

REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 JUN 2026	DAY. Thursday
TABLED BY:	Hon. Samuel Chepkong'o (on behalf of leaders of Majority)
CLERK-AT THE-TABLE:	Womale

OF

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THE AUDITOR-GENERAL

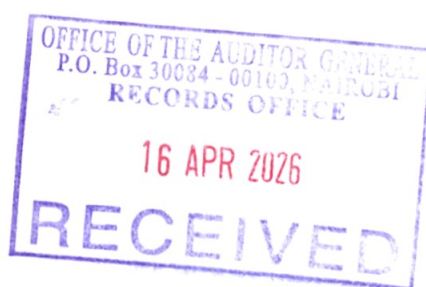
ON

**ST. JOSEPH LUMBOKA MEMORIAL
SECONDARY SCHOOL**

**FOR THE YEAR ENDED
30 JUNE, 2025**

BUNGOMA COUNTY

Revised 30th June 2025.



**ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025**

Transitional Financial Statements Prepared under the International Public Sector Accounting Standards (IPSAS)

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

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ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
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1. Acronyms and Definition of Key Terms

A. Acronyms.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management

(a) Background information

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

The school was registered in February/2001 under registration number **PU/S/2/1390/14** and is currently categorized as a Sub-County public school established, owned or operated by the Government.

The school is a day/boarding school and had 287 number of students as at 30th June 2025 It has 2 streams and 10 teachers of which 1 teacher is 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. Peter Wafula	Chairman	23/04/2022
2	Mr. George Mabuka	Secretary - Principal	22/07/2023
3	Mr. Masoso Micah	Member	23/04/2022
4	Bethsheba Khaemba	Member	23/04/2022
5	Dorcas Juma	Member	23/04/2022
6	Edward Wepukhulu	Member	23/04/2022
7	Dismas Sikuku	Member – Rep CEB	23/04/2022
8	Pamellah Wekesa	Member Rep Teachers	23/04/2022
9	Alice Simiyu/Isaac Simiyu	3 Members - Sponsor	23/04/2022
10	Peter Muchuku	Member - Community	23/04/2022
11	Gladys Wanyonyi	Member Special Needs	23/04/2022
12	Reagan Wafubwa	Rep Students	18/10/2024

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, of 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.Dr. Peter Wafula 2.Ignatius Wakoli 3.Alice Simiyu 4.Isaac Simiyu 5.George Mabuka ...	Chair person PA Chair Member Member Member	0 out of 2
2	Audit Committee			- out of -
3	Finance,procurement and general purposes Committee			0 out of -
4	Academic Committee	Isaac Simiyu Dorcas Juma Pamellah Wekesa Mabuka George	Chair Member D.O.S Secretary	1 out of 1
5	Development Committee	Micah Masoso	Chairman	1 out of 1

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		Ignatius Wakoli	Member	
		Pamellah Wekesa	Secretary	
		Mabuka George	Member	
		Alice Simiyu	Member	
		Peter Wekesa	Member	
		SCDE	Member	
6	Discipline and welfare Committee			
7	Adhoc Committee (if any during the year)			

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(d) School operation Management

For the financial year ended 30th June, 2025 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	George W. Mabuka	TSC No.362945
2	Deputy Principal	Wekesa N. Pamellah	TSC No.555739
3	School Bursar	Felistus Soita Khamala	ID. 10960838
4	Other		

(e) Schools contacts

Post Office Box: 2665
Telephone: 0724997379
E-mail: lumbokamemoralsecsch@gmail

(f) School Bankers

1.Co-operative Bank
Branch Bungoma
2.Kenya Commercial Bank
Bungoma Branch

(g) Independent Auditors

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

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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:

Year	Surplus/Deficit	Government capitation	Ration Capitation Per child	Growth in Other income	Growth in school Expenditure
2021/2022	3,289,441.35	7,118,988	22,244	3,855,379	4,067,903
2022/2023	(1,148,738)	4,993,512	22,244	(3,504.029)	35,505
2023/2024	1,191,116	5,361,555	22,244	403,366	(2,504,906)
2024/2025	708,688	4,630,296	22,244	(1,029,204)	(1,279,205)

YEAR	DEBTORS (KSH)	CREDITORS (KSHS)
2021/2022	11,593,514	249,779
2022/2023	13,566,214	393,716
2023/2024	14,181,744	625,153
2024/2025	14,980,794	71,363

b) Teacher Student ratio:

