18	136,151,268.07
SURPLUS/DEFICIT		8,463,418.07	4,355,847.49

SIGN.....
 NAME *DR. STELLAH KERETo*
 CHAIRMAN/MEMBER BOM

DATE *7/13/2024*

SIGN.....
 NAME *John Ng'andu*
 PRINCIPAL/SECRETARY BOM



DATE *7/13/2024*

SIGN.....
 NAME *Hilary W. LAENT*
 FINANCE OFFICER/BURSAR

BARINGO HIGH SCHOOL

II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES			
	Note	2023	2022
		KSHS.CTS	KSHS.CTS
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	12,056,712.84	7,710,236.77
Cash Balances	9	58,829.50	27,315.50
Short term Investment	10	-	-
Total Cash and Cash Equivalents		12,115,542.34	7,737,552.27
Account's receivables	11	38,753,712.44	28,137,737.44
TOTAL FINANCIAL ASSETS		50,869,254.78	35,875,289.71
FINANCIAL LIABILITIES			
Accounts Payable	12	20,804,007.95	14,273,460.95
NET FINANCIAL ASSETS		30,065,246.83	21,601,828.76
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	21,601,828.76	17,245,981.27
Surplus/Deficit for the year		8,463,418.07	4,355,847.49
NET FINANCIAL POSITION		30,065,246.83	21,601,828.76
		-	-

SIGN.....
 NAME **DR. STELCAH KEBETE**
 CHAIRMAN/MEMBER BOM

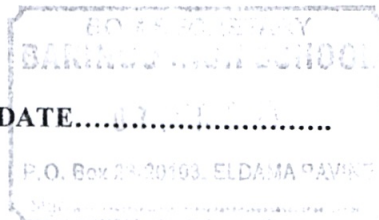
DATE **7/3/2024**

SIGN.....
 NAME **PILSA K. NYERET**
 PRINCIPAL/SECRETARY BOM

DATE.....

SIGN.....
 NAME **HILARY K. KACAT**
 FINANCE OFFICER/BURSAR

DATE **7/03/24**



BARINGO HIGH SCHOOL

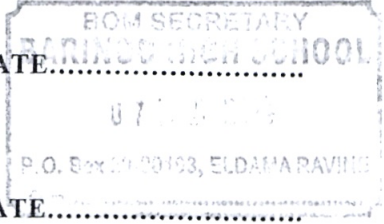
STATEMENT OF CASH FLOW			
		2023	2022
		KSHS.CTS	KSHS.CTS
Receipts from operating activities			
Capitation grants for tuition	1	3,045,271.75	4,898,975.00
Capitation grants for operations	2	16,494,946.00	25,022,596.55
School fund income- Parents contributions/ fees	3	11,163,669.00	16,967,028.86
School fund income- other receipts	4	63,451,615.50	85,058,210.30
Imprest arrears recovered		-	-
Fees arrears Recovered		6,322,917.00	7,807,216.00
Total receipts		100,478,419.25	139,754,026.71
Payments			
Payments for Tuition		2,709,751.05	5,295,131.20
Payments for operations		10,130,622.00	25,721,346.00
Boarding and school fund payments		78,157,118.13	102,161,766.37
Creditors paid		5,102,938.00	3,377,222.00
Total Payments		96,100,429.18	136,555,465.57
Net cash flow from operating activities		4,377,990.07	3,198,561.14
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		4,377,990.07	3,198,561.14
Cash and cash equivalent at BEGINNING of the year	10	7,737,552.27	4,538,991.13
Cash and cash equivalent at END of the year		12,115,542.34	7,737,552.27
		-	(0.00)

Note: Cash and Cash Equivalent is the Summation of Note 8,9 and 10 as presented in statement of assets and liabilities.

The above presentation of cashflow statement uses direct method of cash flow presentation which is encouraged under IPSAS as recommended by PSASB.

