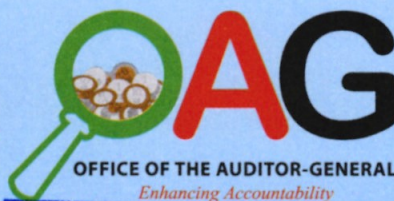


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 JUN 2026

DAY.

Thursday

REPORT

TABLED
BY:

Hon. Samuel Chepkong'o
(on behalf of leader of majority)

CLERK-AT
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OF KENYA
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THE AUDITOR-GENERAL

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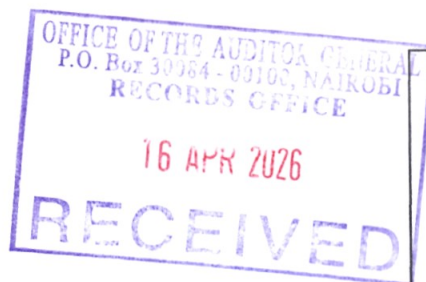
ST. JOSEPH LUMBOKA MEMORIAL
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

BUNGOMA COUNTY

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2024

Revised 30th June 2024.



ST JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024**

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

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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 396 number of students as at 30th June 2024. It has 2 streams and 15 teachers of which 5 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	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		Member	23/04/2022
8	Dismas Sikuku	Member – Rep CEB	23/04/2022
9	Jackson Okwata	Member Rep Teachers	23/04/2022
10	Alice Simiyu Isaac Simiyu	3 Members - Sponsor	23/04/2022
11	Peter Muchuku	Member - Community	23/04/2022
12	Gladys Wanyonyi	Member Special Needs	23/04/2022
13	Moureen Wafula	Rep Students	23/04/2022

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.Peter Wafula 2.Ignitius Wakoli 3.Alice Simiyu 4.Isaac Simiyu 5.George Mabuka	Chair person P.A chair Member Member Member	1 out of 3
2	Audit Committee	Excutive members of the Board		---- out of----
3	Finance,procurement and general purposes Committee	Excutive member of the Committee		1 out of 2
4	Academic Committee	Isaac Simiyu Dorcas Juma George Mabuka Pamella Wekesa	Chair Member Member D.O.S	
5	Development Committee			

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements for the year ended 30th June 2024

6	Discipline and welfare Committee			
7	Adhoc Committee (if any during the year)	George Mabuka	Secretary B.O.M	1 out of 2
		Ignitius Wakoli	P.A chair	
		Evans Wasolo	Member	
		Jackson Okatwa	Member	

(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr George Mabuka	TSC No.362945
2	Deputy Principal	Mr Jackson Okatwa	TSC No.387853
3	School Bursar	Felistus Soita Khamala	ID - 10960838
4	Other (specify)		

(e) Schools contacts

Post Office Box: 2665
Telephone: 0724997379
E-mail: lumbokamemoralsecschoool.gmail.com

(f) School Bankers

1,CO-OPERATIVE
BUNGOMA- BUNGOMA BRANCH

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

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	Ratio Capitation per child	Growth in other income	Growth in school Expenditure
	(Amount-Ksh)	(Amount- Ksh)	(Amount- Ksh)	(Amount- Ksh)	(Amount- Ksh)
2020/2021	1,511,118	3,232,114	22,244	1,190,706	(174,043)
2021/2022	3,289,441	7,118,988	22,244	3,855,379	4,067,903
2022/2023	(1,148,738)	4,993,512	22,244	(3,504,029)	35,500.55
2023/2024	1,191,116	5,361,555	22,244	403,366	(2,504,906)

YEAR	DEBTORS(Ksh)	CREDITORS(Ksh)
2021	10,680,077	333,697
2021/2022	11,592,123	249,779
2022/2023	13,566,214	393,716
2023/2024	14,180,354	625,153

b) Teacher Student ratio:

Teacher/Student Ratio	Newly posted	Transferred Teachers	Retired Teacher	TSC Teacher	BOM Teacher
1:24	1	2	0	10	5

Subject	No. of Teaches	Deficit/surplus
English	2	-1
Kiswahili	2	0
Maths	2	-1
Biology	1	-1
Chemistry	1	-1
Physics	1	-1
History	1	-1
Geography	1	-1
CRE	3	0
Agriculture	1	-1
Business studies	1	-1

c) The mean score in the 2023 KCSE:

Year	Entry	Mean score	Deviation	UNIVERCITY QUALIFIERS
2021	76	3.08	-0.985	5
2022	81	3.815	+0.735	5
2023	53	2.96	-0.85	0

d) Number of Candidates in the 2023 KCSE:

YEAR	ENTRY
2021	76
2022	81
2023	53
2024	73

e) The capacity of the school:

S/NO	FACILITIES	ENROLMENT	QUANTITY	SHORTAGE	CAPACITY
1	Classrooms	396	10	2	396
2	Toilets-Boys -Girls	192 204	8 8	0 0	
	Teachers/Works		2	4	
3	Laboratory	396	1	Twine lab	
4	Maltipurpose Hall		Incomplete	Funds needed	
5	Computer lab			Needed	
6	Library			Needed	
7	Administration Block			Needed	
8	Play fields		1 acre	2 acres 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	2027
Chairs and Lockers			187,500	171,804	2024
Renovation of seven classrooms and library		Incomplete	1,799,680	442,742	2026

School Principal

[Handwritten signature]

 17/11/2024

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, 2024, 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

Telephone: +254-(20) 3214000
E-mail: 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. JOSEPH LUMBOKA MEMORIAL SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – 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; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the financial statements of St. Joseph Lumboka Memorial Secondary School set out on pages 1 to 21, which comprise the statement of financial assets and

Report of the Auditor-General on St. Joseph Lumboka Memorial Secondary School for the year ended 30 June, 2024 – Bungoma County

financial liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of St. Joseph Lumboka Memorial Secondary School as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Accounts Receivables Balance

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.14,181,744 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.14,181,744 could not be confirmed.

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

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.1,596,985 as disclosed in Notes 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.1,596,985 could not be confirmed.

3. Inaccuracies of the Financial Statements

Review of the financial statements revealed the following inaccuracies:

- i. The statement of receipts and payments reflects total receipts of Kshs.8,906,061 which differs with the total actual receipts of Kshs.7,441,411 reflected in the statement of budgeted versus actual amounts by an unexplained variance of Kshs.1,464,650.
- ii. Note 18 to the financial statements discloses a borrowings balance of Kshs.139,418. The terms of engagement and approval status for borrowings were not provided for audit review. Further, the balance is not included in the statement of financial assets and financial liabilities.

- iii. The statement of cash flows discloses a cash inflow in respect of other income of Kshs.180,966 which however differs with the amount of Kshs.24,000 reflected in the statement of receipts and payments by an unexplained variance of Kshs.156,966.

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

The audit was conducted in accordance with International Standards for 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.12,252,720 and Kshs.7,441,411, respectively, resulting in an under-funding of Kshs.4,811,309 or 39% of the budget. However, the School spent an amount of Kshs.7,714,945 against actual receipts amounting to Kshs.7,441,411 resulting in an over-utilization of Kshs 275,534 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 Information

Management is responsible for the Other Information set out on pages iii to xi 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 receipts and payments reflects boarding and school fund payments amount of Kshs.3,230,888 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.83,000 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.83,000 could not be confirmed.

2. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations and infrastructure grants amounts of Kshs.3,204,947 and Kshs.1,242,000, respectively, all totalling Kshs.4,446,947 as disclosed in Notes 2 and 3 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,419,840 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.1,242,000 was transferred to infrastructure account, leaving a balance of Kshs.177,840 as at 30 June, 2024. This was contrary to the Ministry of Education Circular which directed 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.

3. Late Submission of Financial Statements for Audit

Management submitted the financial statements for the period ended 30 June, 2024 to the Office of the Auditor-General on 24 October, 2024, more than three (3) weeks

after the statutory deadline of 30 September, 2024. This was contrary to Section 81(4)(a) of the Public Finance Management Act, 2012 which states that not later than three months after the end of each financial year, the accounting officer for the entity shall submit the entity's financial statements to the Auditor-General and a copy of the statement to the Controller of Budget, The National Treasury and the Commission on Revenue Allocation.

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

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 guidelines.

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 Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.9,776,636. However, 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.