Teacher/Student Ratio	Newly posted	Transferred teachers	Retired teachers	TSC teachers	BOM teachers
1:29	0	3	0	9	1

Subject	No. of teachers	Deficit/Surplus
English	1	-1
Kiswahili	2	0
Maths	1	-2
Biology	2	-1
Chemistry	1	-2
Physics	1	-1
History	1	-2

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Geography	0	-2
CRE	3	0
Agriculture	1	-1
B/Studies	1	-1

c) The mean score in the 2024 KCSE:

YEAR	ENTRY	MEAN SCORE	DEVIATION	UNIVERSITY QUALIFIERS
2022	81	3.815	+0.725	5
2023	53	2.96	-0.85	0
2024	73	3.945	+1.085	3

d) Number of Candidates in the 2024 KCSE:

YEAR	ENTRY
2022	81
2023	53
2024	73

e) The capacity of the school:

S/NO	FACILITIES	ENROLMENT	QUANTITY	SHORTAGE	CAPACITY
1	Classrooms	287	10	0	287
2	Toilets-Boys -Girls Teachers/Workers	20	2	4	
3	Laboratory	287	1	Twin Lab	
4.	Multipurpose hall		Incomplete	Funds needed	
5	Computer Lab			needed	
6	Library			needed	

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7.	Administration block			needed	
8	Play fields	1 acre		2acres needed	

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Multipurpose hall	M&I	Incomplete	6,722,467	4,652,311.45	2027
Renovation of 7 class rooms and Library	M&I	Incomplete	1,799,680	1,394,722	2026

.....
School Principal



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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 St. Joseph's Lumboka Sec. 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, 2025, and of the school's financial position as at that date.

Name:

Designation: Chairman, School Board of Management

Date:

Name:

Designation: School Principal & Secretary to Board of Management

Date:

Name:

Designation: Bursar/ Finance Officer

Date:



REPUBLIC OF KENYA

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HEADQUARTERS
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Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ST. JOSEPH LUMBOKA MEMORIAL SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 – BUNGOMA COUNTY

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of St. Joseph Lumboka Memorial Secondary School set out on pages 1 to 20, which comprise the

statement of assets and liabilities as at 30 June, 2025 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 transitional IPSAS financial statements present fairly, in all material respects, the financial position of St. Joseph Lumboka Memorial Secondary School as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies of the Financial Statements

The statement of financial performance reflects an amount of Kshs.2,425,903 in respect of school fund income – parents' contributions. However, the amount differs with the amount of Kshs.1,775,157 reflected in the supporting schedule by an unexplained variance of Kshs.650,746. Further, the statement reflects total receipts of Kshs.7,145,598 which differs with the total actual receipts of Kshs.5,879,018 reflected in the statement of budgeted versus actual amounts by an unexplained variance of Kshs.1,266,580.

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

2. Unsupported Payables Balance

The statement of assets and financial reflects accounts payables balance of Kshs.117,856 as disclosed in Note 14 to the financial statements. However, the balance has not been supported with invoices, bills, contracts and supplier statements.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.117,856 could not be confirmed.

3. Unsupported Accounts Receivables Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.14,980,794 as disclosed in Note 13 to the financial statements. However, the supporting schedules and detailed aging analysis were not provided for audit review.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.14,980,794 could not be confirmed.

4. Undisclosed Bank Accounts and Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects bank balance of Kshs.999,319 as disclosed in Note 10 to the financial statements. Included in the balance is CDF bank account with a balance of Kshs.57,980. However, the bank balance was not supported by cash books, bank certificates and bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.999,319 could not be confirmed.

5. Inadequately Supported Payments

The statement of financial performance reflects payments on operations and tuition amounts of Kshs.892,932 and Kshs.2,768,685 all totalling Kshs.3,661,617 as disclosed in Notes 6 and 7 to the financial statements. However, examination of payment vouchers amounting to Kshs.3,012,374 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificates of payments.