SIGN.....*[Signature]*..... DATE..... 7/3/2024.....
NAME..... DR. STELLAH KIRETO.....
CHAIRMAN/MEMBER BOM

SIGN.....*[Signature]*..... DATE.....
NAME..... Titu Kyefet.....
PRINCIPAL/SECRETARY BOM



SIGN.....
NAME.....
FINANCE OFFICER/BURSAR

BARINGO HIGH SCHOOL

Receipt/Expense Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
		a	b				
RECEIPTS		Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements				
<i>(1) CAPITATION GRANT ON TUITION</i>							
Internal exams				-	-	-	#DIV/0!
Teaching / learning materials	4,972,800.00			4,972,800.00	3,045,271.75	1,927,528.25	61.2%
Chalks				-	-	-	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>							
Personnel emoluments				-	-	-	
Repairs and maintenance	8,400,000.00			8,400,000.00	4,465,000.00	3,935,000.00	53.2%
Local transport / travelling				-	-	-	#DIV/0!
Electricity and water				-	-	-	#DIV/0!
Other votes	38,066,172.00			38,066,172.00	35,378,999.50	2,687,172.50	92.9%
Administration costs				-	-	-	#DIV/0!
Activity	2,775,600.00			2,775,600.00	1,882,914.50	892,685.50	67.8%
Medical	576,300.00			576,300.00	226,899.00	349,401.00	39.4%
SMASSE				-	-	-	
<i>(3) FEES CHARGED ON PARENTS</i>							
Personnel emoluments				-	-	-	#DIV/0!
Repairs and maintenance	8,400,000.00			8,400,000.00	2,117,384.00	6,282,616.00	25.2%
Local transport / travelling				-	-	-	#DIV/0!
Electricity and water				-	-	-	#DIV/0!
Medical	576,300.00			576,300.00	-	576,300.00	0.0%

Administration costs		-	-	-	-	-	#DIV/0!
Activity		-	-	-	-	-	#DIV/0!
Other votes		-	-	-	-	-	#DIV/0!
Fee on Boarding Equipment and Stores	42,415,665.00	-	-	42,415,665.00	29,960,119.50	12,455,545.50	70.6%
		-	-	-	-	-	
OTHER INCOME		-	-	-	-	-	
Income from farming activities	1,700,000.00	-	-	1,700,000.00	652,446.00	1,047,554.00	38.4%
Income from any other investment		-	-	-	-	-	
TOTAL INCOME	107,882,837.00	-	-	107,882,837.00	77,729,034.25	30,153,802.75	72.0%
		-	-	-	-	-	#DIV/0!
(1) EXPENDITURE FOR TUITION		-	-	-	-	-	
Personnel emoluments	-	-	-	-	-	-	
Repairs, maintenance and improvements	16,800,000.00	-	-	16,800,000.00	9,291.00	16,790,709.00	0.1%
Teaching / learning materials	4,972,800.00	-	-	4,972,800.00	2,709,751.05	2,263,048.95	54.5%
Medical Expenses	1,152,600.00	-	-	1,152,600.00	492,435.00	660,165.00	42.7%
Administration costs		-	-	-	-	-	
Activity	2,775,600.00	-	-	2,775,600.00	2,739,941.00	35,659.00	98.7%
Bus	-	-	-	-	-	-	#DIV/0!
Other votes	38,066,172.00	-	-	38,066,172.00	39,914,929.73	(1,848,757.73)	104.9%
Boarding Equipment and Stores	42,415,665.00	-	-	42,415,665.00	32,145,344.40	10,270,320.60	75.8%
Expenditure for Income Generating Activity (Farm)	1,700,000.00	-	-	1,700,000.00	820,010.00	879,990.00	48.2%
Other Payments	-	-	-	-	-	-	
TOTAL	107,882,837.00	-	-	107,882,837.00	78,831,702.18	29,051,134.82	73.1%

(1,102,667.93) 1,102,667.93

Notes

1. The Actuals receipts and Payments for both operation account and tuition account vote heads was merged in appropriation payments inline with budget estimates
2. Maintenance and improvement was not transferred to hence a total of 9,291 used representing 1%

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.

