

REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT TABLED BY: OF CLERK-AT THE-TABLE:	DATE: 18 JUN 2026 Hon. Samuel Chepkong'a (on behalf of leader of majority)
	DAY. Thursday Lorngale

THE AUDITOR-GENERAL

ON

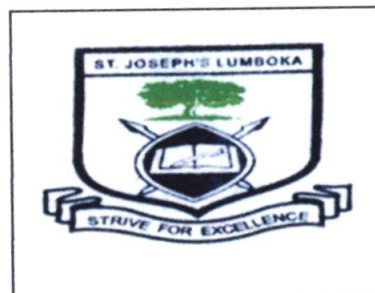
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**ST. JOSEPH LUMBOKA MEMORIAL
SECONDARY SCHOOL**

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

BUNGOMA COUNTY

Revised 30th June 2023.



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

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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

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

Acronyms and Glossary of Terms

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

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

Key School Information and Management

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 school and had 411 number of students as at 30th June 2023. It has 2 streams and 15 teachers of which 4 teachers are employed by the School Board of Management.

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	Khaemba Micheal	Chairman	23/4/2022
2	Mukosa Judith	Secretary- Principal	„
3	Wafula Peter	Member	„
4	Masoso Micah	Member	„
5	Khaemba Bethseba	Member	„
6	Juma Dorcas	Member	„
7	Wepukhulu Edward	Member	„
8	Sikuku Dismas	Member – Rep CEB	„
9	Khaemba Protas	Member Rep Teachers	„
10	Simiyu Alice Nakhumich Simiyu Isaac	3 Members - Sponsor	„
11	Muchuku Peter	Member - Community	„
12	Wanyonyi Gladys	Member Special Needs	„
13	Wangila Oliver	Rep Students	„

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

The functions of the School Board of Management are to:

Promote the best interests of the School and ensure its development.

Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013.

Ensure and assure the provision of proper and adequate facilities for the School.

Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.

Advise the County Education Board on the staffing needs of the School.

Determine cases of pupils' discipline and make reports to the CEB.

Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.

Administer and manage the resources of the School.

Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Khaemba Micheal 2.Wesamba Manuel 3. Simiyu Alice 4. Simiyu Isaac 5. Mukasa Judith	Chairperson PA Chair Member " "	3 out of 3
2	Audit Committee	Executive members of the Board		1 out of 3
3	Finance, procurement and general purposes Committee	Executive members of the Board		1 out of 3
4	Academic Committee	Simiyu Isaac Juma Dorcas Mukasa Judith Okwero Gladys	Chair Member " DOS	2 out of 3
5	Development Committee	Masoso Micah Khaemba Protas Simiyu Alice Wesamba Manuel Mukasa Judith Odondi Ezra	Chair Secretary Member " " SCDE	
6	Discipline and welfare Committee	Sikuku Dismas Khaemba Protas	Chair Secretary	

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

		Wesamba Manuel Wanyonyi Gladys Mukasa Judith	Member " Principal	
7	Adhoc Committee (if any during the year)	Mukasa Judith Wesamba Manuel Any other 2 Board members	Secretary BOM Chair Member	

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

School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Mukasa Judith	TSC No. 307937
2	Deputy Principal	Khaemba Protas	TSC No. 363154
3	School Bursar	Felistus Soita Khamala	ICPAK No.
4	Other		

Schools contacts

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

School Bankers

Name of Bank: CO-OPRATIVE
Branch BUNGOMA
Postal Address.

KENYA COMMERCIAL BANK
Branch : BUNGOMA
Postal Address.