In the circumstances, the regularity, accuracy, and completeness of the operations and tuition payments totaling Kshs.3,661,617 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Joseph Lumboka Memorial Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects the final receipts budget and actual on a comparable basis of Kshs.10,092,116 and Kshs.5,879,018, respectively, resulting in an under-funding of Kshs.4,213,098 or 42% of the budget. However, the School spent an amount of Kshs.6,436,910 against actual receipts amounting to Kshs.5,879,018 resulting in an over-utilization of Kshs.557,892 or 9% of actual receipts.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public. My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the FY 2024/25 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As communicated by PSASB on 25 February 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

Other Information

Management is responsible for the Other Information set out on pages ii to x which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of financial performance reflects boarding and school fund payments amount of Kshs.1,800,456 as disclosed in Note 9 to the financial statements. Included

in the expenditure is an amount of Kshs.196,615 transferred to Bumula District Heads Association and KESSHA Bungoma branches of Kenya Secondary Schools 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.196,615 could not be confirmed.

2. Unbalanced Budget

Review of the statement of budgeted versus Actual amounts revealed that the School prepared a budget in which the total projected income was Kshs.8,537,280 and budgeted expenditure was Kshs.17,726,400 leading to a projected underfunding of Kshs.9,189,120. No explanation was given as to how the institution was to fund the deficit. As a result, the budget was not balanced as required by Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations, the following guidelines shall be observed at all times during budget formulation and approval; budget shall be balanced.

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

3. Long Outstanding Payables

The statement of assets and liabilities and, as disclosed in Note 14 to the financial statements, reflects payables balance of Kshs.117,856. However, included in the balance is a trade payables balance of Kshs.67,118 which had been outstanding for more than one (1) year and which may be a risk of loss of public funds through litigations, interests and penalties. Failure to settle the payables is contrary to Regulation 83(2)(b) of the Public Finance Management (National Government) Regulations, 2015 which states, *inter alia*, that for purposes of this regulation, sound cash management includes ensuring payments, are made when due.

In the circumstances, Management was in breach of the law and exposed the School to potential litigation and unnecessary financial costs.

4. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

5. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of financial performance reflects operations grants amount of Kshs.2,659,230 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.1,575,000 in respect of infrastructure grants which was to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.1,085,500 was transferred to infrastructure account, leaving a balance of Kshs.489,500 as at 30 June, 2025. Further, an amount of Kshs.574,000 was transferred on 27 March, 2025 or after fifty-five (55) days of receipt. This was contrary to the Ministry of Education Circulars on release of Free Day Secondary Education (FDSE) funds which direct that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

6. Failure to Recover Capacity Building Levy

The statement of financial position reflects tuition, operations and infrastructure payments amounts of Kshs.892,932, Kshs.2,768,685 and Kshs.974,837 as disclosed in Notes 6, 7, and 8, to the financial statements, respectively all totalling Kshs.4,636,454. The amounts include an amount of Kshs.1,070,847 in respect of procurement contracts signed with the School's suppliers. Review of payments for the above expenditure items revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, amounting to Kshs.32,125. The levy has remained unpaid for 17 months thus attracting a penalty of Kshs.27,307 bringing the total outstanding amount to Kshs.59,432 contrary to the Levy Order 2023 issued by the Public Procurement Regulatory Authority.

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

7. Late Submission of Financial Statements for Audit

Management submitted the financial statements for the year ended 30 June, 2025 to the Office of the Auditor-General on 23 September, 2025, more than three (3) weeks after the submission deadline of 31 August, 2025. This was contrary to The National Treasury and Economic Planning Circular Ref. No. AG.3/88 Vol. VII(41) of 4 December, 2024 which directed all public sector entities, for both national and county governments, to prepare and submit financial statements for the year ended 30 June, 2025, by 31 August, 2025.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with

the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effect of 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. Weaknesses in the Management of Textbooks and Library Records

Review of records revealed significant weaknesses in the management of textbooks. The school did not have an authorized Librarian, and there were no store ledgers to record the receipt and issuance of textbooks. Requisitions raised for textbook supplies were also not availed for audit review. In some cases, textbooks were collected from the county headquarters, leading to avoidable transport costs, while records further indicated instances of both under-supply and over-supply. The School also lacked a policy on recovery of lost textbooks.

Additionally, there was no library tracking or record management system, no record-keeping policy, and no disaster recovery plan. Fire safety measures were inadequate, environmental conditions were poor due to dust, and security controls such as CCTV cameras were not in place. There was also no documented disposal plan for obsolete or damaged textbooks, and limited, poorly labeled shelving resulted in some books being stored on the floor, increasing the risk of damage and loss.

