

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**


**OF**

**THE AUDITOR-GENERAL**

**ON**

**ST. ANNE'S SECONDARY  
SCHOOL - LIOKI**

**FOR THE YEAR  
ENDED 30 JUNE, 2022**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	19 NOV 2024 DAY.
TABLED BY:	HON. OWEN BAYA DEPUTY MAJORITY LEADER
CLERK-AT THE TABLE:	INZOFU MWALE

**KIAMBU COUNTY**

Revised 30<sup>th</sup> June 2022



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**ST. ANNE'S SECONDARY SCHOOL – LIOKI  
P.O BOX 270,  
KIAMBU  
PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> June 2022**

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

Table of Contents

Page

I.	KEY SCHOOL INFORMATION AND MANAGEMENT.....	ii
II.	SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL .....	vi
III.	STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY.....	xiv
IV.	REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF ST.ANNE'S SECONDARY SCHOOL LIOKISCHOOL OF THE YEAR ENDING 30 <sup>TH</sup> JUNE 2022.....	xv
V.	STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 <sup>TH</sup> JUNE 2022 .....	- 1 -
VI.	STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 <sup>TH</sup> JUNE 2021... 2	
VII.	STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 <sup>TH</sup> JUNE 2022.....	3
VIII.	STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 <sup>TH</sup> JUNE 2022.4	
IX.	SIGNIFICANT ACCOUNTING POLICIES .....	11
X.	NOTES TO THE FINANCIAL STATEMENTS.....	13
XI.	ANNEXURES.....	24

**I. KEY SCHOOL INFORMATION AND MANAGEMENT****(a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in KIAMBU County, KIAMBU Sub-County

The school was registered in January 2020 under registration number 22500300636 and is currently categorized as a *Extra County*, public school established, owned or operated by the Government.

The school is a **boarding** school and had **1106** number of students as at 30<sup>th</sup> June 2022. It has **4** streams and **42** teachers of which **4** 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	Anthony Wachira	Chairman	7 <sup>th</sup> March, 2022
2	Edith Gitonga	Secretary-Principal	7 <sup>th</sup> March, 2022
3	Martin Thinji	Member	7 <sup>th</sup> March, 2022
4	Samuel Gichamba	Member	7 <sup>th</sup> March, 2022
5	Prof. Peter Ng'ang'a	Member	7 <sup>th</sup> March, 2022
6	Dr. Hannah Kangara	Member	7 <sup>th</sup> March, 2022
7	Fr. Felix Kalila		7 <sup>th</sup> March, 2022
8	Salome Gathoni	Member-Rep. CEB	7 <sup>th</sup> March, 2022
9	Eunice Nyakio	Member- Rep Teachers	7 <sup>th</sup> March, 2022
10	Antony Wachira Samuel Ndung'u Geoffrey Kang'ethe	3 Members – Sponsor	7 <sup>th</sup> March, 2022
11	Christine Kemunto	Member – Community	7 <sup>th</sup> March, 2022
12	George Gichimu	Member-Special Needs	7 <sup>th</sup> March, 2022
	June Mukami	Rep Students	7 <sup>th</sup> March, 2022

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**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 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			3 TIMES
		Anthony Wachira	Chairman	
		Edith Gitonga	Secretary	
		Prof. Peter Ng'ang'a	PA Chairman	
		Samuel Gichamba	Member	
	Annah Kihanya	Member		
2	Audit Committee			3 TIMES
3	Finance, procurement and general purposes Committee	Anthony Wachira	Chairperson	3 TIMES
		Samuel Maina	Member	
		Geoffrey Kang'ethe	Member	
		Martin Thinji	Chairperson	
		Samuel Maina	Member	
		Geoffrey Kang'ethe	Member	
		Anthony Wachira	Member	
		Martin Thinji	Chairperson	
4	Academic Committee			2 TIMES
		Prof. Peter Ng'ang'a	Chairperson	

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

5	Development Committee	Dr. Hannah Kangara	Member	4 times
		Eunice Kinyanjui	Member	
		Annah Kihanya	Member	
		Edith Gitonga	Principal	
		Alice Chege	D/Principal	
6	Discipline and welfare Committ	George Gichimu	Chairperson	1 TIMES
		Anthony Wachira	BOM Chair	
		Eng. Peter Kabuta	Member	
		Samuel Gichamba	Member	
		Edith Gitonga	Member	
		Sub County Director Alice Chege	Member Member	
7	Adhoc Committee (if any during the year)	Christine Kemunto	Chairperson	N/A
		Martin Thinji	Member	
		Salome Gathoni	Member	
		Samuel Gichamba	Member	
		Edith Gitonga Alice Chege	Principal D/Principal	

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	EDITH N, GITONGA	246137
2	Deputy Principal	ALICE CHEGE	352849
3	School Bursar	MARY WAMBUI MUNGAI	PAY ROLL NO. 14

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 00900 270 KIAMBU  
Telephone: 0715600463  
E-mail: stlioki@yahoo.com  
stlioki@gmail.com  
Website:  
Facebook:  
Twitter:

**(f) School Bankers**

The following school operated **5** number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KENYA COMMERCIAL BANK  
Branch: KIAMBU  
Account Number - 1101959460 – SCHOOL FUND ACCOUNT  
- 1101960639 – TUITION GRANT ACCOUNT  
- 1125584386 – DEVELOPMENT ACCOUNT
  
2. Name of Bank: EQUITY BANK LTD  
Branch: KIAMBU  
Account Number: 0640291737194 - OPERATION GRANT ACCOUNT  
- 0640273404817 - INFRASTRUCTURE ACCOUNT
  
3. MPESA Pay Bill No. - **BUSSINESS NO. 522123**  
- **ACCOUNT NO. 85239K** attached to  
- **KCB Bank Account 1101959460**

