

REPUBLIC OF KENYA



*Enhancing Accountability*



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**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 JUL 2025	DAY: Wednesday
TABLED BY:	Hon. Owen Baya, CBS, MP Deputy Majority Leader
TABLED AT:	Conole

**OF**

**THE AUDITOR-GENERAL**

**ON**

**BISHOP MAHON TEACHERS TRAINING  
COLLEGE**

**FOR THE YEAR ENDED**

**30 JUNE, 2022**



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**BISHOP MAHON TEACHERS TRAINING COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2022**

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

**Bishop Mahon Teacher Training College  
Annual Report and Financial Statements  
For the year ended 30th June 2022**

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**I. Key Entity Information and Management**

**(a) Background information**

The college was established under the **Basic Education Act No 14 of 2013** Act on 15<sup>th</sup> February 2021. The entity is domiciled in Kenya and has no branches. The institute is under the Ministry of Education.

**(b) Principal Activities**

The principal activity/mission/ mandate of the entity is to train of Diploma in Primary Teacher Education and Diploma in Early Childhood Development Education – Both Pre-service and the Upgrade

**Vision:**

To be a centre for Holistic and competitive teacher training

**Mission:**

To equip a community of learners with skills and knowledge to be responsible global citizens, educators and champions of our own success

**Core Objective:**

Honesty, Integrity, Professionalism, Team work and Positivity

**(c) Key Management**

The entity's day-to-day management is under the following key organs:

Board of Management  
Chief Accounting officer/ Principal  
Management Staff

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Mrs Leah Losiru
2.	Deputy Principal	Mr. Mark Wabuli
3.	Dean of Curriculum	Mrs. Ruth Mutali
4.	Dean of students	Mr. Julius Atieno
5	Bursar	Mr. Moses Edapal

(e) **Fiduciary Oversight Arrangements**

i) **Finance Procurement and General Purpose Committee Members**

1. Rev. Fr. Paul Areman
2. Dr. Jacob Lolelea
3. Mrs. Leah Losiru
4. Ms. Doreen Kari

**Functions**

- To ensure that all expenditures are in line with the approved budget
- To supervise and due process is followed
- To monitor from time to time how funds are utilized in the College
- To monitor closely all procurements and due process is followed
- To ensure that all suppliers strictly follow their quotation prices without varying the prices.
- To ensure that all books of accounts are written and are up to date
- To physically check all bank slips, withdrawals against the bank statements
- To handle all matters relating to supervising maintaining of store records

ii) **Audit and Risk Committee**

**Members**

1. Mrs. Susan Aletea
2. Mrs. Christine Malcom
3. Mr. Brizan Were

**Functions**

- To examine in depth all payment vouchers and receipts and report to the board any disparity
- To examine all used receipt books, cheque books delivery notes, invoices and payment voucher.
- To examine in depth all enrolment registers for the previous year.
- To examine all movable and immovable assets for the previous year.
- To examine all cheque books counterfoils for the previous year.
- To examine all tender records for the previous year.
- To examine all procurement records for the previous year.
- To verify all projects records for the previous year.
- To verify the audit and inspection reports for the previous year.
- To respond to audit queries after scrutinizing the report on audited accounts.

**iii) Academic Standards, Quality and Environment Committee**

**Members**

1. Dr. Ngasike John Teria
2. Dr. Jacob Lolelea
3. Mrs. Leah losiru
4. Mr. Micah Chirchir
5. Mr. Ang'ela Peter

**Functions**

- To handle all academic matters in the college
- To device ways and means of improving academic standards
- To analyse national examination results against the FACE exams
- To ensure that all textbooks purchased through the Government grants are received in the college and given to each deserving student
- To ensure that each student has enough text books and other learning materials
- To ensure that all students are learning in safe class rooms, the toilets are safe and clean, the eating place is clean and safe, and water in the college is clean and safe
- To ensure that all college buildings are safe and secure
- To ensure that the college compound is safe and secure

**iv) Discipline Ethics and Integrity Committee**

**Members**

1. Pst. Dalmus Esekon
2. Mr. Philip Ilete
3. Mrs. Carolyne Lopatio

**Functions**

- To deal with all matters relating to discipline of students
- To work closely with the guidance and counselling committee in improving discipline in college
- To handle all integrity cases involving teaching and non-teaching staff
- To promote ethics and integrity in the college
- To carry out any other assignment which may be referred to them by the board of management