In the circumstances, the absence of effective controls, policies, and infrastructure exposed the School to inefficiencies, avoidable costs, health and safety risks, and increased potential for loss and mismanagement of textbooks and library materials.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.9,177,636. However, Note 17 to the financial statements disclosed biological assets in form of trees valued at Kshs.599,000 which were not included in the summary of fixed assets. In addition, there was no clear explanation on how the assets were valued and Management did not prepare an updated fixed assets register.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

3. Lack of a Board Annual Work Plan and Board Register

Review of the Board of Management minutes revealed that the Board lacked an annual work plan. In addition, the Board members failed to maintain board meetings register. It was therefore not possible to ascertain the number of meetings held by Board in the year under review.

In the circumstances, the effectiveness of the governance mechanism at the school could not be confirmed.

4. Poor Data Recording in the Cash Books

Review of cash and bank records revealed that the institution operates several bank accounts supported by respective cash books. However, it was noted that the cash books in some instances were maintained using erasable ink, which could easily be altered, while in other instances entries had been erased or amended. This practice compromises the integrity and reliability of the accounting records and is contrary to sound financial management practices.

In the circumstances, the weaknesses in record-keeping may affect the reliability of the accounting records.

5. Dormant Audit Committee

Review of Board records and procedures revealed that the Audit Committee also served as the Finance, Procurement and General-purpose Committee. Review of the provided minutes did not support discussion on audit matters by the Audit Committee. Most of the issues discussed related to finance and procurement matters. Management failed to maintain attendance registers for Board of Management meetings, thereby making it impossible to establish whether the audit committee was active during the period under review.

In the circumstances, the effectiveness and the strategic leadership on audit matters by the Audit Committee could not be confirmed.

6. Engagement of Unregistered Board of Management Teachers

Scrutiny of documents provided for review on Board of Management (BoM) teachers revealed that the teachers engaged were not registered with the Teachers Service Commission. Further, no employment contracts or Board approval minutes authorizing their engagement were provided for audit verification. This indicated non-compliance with regulatory requirements and weak governance and oversight in the recruitment and payment of teaching staff.

In the circumstances, compliance with regulatory requirements and propriety in the engagement and payment of the teachers could not be confirmed.

7. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.14,980,794 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is a balance of Kshs.11,165,104, which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears, casting doubt on the full recoverability of the accounts receivable balance.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

8. Stalled/Abandoned Projects

The School initiated the construction of a general-purpose hall at a cost of Kshs.6,722,467. Although the procurement process was largely compliant and culminated in the issuance of an award, the required professional opinion was not provided for review. Further, the audit revealed that the project had stalled after Kshs.4,652,311 had been spent and remained abandoned as at 30 June, 2025.

In the circumstances, value for money spent on the Project amounting to Kshs.4,652,311 could not be confirmed.

9. Poor Maintenance of Procurement Records

During the year, the School failed to maintain complete procurement records, including tender documents, tender advertisements, bid evaluation reports, correspondences with suppliers, contract documents, payment certificates and contract performance monitoring reports. Further, review of records and supporting documents relating to the supply and delivery of foodstuffs supplies amounting to Kshs.133,250 were not taken on charge, and there were no records on how they were issued. In addition, Local Purchase Orders were not provided and it was not possible to ascertain how the supplies were committed.

In the circumstances, the effectiveness of the controls on the procurement processes and inventory management could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of 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 Accrual Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free

from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

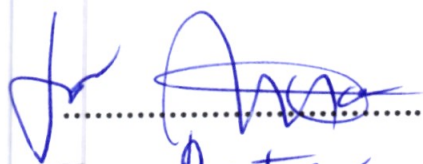
30 April, 2026

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

6. Statement Of Financial Performance for the Year Ended 30th June 2025

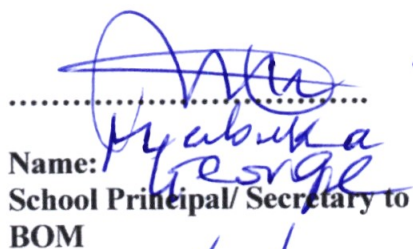
Description Of Vote Head	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	885,566	914,608
Government grants for operations	2	2,659,230	3,204,947
Government Grants for infrastructure	3	1,085,500	1,242,000
School fund income- parents' contributions	4	2,425,903	3,520,506
Miscellaneous incomes	5	89,400	24,000
Total Revenue		7,145,598	8,906,061
Expenditure			
Tuition	6	892,932	898,125
Operations	7	2,768,685	2,971,385
Infrastructure	8	974,837	614,457
Boarding and school fund	9	1,800,456	3,230,888
Total Expenditure		6,436,910	7,714,945
Surplus/Deficit		708,688	1,191,116