BARINGO HIGH SCHOOL

I. NOTES TO THE FINANCIAL STATEMENTS		
1	1. CAPITATION GRANT FOR TUITION	
	2023	2022
	KSHS.CTS	KSHS.CTS
Text books	-	-
Exercise books	-	-
Laboratory equipment	-	-
Tuition grant	-	2,264,757.00
Teaching/learning materials	3,045,271.75	2,634,218.00
Chalk	-	-
Internal Exams	-	-
Teachers guides	-	-
Total	3,045,271.75	4,898,975.00
2	2. CAPITATION GRANT FOR OPERATIONS	
	2023	2022
	KSHS.CTS	KSHS.CTS
Personal Emoluments	-	-
Maintenance and Improvement	4,465,000.00	9,788,612.35
Electricity and water	-	-
Local transport / travelling	-	-
Others Votes (L.T & T, E.W.C, ADM & P.E)	8,172,609.50	15,013,925.20
T.I.G Grants	3,000,000.00	-
Medical Insurance	226,899.00	220,059.00
Activity	630,437.50	-
Total	16,494,946.00	25,022,596.55
3	3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT	
	2023	2022
	KSHS.CTS	KSHS.CTS
Personnel emoluments	-	-
Repairs and maintenance	2,488,184.00	5,571,480.00
Local transport / travelling	-	-
Electricity and water	-	-

Medical	-	459,379.00
Uniform	7,352,636.00	8,755,885.00
Internal Exams	-	-
Administration costs	-	-
Activity	1,322,849.00	2,180,284.86
Total	11,163,669.00	16,967,028.86

4 4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2023	2022
	KSHS.CTS	KSHS.CTS
Boarding	43,668,227.50	54,251,756.15
Bank interest	-	-
Income from dairy farming	652,446.00	1,819,992.00
Others Votes (L.T & T, E.W.C, ADM & P.E)	29,996,002.00	37,159,767.00
Income from Posho mill	-	-
Income from Bus Hire	561,500.00	387,000.00
Tender	112,000.00	-
Bursary	-	-
Meal provision programme	46,000.00	-
Dividends income	-	-
Total	75,036,175.50	93,618,515.15

5 5. PAYMENTS FOR TUITION

	2023	2022
	KSHS.CTS	KSHS.CTS
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Tuition	-	2,830,351.20
Teaching / learning materials	2,709,751.05	2,464,780.00
Chalks	-	-
Internal Exams	-	-
Stationery	-	-
Administration Costs	-	-
Bank Charges	-	-
Total	2,709,751.05	5,295,131.20

6. PAYMENTS FOR OPERATIONS			
		2023	2022
		KSHS.CTS	KSHS.CTS
	Personnel emoluments	-	-
	Transfer to Infrastructure	-	-
	Administration Cost	537,760.00	-
	Others Votes (L.T & T, E.W.C, ADM & P.E)	9,812,978.00	22,895,481.00
	Local transport / travelling	-	-
	Electricity and water	-	-
	Mintenance and Improvement	-	2,530,585.00
	Activity Expenses	555,184.00	50,000.00
	Medical	110,890.00	245,280.00
	Ablution block	-	-
	Bank Charges	-	-
	Girls Dorm	-	-
	TOTAL	11,016,812.00	25,721,346.00
7. BOARDING AND SCHOOL FUND PAYMENTS			
		2023	2022
		KSHS.CTS	KSHS.CTS
	Personnel emoluments	-	-
	Refunds	-	-
	Repairs and maintenance & Improvements	9,291.00	3,080,842.00
	Prepayments	-	-
	Local transport / travelling	-	-
	Electricity and water	-	-
	Medical Expenses	458,075.00	214,290.00
	Administration costs	169,950.00	1,454,212.00
	Activity	2,456,657.00	3,028,897.72
	Caution Money	-	8,500.00
	Others Votes (L.T & T, E.W.C, ADM & P.E)	30,101,951.73	36,709,454.15
	Boarding Equipment and Stores	35,805,743.40	42,299,433.00
	Bus Hire	125,000.00	74,300.00
	Tender	14,000.00	-

Farm	1,144,110.00	1,993,905.00
Arrears	5,912,667.00	7,782,694.00
Bank Charges	-	-
Uniforms	7,352,636.00	8,488,263.00
Acquisition of Assets	-	-
TOTAL	83,550,081.13	105,134,790.87

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

8.8. BANK ACCOUNTS

Name of Bank, Account No. & currency	2023	2022
	KSHS.CTS	KSHS.CTS
Tuition Account	472,249.85	136,729.15
Operations Account	7,015,651.20	651,327.20
School Fund Account/Boarding	4,553,324.87	6,906,693.50
Savings Account	-	-
Parent Association Development Account	-	-
I G A - Farm	15,486.92	15,486.92
Infrastructure Account	-	-
Total	12,056,712.84	7,710,236.77