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

**(g) Independent Auditors**

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

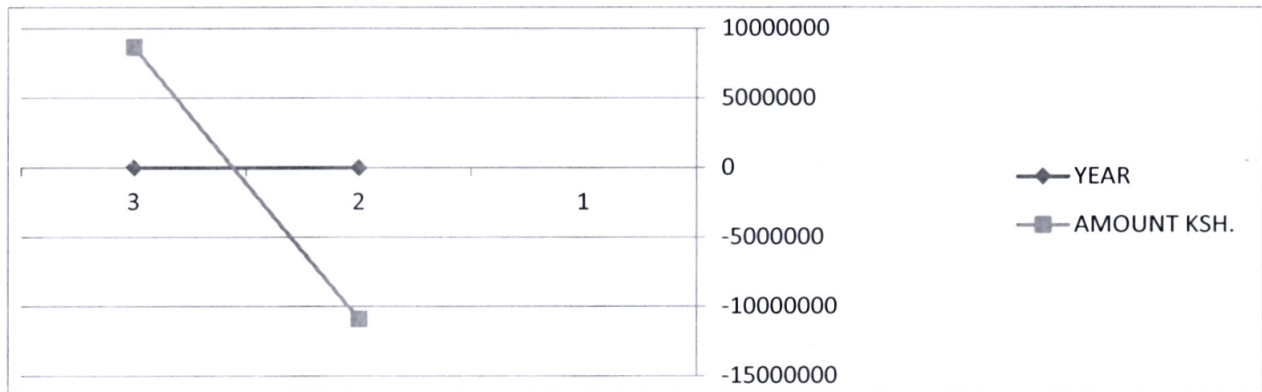
**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) (i) SURPLUS/DEFICIT YEAR 2020-2022**

YEAR	AMOUNT KSH.
2020	(10,891,086)
2021	8,674,104
2022	11,957,553



**(ii & iii) CAPITATION GRANTS/ RATIO PER STUDENT FROM THE MINISTRY OF EDUCATION FOR LAST 3 YEARS**

YEAR	AMOUNT KSH.	ENROLLMENT	RATIO PER STUDENT
2020	12,473,048	893	1:13,967
2021	7,019,787	935	1: 7,508
2022	18,895,574	1,106	1:17,084

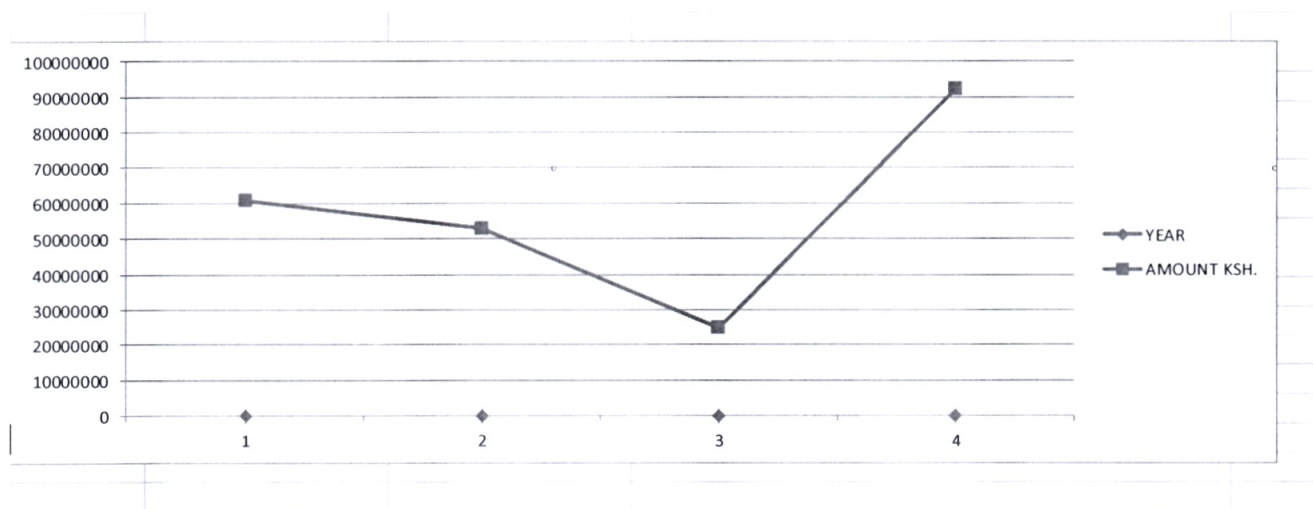


**(iv) 3 YEARS OVERVIEW OF GROWTH OF OTHER INCOMES EARNED BY THE SCHOOL**

<b>YEAR</b>	<b>AMOUNT (KSH.)</b>
2019	38,927,098
2020	29,382,522
2021	26,543,441
2022	87,476,151

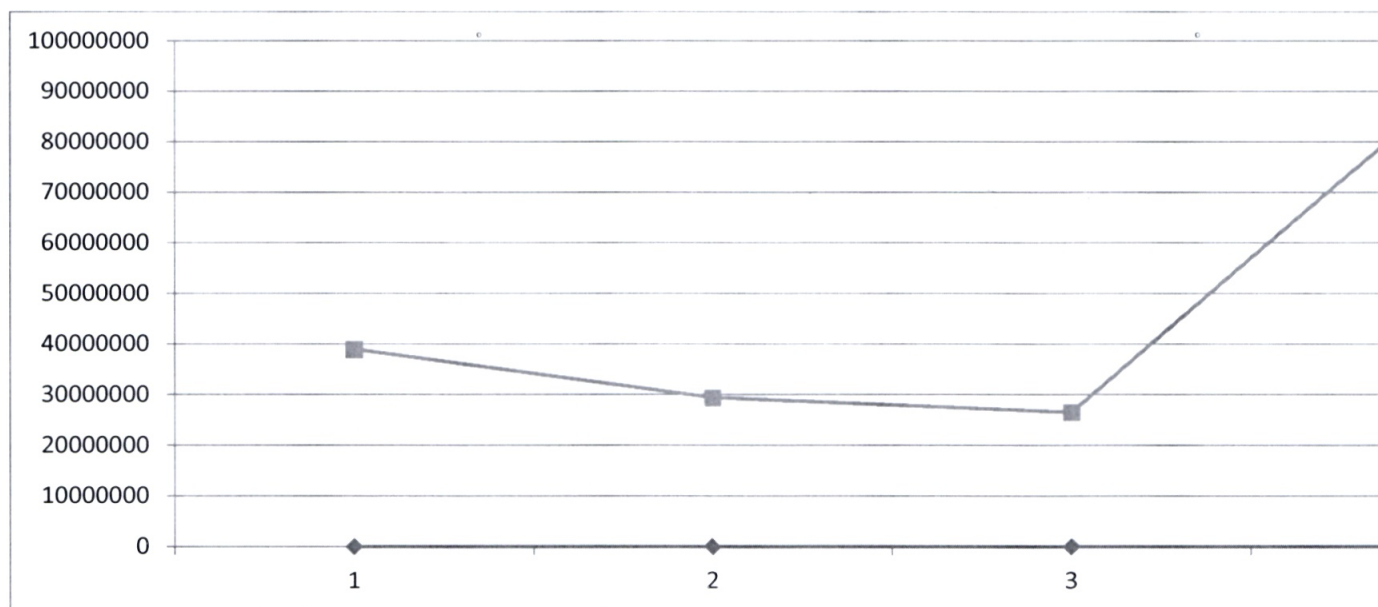
**iv) Three year overview of growth in expenditure of the school**