2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects the accounts receivable balance of Kshs.14,181,744 in respect of accounts receivable which, as disclosed in Note 13 to the financial statements, is in respect of fees arrears. However, the balance further includes a balance of Kshs.11,165,104, which had been outstanding for more than three (3) years. In addition, 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.

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 Cash Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for 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

29 April, 2026

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL

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

6. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	914,608	924,679
Government grants for operations	2	3,204,947	2,724,833
Government Grants for infrastructure	3	1,242,000	1,344,000
School fund income- parents' contributions	4	3,520,506	4,032,000
Miscellaneous incomes	5	24,000	45,600
Total Receipts		8,906,061	9,071,112
Payments			
Tuition	6	898,125	879,485
Operations	7	2,971,385	3,362,127
Infrastructure	8	614,547	2,280,436
Boarding and school fund	9	3,230,888	3,697,802
Total Payments		7,714,945	10,219,850
Surplus/Deficit		1,191,116	(1,148,738)

The school financial statements were approved on _____ 2024 and signed by:

.....
Name: Peter Wafula
Chair BOM
Date: 14/4/2026

.....
Name: Nyabuka George
School Principal/ Secretary to BOM
Date: 14/4/2026

.....
Name: Felistus Saito
Bursar/ Finance Officer
Date: 14/4/2026

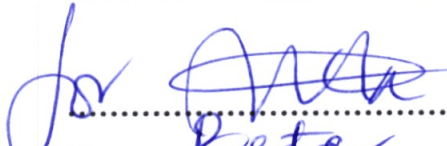


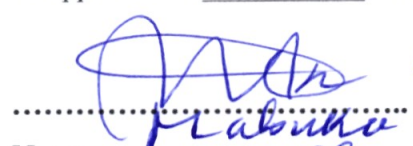
ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements for the year ended 30th June 2024

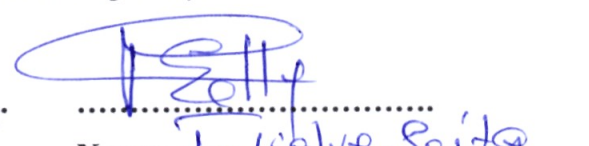
7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,596,985	776,142
Cash balances	11		13,819
Short term investments	12		
Total cash and cash equivalent		1,596,985	789,961
Account's receivables	13	14,181,744	13,566,214
Total financial assets (a)		15,778,729	14,356,175
Financial liabilities			
Accounts payables	14	625,153	393,716
Total Financial Liabilities (b)			
Net financial assets (a-b)		15,153,576	13,962,459
Represented by			
Accumulated fund b/fwd	15	13,962,460	15,111,197
Surplus/deficit for the year		1,191,116	(1,148,737)
Net Assets		15,153,576	13,962,460

The school's financial statements were approved on _____ 2024 and signed by:


Name: Peter Wapula
Chair BOM
Date: 14/4/2026


Name: George
School Principal/ Secretary to BOM
Date: 14/4/2026


Name: Felix
Bursar/ Finance Officer
Date: 14/4/2026



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

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		914,607	924,679
Government grants for operations		3,204,947	2,880,259
Government grants for infrastructure		1,242,000	1,344,000
School fund income- parents contributions/ fees		3,070,810	1,630,890
Other income		180,966	539,065
Total receipts		8,613,330	7,318,893
Payments			
Cash outflows for tuition		898,125	879,485
Cash outflows for operations		3,269,753	3,369,831
Cash outflows Boarding/lunch and school fund payments		3,086,063	3,766,642
Total payments		7,253,941	8,015,958
Net cash inflow/outflow from operating activities		1,359,389	(697,065)
Cash flow from investing activities			
Acquisition of assets		552,366	2,280,436
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
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		807,023	(2,977,501)
Cash and cash equivalent at beginning of the year 2023/2024		789,962	3,767,462
Cash and cash equivalent at end of the year 2023/2024		1,596,985	789,961

The school's financial statements were approved on _____ 2024 and signed by:

Name: _____

Chair BOM

Date: _____

Name: _____

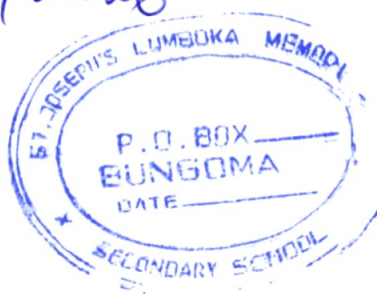
School Principal/ Secretary to BOM

Date: _____

Name: _____

Bursar/ Finance Officer

Date: _____



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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Text books	671,460		671,460	-	(100%)
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	903,260		903,260	914,608	101%
Exams And Assessment					
(2) Capitation Grant on Operations					
Others(PE,LT&T,EWC,ADMIN)	3,572,000		3,572,000	2,437,001	68%
Repairs And Maintenance	168,600		168,600	168,600	0%
Local Transport / Travelling					
Electricity And Water					
Medical & Property Insurance	760,000		76,000	304,350	40%
SMASSE	76,000		76,000	-	0%
Activity	570,000		570,000	294,996	52%
Gratuity					

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					
Maintenance & Improvement MoE	1,731,400		1,731,400	1,242,000	72%
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					
Damages					
Lunch Program	3,800,000		3,800,000	1,850,056	54%
Activity					
SMASSE					
Farm Account					
5) Miscellaneous Income					
Damages	-		-	205,800	100%
Farm A/C	-		-	24000	100%
Income From Farming Activities					
Insurance Compensation					
Income From Posho Mill					

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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
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	12,252,720		12,252,720	7,441,411	61%
(6) Expenditure For Tuition					
Textbooks	671,460		671,460	-	(100%)
Reference Materials					
Exercise Books	197,600		197,600	-	(100%)
Laboratory Equipment	235,485		235,485	362,270	154%
Internal Exams	452,655		452,655	516,175	114%
Teaching / Learning Materials					
Chalks	17,520		17,520	19,680	112%
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					
(7) Expenditure For Operations					
Personnel Emoluments	1,604,512		1,604,512	1,415,688	88%
Repairs, Maintenance & Improvements					
Local Transport / Travelling	1,275,000		1,275,000	558,605	44%

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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
Electricity, Water and Conservancy	344,800		344,800	295,962	86%
Medical& Property insurance	794,460		794,460	250	0%
Administration Costs	455,908		455,908	502,520	110%
Activity Expenses	427,320		427,320	198,360	46%
Gratuity					
SMASSE	76,000		76,000	-	(100%)
(8) Expenditure For infrastructure					
Renovations of classrooms	1,712,500		1,712,500	442,742	26%
Chairs & lockers	187,500		187,500	171,804	92%
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments					
Repairs, Maintenance and Improvements					
Lunch programe	3,800,000		3,800,000	3,045,823	80%
Electricity, Water and Conservancy					
Damages	-		-	156,610	100%

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Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs					
Activity					
Gratuity					
Lunch Programme					
Boarding Equipment and Stores					
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Farm Expenses	-		-	28,100	100%
Bank Charges	-		-	355	100%
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	12,252,720		12,252,720	7,714,945	68%

1)CAPTATION ON GOVERNMENT GRANTS AND PARENTS CONTRIBUTIONS

Total percentage on Tuition was 101 % exceeding by 1% of the estimated amount.

Total percentage on Operation was 59% as not all funds were dispersed creating a deficit of 41% of the expected amount .

Total percentage on fees from parents was 54% as not all learners cleared fees .

EXPENDITURES

- A) Chalk utilization was 112% due to inflation in n prices..
- B) Laboratory equipment's and chemicals had 154% because of the KCSE requirements the had not been Factored in the budget.
- C) Internal exams had 114% due to inflation in prices.
- D) PE had 88% utilization due to non transfers of the gratuity to the Savings A/C.
- E) LT& T had 44% utilization because of the reduction on travel allowances due to low disbursements.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to 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 2024.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	914,608	924,679
Others (specify)*		
Total	914,608	924,679

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Others(PE,ADMIN.,EWC)	2,437,001	2,623,133
Repairs And Maintenance	168,600	
Local Transport / Travelling		
Electricity And Water		
Medical	304,350	33,900
Administration Costs		
Activity	294,996	67,800
Other Vote Heads (specify)*		
Total	3,204,947	2,724,833

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	1,242,000	1,344,000
Other.		
Total	1,242,000	1,344,000