**v) Human Rights and Students Welfare Committee**

**Members**

1. Rev. Fr. Paul Areman
2. Mr. Seamus Ekuwom
3. Mr. Ang'ela Peter





**Functions**

- To receive and discuss all cases of admissions, transfers, suspensions, and replacements at the college level
- To recommend to the Board of Management all cases admissions, transfers, suspensions, and replacements from the college level
- To receive from students/teacher trainees or student leaders all cases relating to human rights abuse and their welfare in general
- To carry out student census in the college or any other institutions of basic education and submit a report to the Board of management





**Key Entity Information and Management (Continued)**

- (f) **Entity Headquarters**  
Bishop Mahon Teachers Training College  
P.O. Box 148-30500  
Lodwar, Kenya
- (g) **Entity Contacts**  
Bishop Mahon Teachers Training College  
Telephone :( 254) 112972138/0729398332  
E-mail: bishopmahonttc@gmail.com  
Website:
- (h) **Entity Bankers**  
  
Kenya Commercial Bank Ltd  
Lodwar Branch
- (i) **Independent Auditors**  
  
Auditor-General  
Office of Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya
- (j) **Principal Legal Adviser**  
  
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya




**II. The Board of Management Members**

No.	Member/ Director	Details
1.	 VERY REV. PAUL AREMAN	<p><u>D.OB:-</u> 1972  <u>Academic Qualifications:-</u> Masters Degree in Social Development.  <u>Work Experience:-</u>            1. A priest at Catholic Diocese of Lodwar            2. Lecturer at Turkana University College  <u>Responsibility:-</u>            1. BOM Chairperson            2. Human Rights and Students Welfare Committee</p>
2.	 MRS. LEAH LOSIRU	<p><u>D.O.B:-</u> 1972  <u>Academic Qualifications:-</u> Masters of Arts degree  <u>Work Experience:</u> Principal Bishop Mahon TTC  <u>Responsibility:-</u> 1. Secretary to BOM            2. Finance, Procurement and General purpose Committee</p>
3.	 MRS. SUSAN ALETIA	<p><u>D.O.B:-</u> 1974  <u>Academic Qualifications:-</u> Masters of Science degree in Disaster Management  <u>Work experience:-</u> UN Kenya Gender Advisor Turkana County government.  <u>Responsibility:-</u> Audit and Risk committee</p>
4.	 DR. JACOB LOLELIA	<p><u>D.O.B:-</u> 13.11.1974  <u>Academic Qualification:-</u> Doctor of Philosophy of Education  <u>Work Experience:-</u> University Lecturer  <u>Responsibility:-</u> 1. Finance, Procurement and general purpose.            2. Academic standards, Quality assurance and Environment committee.</p>




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5.	 MR. WILSON LOSIKE	<p><u>D.O.B:-</u> 12.06.1985  <u>Academic Qualifications:-</u> Bachelor Degree of Arts  <u>Work Experience:-</u> Education Secretary- Diocese of Lodwar  <u>Responsibility:-</u> Audit and Risk Committee member</p>
6.	 MR. BRIZAN WERE	<p><u>D.O.B:-</u> 1983  <u>Academic Qualifications:-</u> Bachelors degree in Education  <u>Work Experience:-</u> Chief Executive Officer Start UP Lions Turkana  <u>Responsibility:-</u> Audit and Risk Committee member</p>
7.	 MRS. CHRISTINE MALCOM	<p><u>D.O.B:-</u> 1974  <u>Academic Qualifications:-</u> Masters degree in Business Administration.  <u>Work Experience:-</u> KCB Lodwar branch manager  <u>Responsibility:-</u> Audit and Risk Committee member</p>
8.	 MR. PHILIP ILETE	<p><u>D.O.B:-</u> 1995  <u>Academic Qualifications:-</u> Bachelor Degree in Business Management ( Human Resource )  <u>Work Experience:-</u> Senior Human Resource Management and Development Officer.  <u>Responsibility:-</u> Discipline, Ethics and Integrity</p>
9.	 MS. DOREEN KAARI	<p><u>D.O.B:-</u> 1980  <u>Academic Qualifications:-</u> KCSE  <u>Work Experience:-</u> Business person  <u>Responsibility:-</u> Human Rights and students welfare</p>