YEAR	AMOUNT KSH.
2019	60,825,305
2020	52,746,656
2021	24,889,124
2022	92,290,921



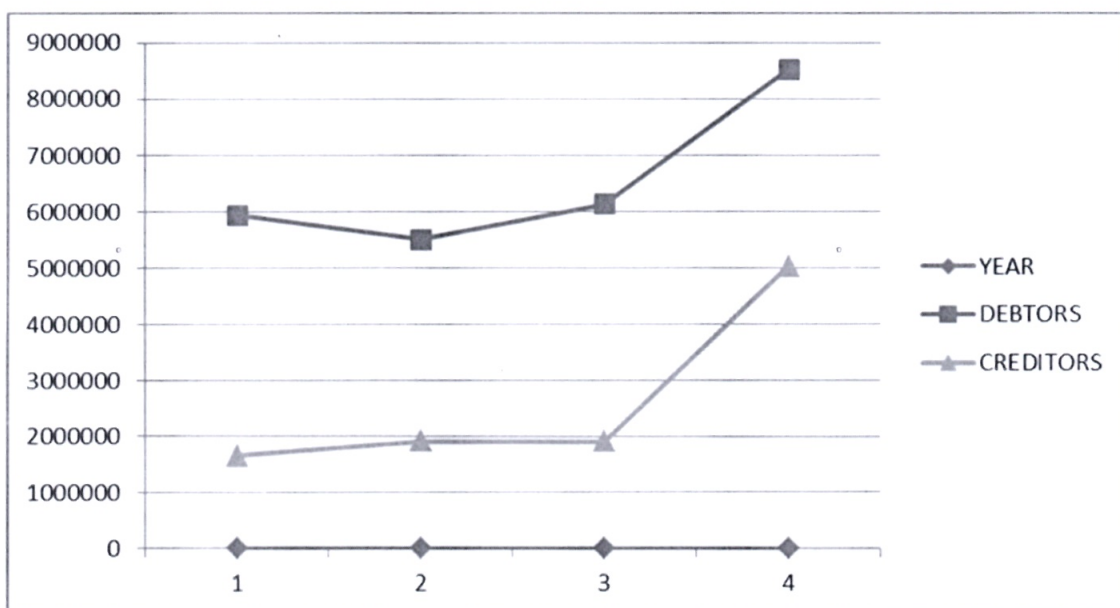
**(iv) 3 YEARS OVERVIEW OF GROWTH OF OTHER INCOMES EARNED BY THE SCHOOL**

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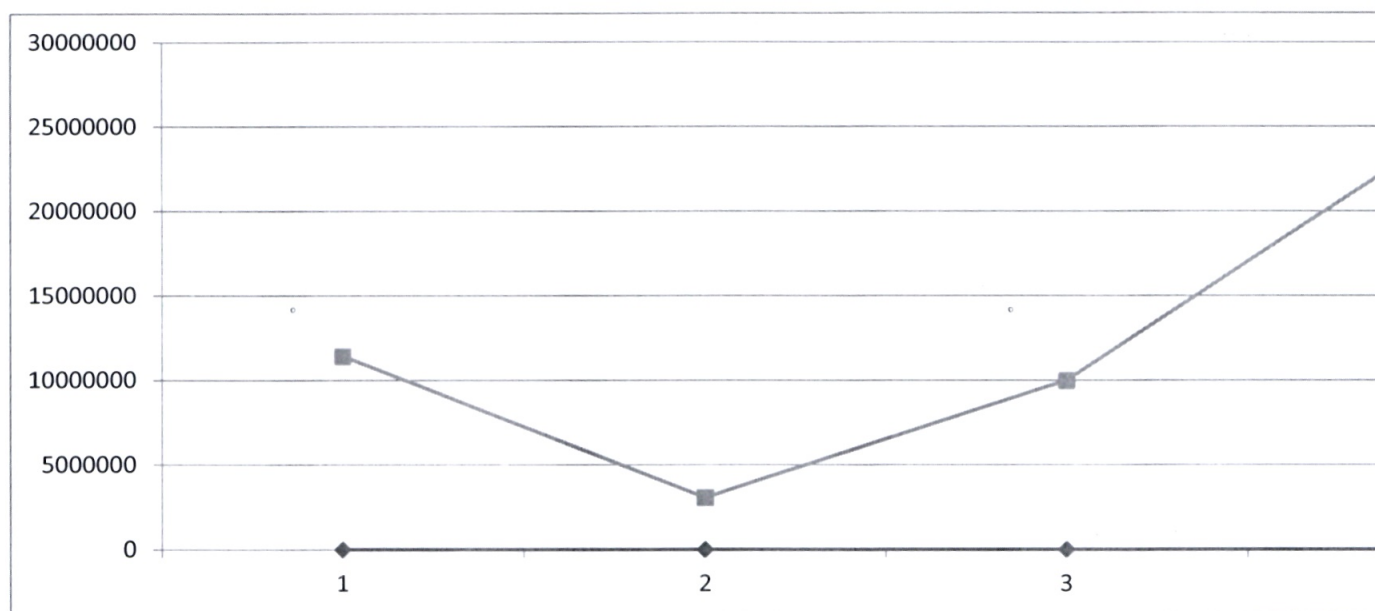
**(vi) MOVEMENT OF DEBTORS AND CREDITORS OF THE SCHOOL OVER LAST 3 YRS**

<b>YEAR</b>	<b>DEBTORS</b>	<b>CREDITORS</b>
2019	5,929,681	1642828.5
2020	5,501,294	1906869.5
2021	6,125,988	1906869.5
2022	8,516,824	5024657.5