Independent Auditors

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

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

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	(174,042)
2021/2022	3,289,441	7,118,988	22,244	3,855,379	4,067,903
2022/2023	-1,148,737	4,993,512	22,244	(3,504,029)	35,500

Year	Debtors (Ksh)	Creditors (Ksh)
2020/2021	10, 680,077	333,697
2021/2022	11,593,514	249,779
2022/2023	13,566,214	393,716

Teacher Student ratio:

Teacher/student ratio	Newly posted	Transferred teachers	Retired teachers	TSC Teachers	BOM teachers
1:24	1	3	0	10	4

Teachers per subject

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

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

Mean score in the 2022 KCSE:

Year	Entry	Mean score	Deviation	UNIVERSITY QUALIFIERS
2020	93	4.065	-0.345	8
2021	76	3.08	-0.985	5
2022	81	3.815	+0.735	5

Number of Candidates in the 2023 KCSE:

Year	Entry
2020	93
2021	76
2022	81
2023	53

Capacity of the school:

S/NO.	FACILITIES	ENROLMENT	QUNTITY	SHORTAGE	CAPACITY
1	classrooms	411	10	2	365
2	toilets- boys	211	8	2	
	-girls	200	8	2	
	teachers/workers	25	4	4	
3	laboratory			Twine laboratory	
4	Muiltipurpose		Under construction	Funds needed	
5	Computer laboratory			needed	
6	Library			needed	
7	Administration block			needed	
8	Playfields			2acres needed	

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

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
Furniture			187,500	171,804	2024
Classroom renovations			1799680	442,742	2026


School Principal *17/4/2026*

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

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.

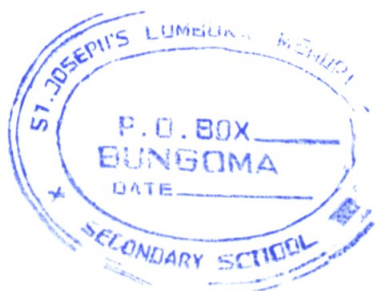
The Board of Management of (Name of School) accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

.....
Name: Peter Wafula
Designation: Chairman, School Board of Management
Date: 14/4/2026

.....
Name: Abraham George
Designation: School Principal & Secretary to Board of Management
Date: 14/4/2026

.....
Name: Felista Soita Khamale
Designation: Bursar/ Finance Officer
Date: 14/4/2026



REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON ST. JOSEPH LUMBOKA MEMORIAL SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – 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 12 to 34, which comprise the statement of financial assets and financial liabilities as at 30 June, 2023, and the statement of receipts and

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of St. Joseph Lumboka Memorial Secondary School as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Payables Balance

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.393,716 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 accounts payables balance of Kshs.393,716 could not be confirmed.

2. Unsupported Accounts Receivables Balance

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.13,566,214 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.13,566,214 could not be confirmed.

3. 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.789,962 as disclosed in Notes 10 and 11 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.789,962 could not be confirmed.

4. Inaccuracies of the Financial Statements

The statement of receipts and payments reflects total receipts of Kshs.9,071,112 which differs with the total actual receipts of Kshs.6,670,002 reflected in the statement of budgeted versus actual amounts by an unexplained variance of Kshs.2,401,110.

In the circumstances, the accuracy and completeness of the respective amounts in the financial statements 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.11,038,784 and Kshs.6,670,002, respectively, resulting in an under-funding of Kshs.4,368,782 or 40% of the budget. However, the School spent an amount of Kshs.10,219,850 against actual receipts amounting to Kshs.6,670,002 resulting in an over-utilization of Kshs.3,612,848 or 54% 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 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 receipts and payments reflects boarding and school fund payments amount of Kshs.3,697,802 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.40,225 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.40,225 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.2,724,833 and Kshs.1,344,000, respectively all totalling Kshs.4,068,833 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.2,339,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.1,344,000 was transferred to infrastructure account, leaving a balance of Kshs.995,000 as at 30 June, 2023. 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, 2023 to the Office of the Auditor-General on 15 November, 2023, six (6) weeks after the statutory deadline of 30 September, 2023. 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 effects of the matter 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.7,346,636. However, Management did not prepare an updated fixed assets register nor provide a basis for the valuation of the assets.