The school financial statements were approved on _____ 2025 and signed by:



Name: Peter Wapula
Chair BOM

Date: 14/4/2026



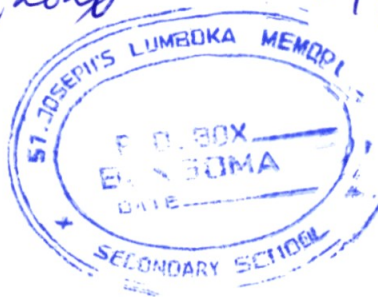
Name: Hyabuka George
School Principal/ Secretary to BOM

Date: 14/4/2026



Name: Felistus Spiga
Bursar/ Finance Officer

Date: 14/4/2026



ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

7. Statement of Assets and Liabilities As At 30th June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	999,319	1,596,985
Cash balances	11	7	
Short term investments	12		
Total cash and cash equivalent		999,326	1,596,985
Account's receivables	13	14,980,794	14,181,744
Total financial assets (a)		15,980,120	15,778,729
Financial liabilities			
Accounts payables	14	117,856	625,153
Total Financial Liabilities (b)		117,856	625,153
Net financial assets (a-b)		15,862,264	15,153,576
Represented by			
Accumulated fund b/fwd	15	15,153,576	13,962,460
Surplus/deficit for the year		708,688	1,191,116
Net Assets		15,862,264	15,153,576

The school's financial statements were approved on _____ 2025 and signed by:

Name: Peter Wafula
Chair BOM

Date: 14/4/2026

Name: Mabuka George
School Principal/ Secretary to BOM

Date: 14/4/2026

Name: Helietus Spita
Bursar/ Finance Officer

Date: 14/4/2026



ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

8. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	885,566	914,607
Government grants for operations	2	2,659,230	3,204,947
Government grants for infrastructure	3	1,085,500	1,242,000
School fund income- parents contributions/ fees	4	1,028,010	3,070,810
Other income(operations& school fund)		797,880	180,966
Total receipts		6,456,186	8,613,330
Payments			
Cash outflows for tuition	6	892,932	898,125
Cash outflows for operations	7	2,979,340	3,269,753
School fund	9	2,144,556	3,086,063
Total payments		6,016,828	7,253,941
Net cash inflow/outflow from operating activities		439,358	1,359,389
Cash flow from investing activities			
Acquisition of assets	8	(1,037,017)	552,366
Proceeds from sale of Assets			
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(597,659)	807,023
Cash and cash equivalent at beginning of the FY 2024/2025	10	1,596,986	789,962
Cash and cash equivalent at end of the FY 2024/2025		999,327	1,596,985

The school's financial statements were approved on _____ 2025 and signed by:

Name:

Chair BOM

Date:

Name:

School Principal/ Secretary to
BOM

Date:

Name:

Bursar/ Finance Officer

Date:



ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	746,378		746,378	885,565	119%
Exams And Assessment					
Text books	554,838		554,838	—	0%
(2) Capitation Grant on Operations					
PE, LT&T, EWC, Admin(Others)	3,365,700		3,365,700	2,117,175	63%
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Medical & Property Insurance	602,000		602,000	326,130	54%
Administration Costs					
Activity	451,500		451,500	215,925	48%
Gratuity					
SMASSE	60,200		60,200	-	0%

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					90%
Maintenance & Improvement MoE	1,204,000		1,204,000	1,085,500	
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments					
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					37%
Lunch program	3,107,500		3,107,500	1,159,323	
Administration Costs					
Activity					
SMASSE					
Fee On Boarding Equipment and Stores					
5) Miscellaneous Income					
Loans / Borrowing					
Rent income			-	61,200	100%
Income From Farming Activities	-				
Insurance Compensation					

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Refunds	-		-	7,000	100%
KCSE	-		-	21,200	100%
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	10,092,116		10,092,116	5,879,018	57%
(6) Expenditure For Tuition					
Textbooks	554,838		554,838	-	0%
Reference Materials					
Exercise Books					
Laboratory Equipment	282,623		282,623	298,290	105%
Internal Exams	421,255		421,255	543,517	129%
Teaching / Learning Materials					
Chalks	18,000		18,000	15,840	88%
Exams And Assessment					
Teachers Guides	24,500		24,500	34,100	139%
Administration Costs					
Bank Charges	-		-	1,185	100%
(7) Expenditure For Operations					
Personnel Emoluments	1,604,512		1,604,512	1,267,156	79%
Repairs, Maintenance & Improvements					