**(vii) MOVEMENT OF CASH AND BANK BALANCES OVER THE LAST 3 YRS**

<b>YEAR</b>	<b>AMOUNT KSH.</b>
2019	11,427,127
2020	3,061,236
2021	9,977,596
2022	24,059,756



**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**b) Teacher student ratio**

<i>year</i>	<i>No. of teachers</i>	<i>No. of students</i>	<i>ratio</i>	<i>Teachers recruited &amp; posted</i>	<i>Teachers transferred/retired</i>	<i>Bom teachers</i>
2021	35	935	1:27	11	none	4
2022	42	1106	1:26	2	3	4

**C&d) MEAN SCORE & NO. OF KCSE CANDIDATES YEAR 2019-2022**

<b>YEAR</b>	<b>ENTRY</b>	<b>A</b>	<b>A-</b>	<b>B+</b>	<b>B</b>	<b>B-</b>	<b>C+</b>	<b>C</b>	<b>C-</b>	<b>D+</b>	<b>D</b>	<b>MEAN SCORE</b>	<b>TRANSITION TO UNIVERSITY</b>
2022	194	0	10	13	46	40	45	32	8	0	0	7.840	154
2021	224	0	3	19	39	46	47	46	22	1	1	7.401	154
2020	195	1	18	21	45	50	36	20	4	0	0	8.292	171
2019	212	0	10	26	47	42	42	29	8	7	1	7.867	167

**e) Capacity of the school**

<i>year</i>	<i>No. of students</i>	<i>dormitories</i>	<i>Dining hall</i>	<i>laboratory</i>	<i>toilets</i>	<i>water</i>	<i>Staff quarters</i>
2020	893	adequate	none	adequate	adequate	inadequate	inadequate
2021	935	adequate	none	adequate	adequate	inadequate	inadequate

**a) Development projects carried out by the school:**

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

*Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format*

<b>S. NO</b>	<b>PROJECT</b>	<b>SOURCE OF FUNDING</b>	<b>STAUUS OF PROJECT</b>
1	4 CLASSROOMS	MIF/PARENTS	COMPLETED
2	CBC CLASSROOM	GOVERMENT	COMPLETED
3	PERIMETER WALL	PARENTS	COMPLETE
4			
5			
6			

Sign



**School Principal**

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *ST. ANNE'S SECONDARY SCHOOL LIOKI* 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 30<sup>th</sup> June, 2021 and of the school's financial position as at that date.

**Name:** ANTONY WACHIRA  
**Designation:** Chairman, School Board of Management

**Sign :**   
**Date :** 18/07/2024

**Name:** EDITH NJERI NJUE  
**Designation:** School Principal & Secretary to Board of Management

**Sign :**   
**DATE :** 18/07/2024

**Name:** MARY WAMBUI MUNGAI  
**Designation:** Bursar/ Finance Officer

**Sign :**   
**Date :** 18/07/2024



# REPUBLIC OF KENYA

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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 ST. ANNE'S SECONDARY SCHOOL LIOKI FOR THE YEAR ENDED 30 JUNE, 2022 - KIAMBU COUNTY**

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### 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 Effectiveness of Internal Control, 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, the risk management environment and the 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 regulation 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 St. Anne's Secondary School Lioki – Kiambu County set out on pages 1 to 23, which comprise of the statement of

assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation 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 St. Anne' Secondary School Lioki -Kiambu County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1.0 Inaccuracies in the financial statements**

Review of the financial statements revealed the following:

#### **1.1. Variances between the cashflow statement and notes to the financial statements were as follows:**

<b>Item</b>	<b>As per the Cashflow Statement (Kshs.)</b>	<b>As per the Notes to the Financial Statement (Kshs.)</b>	<b>Unexplained Variance (Kshs.)</b>
School Fund Income-Parents/Contribution Fees - as per the Statement of Cashflows	87,476,151	51,930,640	35,545,511
School Fund Income - Other Receipts (as per the Statement of Cashflows)	0	34,709,297	(34,709,297)
Payments for Tuition as per the Statement of Cashflows	3,754,207	3,537,807	216,400
Boarding School and Fund Payments as per the Statement of Cashflows	73,859,371	72,788,733	1,070,638

1.2. Variances between the Ledgers and the Notes to the financial statement as follows:

**General ledger variances**

Item	As per the Ledger (Kshs.)	As per the Notes to the Financial Statement (Kshs.)	Variance in Kshs.
<b>Receipts</b>			
<b>Parents - Contributions (School Fund)</b>			
Activity	716,197	798,000	(81,803)
Administration	3,462,489	3,729,730	(267,241)
BES	26,887,273	29,682,579	(2,795,306)
EWC	3,744,835	4,015,005	(270,170)
KCSE Passport	103,655	104,255	(600)
L, T & T	4,283,932	4,589,377	(305,445)
RMI	2,866,853	3,074,011	(207,158)
<b>Capitation from Operating Grants</b>			
Acquisition of Assets	5,615,500	0	5,615,500
IMF	0	5,292,500	(5,292,500)
Developments	19,042,611	20,797,950	(1,755,339)
<b>Other Receipts - School Fund</b>			
Bursary	296,000	385,210	(89,210)
Pocket Money	74,850	0	74,850
<b>Payments</b>			
<b>Payments for Tuition</b>			
Tuition	1,893,701	2,110,101	(216,400)
<b>Payments for Operations</b>			
Administration	2,084,530	1,832,042	252,488
<b>Boarding and School Fund Payments</b>			
BES	27,155,827	28,365,787	(1,209,960)
Bursary	296,000	471,410	(175,410)
RMI	1,799,148	1,808,148	(9,000)
Pocket Money	73,550	0	73,550
Uniform	11,801,365	12,231,725	(430,360)
Development Account	21,650,695	19,575,846	2,074,849

1.3. Note 3 to the financial statement indicates an opening balance of Kshs.26,108,440 for Parents Contributions -school fund which varies from the prior year opening balance for the component of Kshs.26,118,600 as per the prior year financial statements.

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

## **2.0 Inaccuracies in Capitation Grants for Tuition and Operations**

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.3,554,256 and Kshs.15,341,318 as disclosed in Notes 1 and 2 to the financial statements. However comparison with banks statements reflects different amounts of Kshs.2,856,791 and Kshs.12,649,118 resulting to unexplained variances of Kshs.697,465 and Kshs.2,692,201.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.3,554,256 and Kshs.15,341,318 could not be confirmed

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Anne's School Lioki 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.