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 accounts receivable balance of Kshs.13,566,214 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.10,486,899, which had been outstanding for more than two (2) 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 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

28 April, 2026

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

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

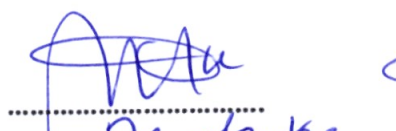
Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	924,679	1,326,169
Government grants for operations	2	2,724,833	5,792,818
Government Grants for infrastructure	3	1,344,000	3,834,140
School fund income- parents' contributions	4	4,032,000	2,522,103
Miscellaneous incomes	5	45,600	
Total Receipts		9,071,112	13,475,230
Payments			
Tuition	6	879,485	1,253,203
Operations	7	3,362,127	3,762,373
Infrastructure	8	2,280,436	
Boarding and school fund	9	3,697,802	5,170,213
Total Payments		10,219,850	10,185,789
Surplus/Deficit		(1,148,738)	3,289,441

The school financial statements were approved on _____ 2023 and signed by:

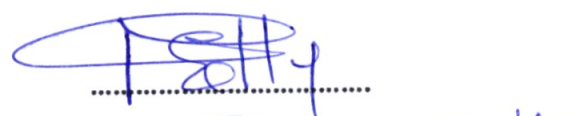

Name: Peter Wajuma

Chair BOM

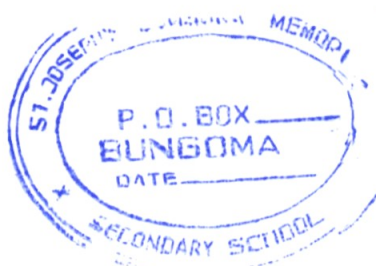
Date: 14/4/2026


Name: Malanka George
School Principal/ Secretary to BOM

Date: 14/4/2026


Name: Felistus Soita
Bursar/ Finance Officer

Date: 14/4/2026



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

Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	776,142	3,766,434
Cash balances	11	13,819	1,028
Short term investments	12		
Total cash and cash equivalent		789,962	3,767,462
Account's receivables	13	13,566,214	11,593,514
Total financial assets		14,356,176	15,360,976
Financial liabilities			
Accounts payables	14	393,716	249,779
Net financial assets		13,962,460	15,111,197
Represented by			
Accumulated fund b/fwd	15	15,111,197	11,821,7756
Surplus/deficit for the year		(1,148,738)	3,289,441
Net financial position		13,962,460	15,111,197

The school's financial statements were approved on _____ 2023 and signed by:

Name: Peter Wajuda

Chair BOM

Date: 14/4/2026

Name: Mylenka George

School Principal/ Secretary to BOM

Date: 14/4/2026

Name: Felistus Soita Khama

Bursar/ Finance Officer

Date: 14/4/2026



Annual Report and Financial Statements For the year ended 30th June 2023Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	924,679	1,326,169
Government grants for operations	2	2,724,833	5,792,818
Government grants for infrastructure	3	1,344,000	
School fund income- parents contributions/ fees	4	1,630,890	3,834,140
Other income	5	694,491	2,522,103
Total receipts		7,318,893	13,475,230
Payments			
Cash outflows for tuition		879,485	1,253,203
Cash outflows for operations		3,369,831	3,762,373
Cash out flows Boarding/lunch and school fund payments		3,766,642	5,170,213
Total payments		8,015,958	10,185,789
Net cash inflow/outflow from operating activities		(697,065)	3,289,441
Add/less decrease/increase in receivables			(636,317)
Add/less increase/decrease in payables			(361,038)
			2,292,086
Cash flow from investing activities			
Acquisition of assets		2,280,436	
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(2,977,501)	2,292,086
Cash and cash equivalent at beginning of the 2023		3,767,462	1,475,376
Cash and cash equivalent at end of the 2023		789,961	3,767,462

The school's financial statements were approved on _____ 2023 and signed by:

Name: _____

Chair BOM

Date: 14/4/2026

Name: _____

School Principal/ Secretary to BOM

Date: 14/4/2026

Name: _____

Bursar/ Finance Officer

Date: 14/4/2026



Annual Report and Financial Statements For the year ended 30th June 2023Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Text books & Setbooks	593,712	-	593,712	-	(100%)
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	798,672	-	798,672	924,679	115%
Exams And Assessment				-	-
TOTAL	1,392,384		1,392,384	924,679	66%
(2) Capitation Grant on Operations					
Others	3,158,400		3,158,400	2,623,133	83%
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Medical	272,000		272,000	33,900	13%
Administration Costs					
Activity	504,000		504,000	67,800	14%
Gratuity					
3) FDSE for infrastructure					
Maintenance	1,680,000		1,680,000	1,344,000	80%