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<p>10.</p>	 <p>MR. MICAH CHIRCHIR</p>	<p><u>D.O.B:-</u> 1974  <u>Academic Qualification:-</u> Bachelor Education Arts  <u>Work Experience:-</u> Lecturer at Bishop Mahon TTC  <u>Responsibility:-</u> Academics Standards, Quality Assurance and Environment Committee member</p>
<p>11.</p>	 <p>MR. ANGELA PETER</p>	<p><u>D.O.B:-</u> 1999  <u>Academic Qualifications:</u> Craft Certificate in ECDE  <u>Work Experience:-</u> BMTTC Student Council chairperson  <u>Responsibility:-</u>  1. Human Rights and students welfare Committee  2. Academic Standards, Quality and Environment Committee</p>
<p>12.</p>	 <p>MR. SEAMUS I. EKUWOM</p>	<p><u>D.O.B:-</u> 1975  <u>Academic Qualifications:-</u> Master degree in Sociology of Education  <u>Work Experience:-</u> Senior Education Program Officer  <u>Responsibility:-</u> Human Rights and Students Welfare Committee.</p>

**III. Management Team**

Staff	Responsibility
 <p>Mrs. Leah Losiru Chief Principal/ BOM Secretary MBA</p>	<ul style="list-style-type: none"> <li>- Teaching and administering teaching functions</li> <li>- General administration</li> <li>- Human Resource Management</li> <li>- Financial Management and Control</li> <li>- Any other relevant duties</li> </ul>
 <p>Mr. Mark Wabuli Deputy Principal MEd</p>	<ul style="list-style-type: none"> <li>- Responsible for the provision of the operational management to ensure service delivery in the institution.</li> <li>- The role further provides support to the head of the institution in the development and implementation of education plans, policies, programs and curriculum activities.</li> <li>- Other delegated duties</li> </ul>
 <p>Mrs Ruth Mutali Dean of Curriculum MEd</p>	<ul style="list-style-type: none"> <li>- Teaching</li> <li>- Provision of administrative services and technical assistance to teaching staff in the areas of curriculum development, implementation and evaluation</li> <li>- Other delegated duties</li> </ul>

 <p>Mr. Julius Atieno Dean of Students BEd</p>	<ul style="list-style-type: none"> <li>- Teaching</li> <li>- Deals with Learners welfare including sharing information with learners, colleagues and other interested parties to promote learners' success and development</li> <li>- Other delegated duties</li> </ul>
 <p>Mr. Moses E. Edapal Bursar Diploma in Accountancy CPA Part II SEC 4</p>	<ul style="list-style-type: none"> <li>- Custody and maintenance of books of accounts and accountable documents</li> <li>- Ensuring a proper record for each transaction is kept.</li> <li>- Ensuring that statutory obligations are paid in time.</li> <li>- Working with auditors in ensuring accountability preparation</li> <li>- Preparing regular financial reports as instructed</li> </ul>

#### **IV. Chairman's Statement**


Bishop Mahon Teacher Training College is a new public college situated in Turkana Central Sub County in Turkana County. It was started through community effort as the area had no tertiary institutions where students would go for further education after completion of secondary Education.

The Teachers Service Commission posted the first Principal on 12/10/2020 and the Board of Management (BOM) was inaugurated on 20/8/2020. The BOM was tasked to ensure that the college was ready to admit students as soon as the Government allowed resumption of teacher training. The BOM has worked hand in hand with the stakeholders to mobilise support for the college development from the community and Turkana County Government. I note with appreciation that the Turkana County Government donated to the college capital assets worth millions which included land, offices, classrooms, property and equipment kitchen, hostels, fenced compound among other non-financial assistance required for the college to take off.

First cohort of 53 students undertaking Upgrade in Diploma in Primary Teacher Education (UDPTE) and 14 students undertaking Upgrade Diploma in Early Childhood Teacher Education (UDECTE) was admitted on 4<sup>th</sup> October, 2021 for a one-year course which was a big milestone. The college staff has grown to 10 lecturers and I appreciate the Teachers Service Commission for this gesture. There are 20 members of the non-teaching staff that the Ministry of Education has supported the college to have through the funding.

As a young college, there are many challenges which the BOM is working to overcome. They include:-

- Lack of land for agriculture and fields for Physical Health Education-
- Lack of infrastructure e.g. special rooms, Learning Resource Centre and internet for effective and efficient implementation of the Competency Based Curriculum - The College has written proposals to the Ministry of Education for funding.
- Lack of funding to carry out projects
- Uncertainty of the recruitment of students due to the high entry grades
- Huge fee arrears due to poverty levels

  
REV. PAUL AREMAN  
CHAIRMAN BOM

## **V. Report of the Principal**

Bishop Mahon Teacher Training College is a new public college situated in Turkana Central Sub County in Turkana County. It was started through community effort as the area had no tertiary institutions where students would go for further education after completion of secondary Education.