### **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. There were no key audit matters to report in the year under review.

## **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 matter(s) 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**

### **1.0 Non-Compliance with Public Sector Accounting Standards Board (PSASB) 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;

- 1.1 The table of contents is misleading as it has not indicated the correct page number references. This is because of not including roman number pages in the table as required by the reporting template.
- 1.2 The statement of budgeted versus actual amounts has not disclosed Total budgeted receipts and Total budgeted expenditures for the year as required by the PSASB reporting template.

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.

### **2.0. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 24 May, 2023 instead of the statutory deadline of 30 September 2021. This was contrary to Section 68(K) of the Public Finance Management Act, 2012 that requires financial statements to be submitted within a period of three months after the financial year ends.

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

### **3.0. Irregular Transfer of Funds to the Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects payments for operations amount of Kshs.15,964,380 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.291,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.291,500 could not be confirmed.

#### **4.0. Lack of a Procurement plan**

The statement of receipts and payments reflects an amount of Kshs.105,535,511 and Kshs.93,577,958 in respect of receipts and payments respectively. Management of the School however did not provide a procurement plan for the financial year contrary to regulation 40.(1) of the Public Procurement and Asset Disposal Regulations, 2020 which provides that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 3000 and 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 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on the 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. Lack of an Approved Human Resource Policy**

The Management did not provide an approved human resource policy, procedure manual, staff establishment, scheme of service and salary structure for the financial year. In the absence of the above, it is unclear how vacancies were identified and filled. In the absence of a human resource policy the School's staff may lack basic guidelines and expectation on service delivery, compensation, career progression and personnel management.

##### **2. Inaccuracy of Student Enrollment Data**

Examination of documents provided for audit revealed that on different dates there were discrepancies between the data in the County Director of Education or the National Education Management Information System (NEMIS) and School records relating to the enrolment of students leading to over funding and underfunding based on number of students as tabulated below:-

Financial Year	Account Type	NEMIS Enrolled	Amount Disbursed (Kshs.)	Physical Count of Number of Students	Variance in Student	Over Funding/ Under Funding
2021-2022	Operations	715	3,217,500.00	685	30	135,000.00
2021-2022	Tuition	715	521,950.00	685	30	21,900.00
2021-2022	Operations	253	1,138,500.00	259	-6	(27,000.00)
2021-2022	Tuition	253	184,690.00	259	-6	(4,380.00)
2021-2022	Operations	950	3,376,015.00	927	23	81,735.10
2021-2022	Tuition	950	665,000.00	927	23	16,100.00
2021-2022	Operations	967	2,005,267.90	942	25	51,842.50
2021-2022	Tuition	967	462,226.00	942	25	11,950.00
2021-2022	Operations	959	2,833,653.20	942	17	50,231.60
2021-2022	Tuition	959	1,007,525.40	942	17	17,860.20

Under the circumstances, the basis used to award capitation to the School could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 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 control, risk management and 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 school's 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 is responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how the 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**

The audit objectives are to obtain reasonable assurance about whether the School's 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 control 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 School's 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 the Management.
- Conclude on the appropriateness of the Management's use of 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

13 September, 2024

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
			Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	3,554,256	861,344
Capitation grants for operations	2	15,341,318	6,158,443
School Fund Income- Parents' Contributions	3	51,930,640	26,118,600
School Fund Income- Other receipts	4	34,709,297	424,841
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>105,535,511</b>	<b>33,563,228</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	3,754,207	937,697
Payments for operations	6	15,964,380	4,046,095
Boarding and school fund payments	7	73,859,371	19,905,332
<b>TOTAL PAYMENTS</b>		<b>93,577,958</b>	<b>24,889,124</b>
<b>SURPLUS/DEFICIT</b>		<b>11,957,553</b>	<b>8,674,104.00</b>

The school financial statements were approved on 18/07/2024 and signed by:

Sign:



Name CPA ANTONY WACHIRA

Chair BOM

Date 18/07/2024

Sign



Name EDITH NJUE

School Principal Secretary Bom

Date 18/07/2024

Sign



Name MARY MUNGAI

Bursar/Finance Officer

Date 18/07/2024

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022**

	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	24,059,756.00	9,977,595.94
Cash Balances	9	39.00	1,395
Short term Investment	10	-	-
<b>Total Cash and Cash Equivalents</b>		<b>24,059,795</b>	<b>9,978,990.94</b>
Account's receivables	11	<b>8,516,824</b>	<b>7,522,287.15</b>
<b>TOTAL FINANCIAL ASSETS</b>		<b>32,576,619</b>	<b>17,501,278.09</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	12	5,024,658	1,906,869.50
<b>NET FINANCIAL SSETS</b>		<b>27,551,961</b>	<b>15,594,408.59</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	15,594,409	6,920,304.89
Surplus/Deficit for the year		11,957,553	8,674,103.70
<b>NET FINANCIAL POSITION</b>		<b>27,551,962</b>	<b>15,594,408.59</b>

The school's financial statements were approved on 18/07/2024 and signed by:

**Name:** ANTONY WACHIRA  
*Chairman, BoM*

**Sign:**

**Date:** 18/07/2024

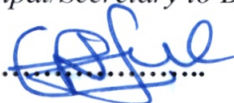


**Name:** EDITH NJUE  
*Principal/Secretary to BoM*

**Sign:**

**Date:** 18/07/2024

**Name:** MARY MUNGAI



*Bursar/Finance*

**Sign:**

**Date:** 18/07/2024



*ST. ANNE'S SECONDARY SCHOOL LIOKI*  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

		<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	3,554,256.40	861,343.75
Capitation grants for operations	2	15,341,317.50	6,158,442.95
School fund income- Parents contributions/ fees	3	51,930,640.00	26,287,800.00
School fund income- other receipts	4	34,709,297.00	
<b>Total receipts</b>		<b>106,371,724.90</b>	<b>33,307,586.70</b>
<b>Payments</b>			
Payments for Tuition	5	3,537,807.00	1,099,636.00
Payments for operations	6	15,964,380.00	4,046,095.00
Boarding and school fund payments	7	72,788,733.95	21,244,704.00
		<b>92,290,920.95</b>	<b>26,390,435.00</b>
<b>Net cash flow from operating activities</b>		<b>14,080,803.95</b>	<b>6,917,151.70</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	8	-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>NET CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans	9		
Repayment of principal borrowings			
<b>Net cash flows from Investing Activities</b>		<b>-</b>	
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>14,080,803.95</b>	<b>6,917,151.70</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>10</b>	<b>9,978,990.94</b>	<b>3,061,839.24</b>
<b>TOTAL</b>		<b>24,059,793.00</b>	<b>9,978,990.94</b>