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Local Transport / Travelling	814,500		814,500	495,592	61%
Electricity, Water and Conservancy	405,300		405,300	281,980	70%
Medical & Property Insurance	623,460		623,460	-	(100%)
Administration Costs	534,148		534,148	471,607	88%
Activity Expenses	437,280		437,280	250,810	57%
Bank charges	-		-	1,540	100%
SMASSE	60,200		60,200	-	(100%)
(8) Expenditure For infrastructure					
Construction of classrooms					
Renovation of classrooms	1,204,000		1,204,000	973,980	81%
Bank charges	-		-	857	100%
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Lunch program	3,107,500		3,107,500	1,724,364	55%
Repairs, Maintenance and Improvements					
Bank charges	-		-	8,942	100%
Electricity, Water and Conservancy					

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Medical Expenses					
Administration Costs					
Activity					
Gratuity					
Lunch Programme					
Boarding Equipment and Stores					
Refund	-		-	7,000	100%
KCSE	-		-	21,200	100%
Other Expenses On Investments					
Farm Expenses	-		-	38,950	100%
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	10,092,116		10,092,116	6,436,910	63%

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

Statement of Compliance

The financial statements have been prepared in accordance with the PFM Act and International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore, these first/second/third/year financial statements are transitional financial statements.

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, statement of cash flow). Under an accrual basis, revenues are recognized when rights to assets are earned or levied rather than when cash is received, and expenses are recognized when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of revenue and expenditure

The school recognizes all revenue from various sources when earned and all expenses when incurred.

The capitation grants include recurrent and development grants. Recurrent capitation are recognised in the statement of financial performance while development grants are recognised in the statement of financial position after meeting the revenue recognition criteria. The conditional grants will be recognised as revenue upon fulfilment of the set conditions.

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 financial performance both as revenue and as expenditure in equal and opposite amounts; otherwise, the contribution is not recorded.

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 2025

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024/2025	2023/2024
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams	885,566	914,608
Teaching / Learning Materials		
Others (<i>specify</i>)*		
Total	885,566	914,608

2 Government Grants for Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel Emoluments		168,600
Repairs And Maintenance		
Local Transport / Travelling		
Electricity And Water	326,130	304,350
Medical/Property Insurance		
Administration Costs	215,925	294,996
Activity	2,117,175	2,437,001
Others	2,659,230	3,204,947
Total		

3 Government Grants for infrastructure

Description	2024/2025	2023/2024
	Kshs	Kshs
Maintenance & Improvement	1,085,500	1,242,000
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
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Description	2024/2025	2023/2024
	Kshs	Kshs
Others		
Total	1,085,500	1,242,000

4 School Fund Income - Parents Contribution/Fees

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Danages		205,800
Administration costs		
Lunch	2,425,903	3,314,706
Fee on Boarding Equipment and stores		
PA Levies*		
Others (specify)		
Total	2,425,903	3,520,506

5 Miscellaneous Incomes

Description	2024/2025	2023/2024
	Kshs	Kshs
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
KCSE	21,200	
Farm account	61,200	24,000
Refunds	7,000	
Other Income (specify)*		
Total	89,400	24,000

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

6 Tuition

Description	2024/2025	2023/2024
	Kshs	Kshs
Exercise Books		
Textbooks		
Reference materials		
Laboratory Equipment	298,290	362,270
Teaching / Learning Materials		
Exams And Assessment	543,517	516,175
Teachers Guides	34,100	
Bank Charges	1,185	
Chalk	15,840	19,680
Total	892,932	898,125

7 Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel Emoluments	1,267,156	1,415,688
Service Gratuity		
Administration Cost	471,607	502,520
Repairs And Maintenance & Improvements		
Local Transport / Travelling	495,592	558,605
Electricity And Water	281,980	295,962
Medical		250
Activity Expenses	250,810	198,360
Insurance Cost		
Bank Charges	1,540	
Total	2,768,685	2,971,385

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

8 Infrastructure

Description	2024/2025	2023/2024
	Kshs	Kshs
Renovation of classrooms	973,980	614,57
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Bank Charges	857	
Total	974,837	614,547