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4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Activity		
Damages	205,800	
Lunch program	3,314,706	4,032,000
Others (specify)		
Total	3,520,506	4,032,000

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	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*		
Interest Income		
Farm Account	24,000	45,600
Loans/Borrowings		
Other Income		
Total	24,000	45,600

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6 Tuition Payments

Description	2023/2024	2022/2023
	Kshs	Kshs
Chalk	19,680	18,000
Textbooks		
Reference materials		
Laboratory Equipment	362,270	391,950
Teaching / Learning Materials		
Internal exams	516,175	469,535
Teachers Guides		
Bank Charges		
Others		
Total	898,125	879,485

7 Operations Payments

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	1,415,688	1,360,829
Service Gratuity		
Administration Cost	502,520	478,477
Repairs And Maintenance & Improvements		
Local Transport / Travelling	558,605	1,065,800
Electricity And Water	295,962	282,976
Medical	250	
Activity Expenses	198,360	174,045
Insurance Cost		
Others (specify)		
Total	2,971,385	3,362,127

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8 Infrastructure Payments

Description	2023/2024	2022/2023
	Kshs	Kshs
Renovations of classrooms	614,547	2,280,436
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
Total	614,547	2,280,436

9 Boarding And School Fund Payments

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Damages	156,610	
Lunch Programme	3,045,823	2,713,505
Bank Charges	355	
Farm Account	28,100	77,200
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
PA expenses		907,097
Others (specify)		
Total	3,230,888	3,697,802

ST. JOSEPH'S LUMBOKA MEMORIAL SECONDARY SCHOOL
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10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account			93,209	76,727
Operations Account			122,911	13,391
School Fund Account/Boarding			277,747	62,296
Savings Account			104,214	164,569
CDF Account			57,980	57,980
Income Generating Activities Account				
Infrastructural Account			940,923	401,179
Total			1,596,985	776,142

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Notes and Coins	-	110
	-	13,709
TOTAL	-	13,819

12 Short Term Investments

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

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13 Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	14,180,354	13,566,214
Other Non-Fees Receivables		
Union dues	1,390	
Imprest		
Rent arrears		
Total	14,181,744	13,566,214

13 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	1,464,650	%	2,401,110	18%
Between 1- 2 years	1,550,600	%	678,204	5%
Over 3 years	11,165,104	%	10,486,900	77%
Total	14,180,354	%	13,566,214	100%

14 Accounts Payable

Description	2023-2024	2022/2023
	Kshs	Kshs
Trade Creditors	492,598	118,686
Prepaid Fees	131,312	235,901
Union dues		4,170
Housing levy	597	
PAYE	646	
NSSF		34,959
Total	625,153	393,716

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14a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	%	2022-2023	
Less than 1 year	492,598	100%	118,686	100%
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total	492,598	100%	118,686	100%

15 Fund Balance Brought Forward

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Balances	776,142	3,766,434
Cash Balances	13,819	1,028
Short Term Investments		
Receivables	13,566,214	11,593,514
Payables	(393,716)	(249,779)
Total	13,962,459	15,111,197

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others	-	-
Total	-	-

17 Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees			
Coffee Or Tea Plantation			
Poultry			
Others			
Total			

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	288,903	-
Repayments during the year	149,485	-
Balance at the end of the year	139,418	-

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Other important disclosure notes

19 Stock/ Inventory

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	397,200	78,549.25
Lab consumables		-
Farm produce		-
Medication		-
Construction Materials		-
Others (specify)		-
	397,200	78,549.25

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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



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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 2023-2024	Outstanding Balance 2022-2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. Namibano enterprise	168,172	1/02/2024	105,992	62,180		
5. Bemaga Investment	252,000	2/04/2024		252,000		
6.Dtom enterprise	9,000	2/04/2024		9,000		
7.David Wekesa					11,160	
Sub total	429,172			323,180	11,160	
BORROWINGS- LUMB WELFARE	288,903		149,485	139,418		
SUPPLY OF SERVICES						
Workers George mabuka	30,000			30000	107,526	
GRAND TOTAL	748,075		255,477	492,598	118,686	

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1Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
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				
Generator	44,000			44,000
Trees	599,000			599,000
Intangible Assets- Soft Ware				
Total	9,776,636			9,776,636