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
		-			0	
Laboratory equipment	1,581,940		1,581,940	1581940		100%
Internal exams	-	-	-	-	-	-
		-				
Teaching / learning materials	2,072,316		2,072,316	1,972,316.4	99,999.60	95%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides		-		-	-	-
		-		-	-	
		-		-	-	

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	2,915,880	-	2,915,880	3371741.20	(455,861.12)	115.6%
Repairs and maintenance	5,292,500	-	5,292,500	5292500	0	100%
Local transport / travelling	2,199,600	-	2,199,600	1372088	(827512)	62.3%
Electricity and water	1,943,920	-	1,943,920	2,607,952	(664,032)	134.16%
Medical	1,880,000	-	1,880,000	191,800	(1,688,200)	10.2%
Administration costs	1,767,200	-	1,767,200	2,505,236.30	(738,036.3)	141.7%
Activity	1,410,000	-	1,410,000	-	1410000	100%
Gratuity		-		-	-	-
SMASSE		-		-	-	-
<b>(3) FEES CHARGED ON PARENTS</b>		-		-	-	-
Personnel emoluments	4,583,820	-	4,583,820	5,201,933	(618,113)	113.48%
Repairs and maintenance	2,282,600	-	2,282,600	2,866,853	(584,253)	125.6%
Local transport / travelling	3,452,210	-	3,452,210	4,283,932	(831,7220)	124%
Electricity and water	3,007,510	-	3,007,510	3,744,835	(737,325)	124.5%

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Medical		-		-	-	-
Administration costs	2,755,695	-	2,755,695	3,462,489	(704794)	125.6%
Activity	474,925	-	474,925	716197	(241272)	150.8%
SMASSE		-		-	-	-
Fee on Boarding Equipment and Stores	25,450,420	-	25,450,420	26,887,273	(14368530)	105.65
<b>OTHER INCOME</b>		-				
Rent income	204,000	-	204,000	193,800	(10200)	95%
Income from farming activities		-	-	-	-	-
Insurance compensation		-	-	-	-	-
Income from Posho mill		-	-	-	-	-
Income from Bus Hire		-	-	-	-	-
Fee for hire of ground and equipment		-	-	-	-	-
Interest income		-	-	-	-	-
Income from any other investment		-	-	-	-	-
<b>TOTAL INCOME</b>		-				
		-				



**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials	#REF!	-	#REF!	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	1,581,940	-	1,581,940	1,581,940	-	100%
Internal exams	-	-	-	-	-	-
Teaching / learning materials	2,072,316	-	2,072,316	1,953,701	118,615	94.28%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
		-		-	-	-
		-		-	-	-

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	2,915,880	-	2,915,880	3038366	(122,4860)	104%
Repairs, maintenance & improvements	5,292,500	-	5,292,500	5,308,000	(15,500)	-
Local transport / travelling	2,199,600	-	2,199,600	935,765	1,263,835	-
Electricity, water and conservancy	1,943,920	-	1,943,920	2,158,110	(214,190)	-
Medical	1,880,000	-	1,880,000	641,304	1,238,696	-
Administration costs	1,767,200	-	1,767,200	2,084,530	(317,330)	-
Activity Expenses	1,410,000	-	1,410,000	873,000	537,000	62%
Gratuity		-	-	-	-	-
SMASSE	-	-	-	-	-	-
		-		-	-	-

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments	4,583,820	-	4,583,820	3,360,592	1,223,228	73.3%
Repairs, maintenance and improvements	2,282,600	-	2,282,600	1,799,148	483,452	78.8%
Local transport / travelling	3,452,210	-	3,452,210	1,212,882	2,239,328	35%
Electricity, water and conservancy	3,007,510	-	3,007,510	2,998,883	8,627	99.7%
Medical Expenses		-		0	-	-
Administration costs	2,755,695	-	2,755,695	2,737,910	17,785	99.35%
Activity	474,925	-	474,925	328,020	146,905	69%
Gratuity	-	-	-	-	-	-
Lunch programme	-	-	-	-	-	-
Boarding Equipment and Stores	25,450,420.00	-	25,450,420.00	27,155,827	(1,705,407)	106.7%
Expenditure for Income Generating Activity	-	-	-	-	-	-
Insurance costs	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-
Rent Expenses	204,000.0	-	204,000.0	46,165	157,835	22.62%
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
<b>TOTALS</b>	-	-	-	-	-	-

*[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]*

- i. UNDER 90% EXPENDITURE WAS DUE TO RESTRICTED ACTIVITIES E.G GAMES ETC TO COVER SYLLABUSES
- ii. ABOVE 100% IS DUE TO INFRATION RATE

## IX. SIGNIFICANT ACCOUNTING POLICIES

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	-	
Tution	2,546,731.00	
Laboratory equipment	-	
Internal exams		
Teaching / learning materials	1,007,525.40	861,343.75
Chalks		
Exams and assessment		
Library & reference		
<b>Total</b>	<b>3,554,256.40</b>	<b>861,343.75</b>

**2.CAPITATIONFOROPERATIONGRANTS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,371,741.50	981,402.95
RMI/INFRASTRUCURE FUND	5,292,500.00	3,184,500.00
Local transport / travelling	1,372,088.00	743,483.00
Electricity and water	2,607,952.00	654,267.00
cdf grant ablution block	-	
Infrastruture grant, 3classrooms	-	594,790.00
Infrastructure grant, computer lab	-	
Medical	191,800.00	
Administration costs	2,505,236.00	
borehole (transfer)	-	
Interest	-	
Activity	-	-
<b>Total</b>	<b>15,341,317.50</b>	<b>6,158,442.95</b>