### **Achievements**

Under the able strategic leadership and guidance of the Board, the Management and Staff have accomplished the following:

- Enrolled 67 students out of 138 originally budgeted for year ended 30 June 2022
- Engagement of reliable BOG staff who diligently offered their services in the year
- Improvement of basic physical facilities such as toilets and playing grounds.
- Planting of over 100 trees and flowers and general beautification of the college.
- Putting in place Covid-19 compliance measures to ensure to ensure continued programs and activities of the College and
- Active involvement in sports and co-curricular activities.
- Creation of partnerships and cordial relations with the neighbouring community as part of corporate social responsibility etc.).

### **Challenges**

The FY 2021/2022 had its fair share of challenges some of which include:

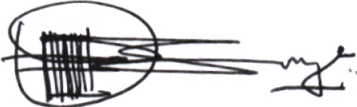
- The strategic plan is at draft stage development 2023
- Lack of Financial policy manual to guide in compliance with Financial management procedures
- No organisation culture- the college management is working to establish a culture through development of the college code of conduct e.g. logo, vision, mission and core values
- Limited funds to implement some of the planned activities and financial obligations on time
- Lack of HRM policy manual to guide Management on Human Resource procedures
- Limited funds to hire desired professional support staff in key areas like Internal Audit, Finance, Procurement, and Human Resource leading to challenges in the implementation and compliance with ideal regulatory and reporting requirements
- Lack of essential equipment and facilities for administrative staff, internet connectivity, etc.
- Shortage of Government employed trainers in Music, Arts and Craft courses that led to engagement of Part time trainers. This in turn led to higher wage bill.
- Lack of land for agriculture and fields for Physical Health Education-
- Lack of infrastructure e.g. special rooms, Learning Resource Centre and internet for effective and efficient implementation of the Competency Based Curriculum - The College has written proposals to the Ministry of Education for funding. The college has also collaborated closely with local Government institutions that are well endowed to be facilitated on short loan some equipment e.g. sports, games, tablets and furniture or share fields so as to enable training to take place effectively.

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Despite the challenges, I am sincerely grateful to the Board of Management for the dedication and guidance provided during the year and to the entire staff of Bishop Mahon Teachers Training College for their teamwork and cooperation that led to the realization of the College's mandate.

I am grateful to the Ministry of Education, T.S.C, Diocese of Lodwar, Turkana County Government and neighbouring community members for offering technical, financial and physical support to the college during the financial year ended 30 June 2022.



**MRS LEAH LOSIRU  
PRINCIPAL**

for

**Bishop Mahon Teacher Training College  
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**VI. Statement of Performance against Predetermined Objectives**

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the Accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

Bishop Mahon Teachers Training College is in the process of developing the Strategic Plan during the FY 2021/2022 and therefore it was not possible to compare the performance against predetermined objectives during the year ended 30 June 2022

Consequently, annual work plans based on the above strategic pillars were not developed. Assessment of the Board's performance against its annual work plan could not be done on a quarterly basis during the year ended 30 June 2022

**VII. Corporate Governance Statement**

**Board Of Management (BOM) Meetings**

Bishop Mahon TTC Board wished to conduct its business in accordance to the Early Childhood Development and Basic Education Act 2014, which requires that the Board meet at least once every three months. In line with this requirement,

Bishop Mahon TTC Board held two Full BOM meetings which was attended as below

No	Name	Designation	Meetings held	Meetings attended	Meetings missed
1	Rev. Fr. Paul Areman	Chairman BoM	8	6	2
2	Mrs. Susan Aletia	BoM Member	8	5	3
3	Ms. Doreen Kari	BoM Member	8	3	5
4	Dr. Jacob Lolelea	"	8	8	0
5	Pr. Dalmus Esekon	"	8	1	7
6	Dr. Esther Ekitela	"	8	2	6
7	Mrs. Christine Malcom	"	8	5	3
8	Dr. John Ngasike	"	8	1	7
9	Mr. Seamus Ekuwom	"	8	3	5
10	Mrs. Carolyne Lopatio	"	8	6	2
11	Mr. Brizan Were	"	8	7	1
12	Mr. Wilson Losike	"	8	7	1
13	Mr. Micah Chirchir	Tutors Representative	8	8	0
14.	Mr. Ang'ela Peter	Student Representative	8	8	0
15	Mrs. Leah Losiru	Principal /Secretary BOM	8	8	0
16	Mr. Ali Hussein	County Director TSC	8	0	8