9. CASH IN HAND

Description	2023	2022
	KSHS.CTS	KSHS.CTS
I G A - Farm	12,802.00	12,802.00
Operation Account	-	-
School Fund account	46,027.50	14,513.50

Total	58,829.50	27,315.50
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10 10. SHORT TERM INVESTMENTS

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

11 11. ACCOUNTS RECEIVABLE

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Fees arrears	38,753,712.44	28,137,737.44
Other non-fees receivables	-	-
Salary advances	-	-
Other receivables	-	-
Imprest	-	-
Total	38,753,712.44	28,137,737.44

[Include an ageing of the fees / non fees arrears below]

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Fees arrears for current year	16,938,892.00	16,546,796.00
Fees arrears for the previous year	21,814,820.44	11,590,941.44
Fees arrears for prior periods (over two years)	-	-
Total	38,753,712.44	28,137,737.44

12 12. ACCOUNTS PAYABLE

Description	2023	2022
	KSHS.CTS	KSHS.CTS

Trade creditors (See ageing below and appendix 1)	9,187,484.40	6,004,237.40
Prepaid fees	11,616,523.55	8,269,223.55
Retention monies	-	-
Total	20,804,007.95	14,273,460.95

[Include an ageing of the creditor's arrears below]

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Trade creditors for current year	8,286,185.00	5,102,938.00
Trade creditors for the previous year	901,299.40	901,299.40
Trade creditors for prior periods (over two years)	-	-
Total	9,187,484.40	6,004,237.40

13 13. FUND BALANCE BROUGHT FORWARD

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Bank balances	7,710,236.77	4,518,040.13
Cash balances	27,315.50	20,951.00
Short Term Investments	-	-
Receivables	28,137,737.44	19,398,157.44
Payables	14,273,460.95	6,691,167.30
Total	21,601,828.76	17,245,981.27

OTHER IMPORTANT DISCLOSURES

14. NON-CURRENT LIABILITIES

14 SUMMARY

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-

	Total	-	-
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15 15. BIOLOGICAL ASSETS

Description	Numbers	2023	2022
		KSHS.CTS	KSHS.CTS
Cattle	30 Cows	-	-
Goats		-	-
Trees	6,820 Trees	-	-
Coffee or tea plantation		-	-
Poultry		-	-
Total	6,850	-	-

16 16. BORROWINGS

Description	2023	2022
	KSHS.CTS	KSHS.CTS
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

17 17. STOCK/INVENTORY

Description	2023	2022
	KSHS.CTS	KSHS.CTS
Stock/Inventory		
Stock/ inventory at beginning of the year	2,711,503.64	-
Stock/ inventory purchased during the year	13,043,045.00	-
Stock/ inventory issued during the year	2,882,573.00	-
Balance at end of the year	12,871,975.64	-

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

Other important disclosure notes

19 Stock/ Inventory

Description	Insert Current 2023	Insert Comparative 2022
	Kshs	Kshs
Food stuffs	12,871,975.64	-
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	12,871,975.64	-

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

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

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY 2023	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Sogonin Hardware				505,260		
Sub-Total				505,260.00		
Supply Of Goods						
2. Lurkspur Enterprises				3,280,546		
3. Vespasian Limited				54,600		
4. Beatrice Ayub				68,190		
5. Star Butchery				890,840		
6. Chefko Company				324,100		
7. Beven Investments				76,900		
8. Newry Farm				572,160		
9. Mary Chepkonga				141,729		
10. Startic Distributors				271,900		
11. Redt Printers				80,530		
12. Talil				410,400		
Sub-Total				6,172,196.00		
Supply Of Services						
13. Valley Conference				1,500,000		
14. Eldcare Pharmacy				76,530		
15. Ravine Power				32,200		
Sub-Total				1,608,730		

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

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY 2023	Outstanding Balance Comparative FY	Comments
Sub-Total				1,608,730		
Grand Total				8,286,186.00		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Numbers	Historical Cost b/f (Kshs) 1 st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land	33.38 ha		N/A	N/A	
Buildings And Structures					
Motor Vehicles	3 vehicles				
Office Equipment, Furniture And Fittings					
Textbooks	44,725				
ICT Equipment					
Tools And Apparatus					
Other Machinery And Equipment	1 Generator				
Heritage And Cultural Assets		-	-	-	-
Intangible Assets- Software					
Total					

(The school should ensure that a detailed fixed assets register is maintained).