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

3	<b>PARENTS CONTRIBUTION FEES - SCHOOL FUND ACCOUNT</b>	2021-2022	2020-2021
		Kshs	Kshs
	Personnel emoluments	5,724,698.00	2,209,670.00
	Bording equipment and stores	29,682,579.00	9,050,822.00
	Repairs and maintenance	3,074,011.00	763,111.00
	Local transport / travelling	4,589,377.00	1,677,938.00
	Medical		0.00
	Electricity and water	4,015,005.00	1,021,729.00
	Administration cost	3,729,730.00	1,105,271.00
	P.A FUND		10,138,107.00
	HSC/COMP	195,000.00	35,050.00
	Activity	798,455.00	106,742.00
	KCSE PASSPORT	104,255.00	
	tuition	17,530.00	
	<b>Total</b>	<b>51,930,640.00</b>	<b>26,108,440.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2021-2022	2020-2021
	Kshs	Kshs
Rent income	193,800.00	89,500.00
BURSARY KITTY	385,210.00	136,500.00
Developments	20,797,950.00	-
med/insurance	357,664.00	-
pocket money		-
uniform	12,252,100.00	168,877.00
university form	196,450.00	16,000.00
BANK CHARGES	4,760.00	
LOST BOOKS/BREAKAGES	26,363.00	13,964.00
INFRASTRUCTURE	495,000.00	
<b>Total</b>	<b>34,709,297.00</b>	<b>424,841.00</b>



**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

5. PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	-	-
Tuition	2,110,101.00	-
Laboratory equipment	1,581,940.00	-
Internal exams	-	-
Teaching / learning materials	60,000.00	936,989.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	2,166.00	708.00
<b>Total</b>	<b>3,754,207.00</b>	<b>937,697.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6. PAYMENTS FOR OPERATIONS**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	3,038,366.00	1,311,728.00
Service Gratuity	-	
Administration Cost	1,832,042.00	552,800.00
Acquisition of Assets	6,472,335.00	1,503,027.00
Local transport / travelling	935,765.00	33,210.00
Electricity and water	2,158,110.00	642,030.00
Medical	641,304.00	-
Activity Expenses	873,000.00	-
Infrastructure	-	-
classroom	-	-
ablution block	-	
borehole	-	
Bank Charges	13,458.00	3,300.00
Acquisition of Assets	-	-
<b>TOTAL</b>	<b>15,964,380.00</b>	<b>4,046,095.00</b>

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**7. BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	3,360,592.00	993,244.00
Boarding equipment and stores	28,365,787.00	9,502,371.00
Repairs and maintenance	1,808,148.00	367,212.00
Local transport / travelling	1,212,882.00	1,256,526.00
Electricity and water	2,998,883.00	2,039,648.00
Administration costs	2,737,910.00	608,749.00
Activity	328,020.00	164,050.00
House rent	46,165.00	11,000.00
Development account	19,575,846.15	4,446,753.00
HSC/COMP/AGR	371,615.00	43,830.00
med/insurance	98,130.00	297,164.00
kcse passport	114,450.00	-
tuition	23,180.00	-
uniform	12,231,725.00	121,785.00
university forms	112,000.00	3,000.00
bank charges	2,327.70	
BURSARY KITTY	471,710.00	50,000.00
<b>TOTAL</b>	<b>73,859,370.85</b>	<b>19,905,332.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**8. BANK ACCOUNTS**

<b>Name of Bank, Account No. &amp; currency</b>	<b>Bank Account Number</b>	<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
Tuition Account	1101960639	33,895.00	17,446.25
Operations Account	..0640291737194	1,554,978.84	1,321,206.34
School Fund Account/Boarding	1101969460	18,723,282.00	6,109,357.15
Development ACCOUNT	1125584386	2,191,944.30	117,095.45
Savings Account		103,320.65	103,320.65
Income generating activities Account		-	
Infrastructural Account	...640273404817	1,452,335.10	2,309,170.10
<b>Total</b>		<b>24,059,755.89</b>	<b>9,977,595.94</b>

**9. CASH IN HAND**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Tuition Account	-	-
Operation Account	-	-
School Fund account	39.00	1,395.00
<b>Total</b>	<b>39.00</b>	<b>1,395.00</b>

**10. SHORT TERM INVESTMENTS**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11. ACCOUNTS RECEIVABLE**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Fees arrears	8,516,823.75	7,446,287.75
Other non-fees receivables	-	-
Salary advances	-	76,000.00
Imprest	-	-
<b>Total</b>	<b>8,516,823.75</b>	<b>7,522,287.75</b>

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

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Fees arrears for current year	4,484,260.00	2,093,424.00
Fees arrears for the previous year		119,073.00
Fees arrears for prior periods (over two years)	4,032,563.75	5,233,790.75
<b>Total</b>	<b>8,516,823.75</b>	<b>7,446,287.75</b>

**12. ACCOUNTS PAYABLE**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Trade creditors (See ageing below and appendix 1)	1,997,355.50	231,647.50
Prepaid fees	3,027,302.00	1,675,222.00
Retention monies	-	
Clubs and Societies		
Caution Money	<b>5,024,657.50</b>	<b>1,906,869.50</b>

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

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Trade creditors for current year	1,856,730.00	-
Trade creditors for the previous year		-
Trade creditors for prior periods (over two years)	140,625.50	231,647.50
<b>Total</b>	<b>1,997,355.50</b>	<b>231,647.50</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**13. FUND BALANCE BROUGHT FORWARD**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank balances	24,059,755.89	9,977,595.94
Cash balances	39.00	1,395.00
Short Term Investments		-
Receivables	8,516,823.75	7,522,287.75
Payables	5,024,657.50	1,906,869.50
<b>Total</b>	<b>27,551,961.14</b>	<b>15,594,409.19</b>

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**Other important disclosure notes**

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

**14. Non-current Liabilities Summary**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
<b>Total</b>	-	-

**15. Biological assets**

<b>Description</b>	<b>Numbers</b>	<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-
<b>Total</b>		-	-

**16. Borrowings**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>KShs</b>	<b>KShs</b>
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	-	-

**Other important disclosure notes**

**17. Stock/ Inventory**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>KShs</b>	<b>KShs</b>
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
<b>Balance at end of the year</b>	-	-