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
&ImprovementMoE					
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
TOTAL IN OPERATION	5,614,400		5,614,400	4,068,833	72%
(4) Fees Charged on Parents					
Personnel Emoluments					
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Lunch programme	4,032,000		4,032,000	1,630,890	40%
Administration Costs					
Activity					
SMASSE					
Fee On Boarding Equipment and Stores					
5) Miscellenous Income					
Loans / Borrowing					
Rent income					
Income From Farming Activities	-		-	45,600	100%
Insurance Compensation					
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Any Other Investment					
Total Income	11,038,784		11,038,784	6,670,002	60%
(6) Expenditure For Tuition					
Textbooks	593,712		593,712	-	(100%)
Reference Materials					
Exercise Books	239,200		239,200	-	(100%)
Laboratory Equipment	196,747		196,747	391,950	199%
Internal Exams	345,205		345,205	469,535	136%
Teaching / Learning Materials					
Chalks	17,520		17,520	18,000	102%
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					
(7) Expenditure For Operations					
Personnel Emoluments	1,671,172		1,671,172	1,360,829	81%
Repairs, Maintenance & Improvements	1,680,000		1,680,000	2,280,436	136%
Local Transport / Travelling	668,000		668,000	1,065,800	159%
Electricity, Water and Conservancy	463,300		463,300	282,976	61%
Medical					
Administration Costs					
Activity Expenses	285,320		285,320	174,045	70%
Gratuity					
SMASSE					

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB					
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					
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical Expenses					
Administration Costs					
Activity					
Gratuity					
Lunch Programme	4,032,000		4,032,000	2,713,505	67%
Farm expenses	-		-	77,200	100%
Expenditure For Income Generating Activity					
Acquisition of assets	-		-	907,097	100%
Other Expenses On Investments					
Rent Expenses					

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals#	11,038,784		11,038,784	10,219,850	93%

C

CAPTITATION ON GOVERNMENT GRANTS

#Tuition income was 66% as not all monies were dispersed and money for text books retained..

#Operation had 72% leading to an underfunding of the same.

Lunch had 40% as not all learners cleared fees

EXPENDITURES

Text books utilization was 65%(Only set books were delivered)

Laboratory had 199% utilization as there was a replacement of apparatus & chemicals burned down .

Chalk had 102% because of the inflation in prices.

Internal exam spent 135% due to inflation .

#PE had 81% because of non payments of the June salary and non trasfers of the gratuity funds to the savings account.

M& I had 135% because of the money brought forward to this current year due to late approvals of the same.

Lunch had 67% because of the poor payments of fees.

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

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

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.

Recognition of receipts and payments

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

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.

Cash and cash equivalents

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

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

Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorized 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.

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 fulfillment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

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.

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.

Comparative figures

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

Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023

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

Notes To The Financial Statements

Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	924679	1,326,169
Others		
Total	924,679	1,326,169

Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Others	2,623,133	3,728,118
Repairs And Maintenance		1,982,500
Local Transport / Travelling		
Electricity And Water		
Medical	33900.00	82,200
Administration Costs		
Activity	67,800	
Other Vote Heads		
Total	2,724,833	5,792,818

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

Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	1,344,000	
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NGCDF and County govt.		
Total	1,344,000	

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Activity		
Fee on Boarding Equipment and stores	4,032,000	3,834,140
PA Levies*		
Others (specify)		
Total	4,032,000	3,834,140

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

Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Farm income	45,600	64,150
Insurance compensation -laboratory		2,387,453
KCSE		70,500
Dividends Income		
Loans/Borrowings*		
Other Income		
Total	45,600	2,522,103

Annual Report and Financial Statements For the year ended 30th June 2023**Notes to the Financial Statements (continued)**

Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books		374,600
Textbooks		38,548
Reference materials		
Laboratory Equipment	391,950	487,705
Teaching / Learning Materials		
Exams And Assessment	469,535	335,790
chalk	18,000	16,560
Bank Charges		
Others		
Total	879,485	1,253,203

Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	1,360,829	1,407,312
Service Gratuity		
Administration Cost	478,477	616,012
Repairs And Maintenance & Improvements		
Local Transport / Travelling	1,065,800	1,265,348
Electricity And Water	282,976	445,062
Medical		
Activity Expenses	174,045	15,000
Insurance Cost		
Others (specify)		
Total	3,362,127	3,762,373

Annual Report and Financial Statements For the year ended 30th June 2023**Notes to the Financial Statements (continued)**

Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
M& i	2,280,436	1,893,463
Total	2,280,436	1,893,463

Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Administration Costs		
Lunch Programme	2,713,505	3,160,510
Bank Charges		1,440
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores		
Farm Expenses	77,200	44,200
Insurance Cost (Life Property)		
Loan Principal Repayment		
Loan Interest Repayment		

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

Acquisition Of Assets		
KCSE		70,600
Laboratory a//c	907,097	
Total	3,697,802	3,276,750

Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account			76,727	31,533
Operations Account			13,391	120,053
School Fund Account/Boarding			62,296	2,162,613
Savings Account			164,569	164,569
CDF A/C			57,980	57,980
Income Generating Activities Account				
Infrastructural Account			401,179.55	1,229,685
Total			776,142	3,766,433

Cash In Hand

Description	Insert Current 2022-2023	Insert Comparative 2021-2022
	Kshs	Kshs
Notes and Coins	13,819	1,028
Total	13,819	1,028

Short Term Investments

(St. Joseph's Lumboka Memorial Sec. school)

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

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

Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	13,566,214	11,592,124
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Union dues		1,390
Total	13,566,214	11,593,514

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	2,401,110	%	1,105,224	%
Between 1- 2 years	678,204	%	234,971	%
Over 3 years	10,486,900	%	10,251,929	%
TOTAL	13,566,214	%	11,592,124	

Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors	118,686	80,000
Prepaid Fees	235,901	169,456
PAYE		323
statutory deductions-NSSF	34,959	
Unpaid salaries		
Other payables –union dues	4,170	
Total	393,716	249,779

Annual Report and Financial Statements For the year ended 30th June 2023**Notes to the Financial Statements (continued)****14a. Ageing Analysis of Accounts Payable**

Description	2022-2023		2021-2022	
	Kshs		Kshs	
		% of the total		% of the total
Less than 1 year	118,686	100%	80,000	100%
Between 1- 2 years		%		%
Between 2-3 years		%		%
Over 3 years		%		%
TOTAL	118,686	100%	80,000	100%

Fund Balance Brought Forward

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Balances		3,766,434		1,464,172
Cash Balances		1,028		11,204
Receivables		11,593,514		10,680,077
Payables		(249,779)		(333,697)
Total		15,111,197		11,821,756

(St. Joseph's Lumboka Memorial Sec. school)

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

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.

Non-current Liabilities Summary

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others		
Total		

Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total			

Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year		

(St. Joseph's Lumboka Memorial Sec. school)

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

Borrowings during the year		
Repayments during the year		
Balance at the end of the year		

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

Other important disclosure notes

Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Stock /inventory at the beginning of the year	261,137	103,135
Stock purchased during the year	5,486,078	3,737,395
Stock issued during the year	5,668,665	3,579,393
Balance at the end of the year	78,549	261,137

(St. Joseph's Lumboka Memorial Sec. school)

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

Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

14/4/2026

(St. Joseph's Lumboka Memorial Sec. school)

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

Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2022-2023	Outstanding Balance 2021-2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
Sub-Total						
Supply Of Goods						
David Wekesa				11,160		
Rural Home Industry					80,000	
Sub-Total						
Supply Of Services						
Workers				107,526		
Sub-Total						
Grand Total				118,686	80,000	

(St. Joseph's Lumboka Memorial Sec. school)

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

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land 1	200,000			200,000
Land 2	600,000			600,000
Land 3	600,000			600,000
Office Equipment: Photocopiers- 2pcs	240,000			240,000
Generator	44,000			44,000
ICT Equipment – 4 desk tops ,1 laptop ,2 printers	249,000			249,000
Text books	5,389,058	24,578		5,413,636
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total	7,322,058	24,578		7,346,636