9 Boarding And School Fund

Description	2024/2025	2023/2024
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Damages		156,610
Lunch Programme	1,724,364	3,045,823
Bank Charges	8,942	355
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost		
Refunds	7,000	
Loan Interest Repayment		
Acquisition Of Assets		
Farm account	38,950	28,100
KCSE	21,200	
Total	1,800,456	3,230,888

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024/2025	2023/2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01139049916400	85,843	93,209
Operations Account	Active	01139049916401	2,020	122,911
School Fund Account/Boarding	Active	01129049916400	58,106	277,747
Savings Account	Active		104,214	104,214
School Fund Account	Active			
CDF Account	Dormant		57,980	57,980
Infrastructural Account	Active		691,156	940,923
Total			999,319	1,596,985

11 Cash In Hand

Description	2024/2025	2023/2024
	Kshs	Kshs
Coins	7	
Total	7	

12 Short Term Investments

Description	2024/2025	2023/2024
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total		-

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

13 Accounts Receivable

Description	2024/2025	2023/2024
	Kshs	Kshs
Fees Arrears	14,980,794	14,180,354
Other Non-Fees Receivables-Union dues		1,390
Salary Advances		
Imprest		
Rent arrears		
Total	14,980,794	14,181,744

13 b) Ageing Analysis of Accounts Receivable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current 2024/2025	% of the total	Comparative 2023/2024	% of the total
Less than 1 year	1,266,580	8%	1,464,650	10%
Between 1- 2 years	998,510	7%	1,550,600	11%
Between 2-3 years	1,550,600	10%		
Over 3 years	11,165,104	75		79%
Total	14,980,794	100%	11,165,104	100%

14 Accounts Payable

Description	2024/2025	2023/2024
	Kshs	Kshs
Trade Creditors	71,363	492,598
Prepaid Fees	45,250	131,313
Retention Monies(Housing Levy)	597	597
Unpaid salaries and statutory deductions		
Caution money		
Other payables (PAYEE)	646	646
Total	117,856	625,153

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

14a. Ageing Analysis of Accounts Payable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current 2024/2025	% of the total	Comparative 2023/2024	% of the total
Less than 1 year	4,245	%	492,598	100%
Between 1- 2 years	67,118	%		00%
Between 2-3 years		%		00%
Over 3 years		%		00%
Total	71,363	%	492,598	100%

15 Fund Balance Brought Forward

Description	2024/2025	2023/2024
	Kshs	Kshs
Bank Balances	1,596,985	776,142
Cash Balances	-	13,819
Short Term Investments		
Receivables	14,181,744	13,566,214
Payables	(625,153)	(393,716)
Total	15,153,576	13,962,460

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle		-	
Goats		-	
Trees	385	599000	599000
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total		599000	599000

18 Borrowings

Description	2024-2025 Kshs	2023-2024 Kshs
Borrowings at beginning of the year	139,418	
Borrowings during the year	15,045	288,903
Repayments during the year	83,100	149,485
Balance at the end of the year	71,363	139,418

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Other important disclosure notes

19 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	154,030	397,200
Lab consumables	135,510	
Farm produce		
Medication		
Construction Materials		
Others (specify)		
	289,540	397,200

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20 Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:

Sign and Date
Principal



A circular blue stamp from St. Joseph's Lumboka Memorial Secondary School is visible. The text 'ST. JOSEPH'S LUMBOKA MEMORIAL' is at the top and 'LUMBOKA SECONDARY SCHOOL' is at the bottom. In the center, the word 'LUMBOKA' is printed. A handwritten signature in blue ink is written across the stamp, and the year '2026' is written to the right of the signature.

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2024-2025	Outstanding Balance 2023-2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.				-		
2.				-		
3.				-		
Sub-Total				-		
Supply Of Goods						
4.				-	-	
5.				-	-	
Sub-Total				-	-	
				4,245		
6. Lumb Welfare						
7.						
8.				-	-	
Sub-Total				-	-	
Grand Total				4,245	-	

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
Land	1,400,000			1,400,000
Buildings And Structures				
Furniture	1,800,000			1,800,000
Office Equipment, Furniture and Fittings	240,000			240,000
Textbooks	5,413,636			5,413,636
ICT Equipment	280,000			280,000
Tools And Apparatus				
Other Machinery and Equipment-Generator	44,000			44,000
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total	9,177,636			9,177,636