**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**18. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

<b>Ref No.</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>

ST. ANNE'S SECONDARY SCHOOL LIOKI  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4. GITHUNGURI DAIRY COOP	217,800		-	217,800	217,800	
5. AKIYDA TWO THOUSAND	330,000			330,000	330,000	
6. FREDRICK JARAMBA	192,220			192,220	192,220	
7. KUGELIA ENTERPRISES	169,950			169,950	169,950	
8. UNIFORM DISTRIBUTORS	160,000			160,000	160,000	
9. CHINKARS ENTERPRISES	300,000			300,000	300,000	
10. WEAVER BIRD GARMENTS	270,360			270,360	270,360	
<b>Sub-Total</b>	<b>1,640,330</b>			<b>1,640,330</b>	<b>1,640,330</b>	
<b>Supply of services</b>						
11.						
12.						
13.						
<b>Sub-Total</b>	<b>1,640,330</b>			<b>1,640,330</b>	<b>1,640,330</b>	
<b>Grand Total</b>	<b>1,640,330</b>			<b>1,640,330</b>	<b>1,640,330</b>	

ST. ANNE'S SECONDARY SCHOOL LIOKI  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

<b>Asset class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
<b>Land</b> (catholic sponsored)						
Land 2						
<b>Buildings and structures</b> DORMS – 2 FLOOR BUILDING & ONE BUNGALOW CLASSES - 22 LABORATORY/HSC - 3 KITCHENS - 2						
<b>Motor vehicles</b> KAR 974L ISUZU 52PAX KAQ 191R TOYOTA HILUX 14PAX	<b>2008</b> <b>2005</b>		<b>1,970,000</b> <b>550,000</b>	<b>NONE</b> <b>NONE</b>	<b>NONE</b> <b>NONE</b>	<b>1,280,000</b> <b>570,000</b>
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
<b>Intangible assets- software:</b> SCHOOL PROGRAMME JBS	<b>2018</b>			<b>NONE</b>	<b>NONE</b>	

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
SCHOOL WIFI						
<b>Total</b>						

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

**KITCHEN FOODSTUFF STOCK BALANCE AS AT 30TH JUNE 2022**

ITEM	BALANCE	KSH.
MAIZE FLOUR	7 BAGS	
RICE	20 BAGS	
SUGAR	5 BAGS	
MAIZE	5 BAGS	
COOKING OIL	2 J-CANS	
BEANS	20 BAGS	
TEA LEAVES	4 CARTONS	
COCOA	10 CASES	
CROMA	8 CARTONS	
SALT	8 BALES	

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**KITCHEN EQUIPMENT**

	ITEM	PIECES	Amount ksh.
1	Sufurias	7 big – 3 small	53000
2	Steel buckets	23	34500
3	Boilers	6 big (2 small)	1440000
4	Tea urns (staff)	2	36000
5	Vegetable cutter	1	50000
6	Gas cooker	1	67500
7	Gas cylinder	5	15000
8	Weighing machine	2	10000
9	Students tea urns	3	54000
10	Cupboard	1	6000

**TOOLS AND APPARATUS**

**1. PHYSICS LAB**

	ITEM	PIECES	
1	Ammeters	126	102400
2	Voltmeters	90	76800
3	Galvanometers	95	79200
4	Mili Ameters	71	54400
5	Ball & Ring apparatus	12	4000
6	Bi- metallic strips	13	5200
7	Bar & Gauge	9	3600
8	Pendulum bobs	50	1000
9	Jockeys	70	7000
10	Multimeters	28	70000
11	Pulleys	18	7200
12	Newton discs	3	2100
13.	Ray boxes	5	25000

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

14.	Eureka cans	18	6000
15.	Calorimeters	6	5400
16.	Full meter rules	160	4800
17.	Half meter rules	70	14000
18.	Pin hole cameras	6	3000
19	Acceleration trolleys	4	4000
20	Ticker –tape timer	1	3000
21	Gold Leaf Electroscope	10	6500
22	Rheostats	30	30000
22	Variable resistors	80	32000
23	Cell holders - single)	80	8000
24	Cell holders - double	80	8000
25	Micrometer screw gauge	35	17500
26	Vernier calipers	50	2000
27	Spring balances	52	4200
28	G- clamps	40	20000
29	Centrifuge	2	1000
30	Lens holder	85	8000
31	White screen	87	7650
32	Ripple tank	1	13000
33	Tuning fork	12	600
34	Slinky springs	6	2400
35	Immersion heater	2	4000
36	Demonstration transformer	1	1000
37	Acid accumulators	2	12000
<b>WEIGHTS</b>			
	10g	40	280
	20g	195	17550
	50g	320	51200

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**2. CHEMISTRY LAB**

	ITEMS	PIECES	Amount ksh.
1	Bunsen burners	35	12250
2	Portable burners	28	28000
3	Fire extinguishers	4	40000
4	Weighing balances	5	120000
5	Water bath	1	25000

**3. BIOLOGY LAB**

	ITEMS	PIECES	
1	Human skeleton	1	10000
2	Organ Models	8	7200
3	Metallic Quadrats	11	16500
4	Microscopes	22	154000

**4. OFFICE EQUIPMENT**

	ITEMS	DATE OF PURCHASE	ESTIMATED COST	PIECES
1	Principal's desk (executive)			@ set
2	Teachers desks	14/7/21	5,800/=	@ set
3	Internet SAFCOM	1/1/2023	5,800/=	1
4	Printer (Kyocera)	9/2/2021	21,500/=	1
5	Printer (Ecosys 3INI)	22/6/2021	250,000/=	1

**ST. ANNE'S SECONDARY SCHOOL LIOKI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**5. FURNITURE AND FITTINGS**

	ITEMS	DATE OF PURCHASE	ESTIMATED COST (@)	PIECES
1	Desks and chairs (students)		5500@SET	940
2	Bedside Lockers	4/8/2021	8,700/=	70
3	Beds	31/3/2022	15,000/=	120
4	Beds	26/4/2022	12,250/=	70
5	Office chairs	9/2/2022	18,500	2
6	Office chairs	9/2/2022	18,000/=	1
7	Service Charter Boards	8/2/2021	20,000/=	2

**6. ICT EQUIPMENT AND OTHER ASSETS**

	ITEMS	DATE OF PURCHASE	ESTIMATED COST	PIECES
1	Computer Desks		18,000/=	6
2	" "		18,000/=	2
3	Router	8/3/2022	4,000/=	2
4	Desktop computers/CPU	04/02/022	30,000/=	5
5	CCTV CAMERAS		32000	64
6	TV SETS		60,000	5

**7. OTHER MACHINERY AND EQUIPMENT**

	ITEMS	DATE OF PURCHASE	ESTIMATED COST	PIECES
1.	White Boards		420000	22
2.	Sewing Machines		270000	15
3.	Generator		1374070	1
4.	Lawn mower		42000	1