### Corporate Governance Statement (continued)

#### **Process of appointment**

Bishop Mahon TTC Board had sixteen (16) members appointed in the prescribed process laid out by the Ministry of Education. The BOM was constituted as below

- Twelve(12) members appointed by the Cabinet Secretary;
- Student Representative
- Tutors Representative
- The County director of Education representing the PS- MoE
- The Principal as the Board Secretary and Chief Accounting Officer

#### **Removal of Board members**

The appointment of a member to a Board of Management or to its committees may be revoked and the member may vacate office if the member

- Resigns by giving notice in writing to the Cabinet Secretary; the person shall cease to be a member of the Board from the date specified in the notice.
- Becomes insolvent or has conveyed or assigned his property or has made a proposition or arrangement for the benefit of his creditors;
- Is sentenced by a court of law to imprisonment for a term of six months or more;
- Is incapacitated by physical or mental illness;
- Has been absent from three consecutive meetings of the Board without leave;
- Where the member is a representative, has his appointment revoked by the nominating body
- Is otherwise unable or unfit to discharge his functions as a member of the Board on account of any matter in the Act.

#### **The roles of the board members include:**

- Overseeing the conduct of education and training in the institution in accordance with the provisions of the Act and any other written law;
- Promoting and maintaining standards, quality and relevance in education and training in the institution in accordance with the Act and any other written law;
- Administering and managing the property of the college
- Developing and implementing the institution's strategic plan;
- Reviewing and approving annual budget estimates of revenue and expenditure for the Institution and incurring expenditure on behalf of the institution;
- Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- Making regulations governing college, conduct and discipline of the staff and students;
- Discharging all other functions conferred upon it by the Act

**Corporate Governance Statement (continued)**

**Conflict of Interest**

- If a member of the Board has any conflict of interest he/she declares the same in the meeting.
- A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made
- A member of the Board who contravenes this commits an offence and is liable to a fine or imprisonment.

**Remuneration of Board Members**

Members of a Board of Management are paid in respect of their services such remuneration or allowances as approved by Cabinet Secretary, Ministry of Education

**Board Accountability and Financial Reporting**

- The Board of Management should ensure that top management keeps proper books and records of accounts of the income, expenditure and assets of the college and review performance of management on Quarterly basis and submit reports to MoE
- within a period of three months from the end of each financial year, Board of Management submit Annual Financial Report to the office of the Auditor-General, Ministry of Education, Controller of Budget, Treasury, and Commission of Revenue Allocation and stamped copy of the report kept by the Principal/Chief Secretary of the Board
- Provide relevant supporting schedules to external auditors when called upon in accordance with the Public Audit Act, 2015.

## VIII. Management Discussion and Analysis

### Entity's compliance with statutory requirements

-The college did not comply with the statutory requirements of registration and deduction of NSSF, NHIF from BOG Staff and PAYE for eligible BOG Staff as at 30<sup>th</sup> June 2022

The Board is in the process of registration in the financial year ended 30<sup>th</sup> June 2023 to avoid penalties and interests

### Key projects and investment decisions the entity is planning/implementing

- Acquisition of internet connectivity routers and SIM cards and Fiba connectivity
- Equipping College library with relevant books and learning materials
- Office furniture – storage cabinets
- Generator and changeover switch
- Acquisition of solar panels and power failure back up facilities
- Expansion of water connectivity to various points in the college

### Major risks facing the entity

- Uncertainty in regard to student enrollment due to restrictive entry points
- Liquidity risk to fund desired projects due to low enrolments
- Insecurity due high rate of unemployment in the community

### Material arrears in statutory/financial obligations

There were no material arrears and financial obligations faced by the college during the year ended 30 June 2022

### The entity's financial probity and serious governance issues

There was no probity and serious governance issues face during the year ended 30 June,2022

## IX.Environmental and Sustainability Reporting Statement

### Sustainability strategy and profile

Bishop Mahon TTC key sustainability strategies include aggressive marketing of the services opportunity to potential beneficiaries in Turkana Central Sub County and neighbouring sub counties which include Loima, Turkana South, Turkana East, Turkana West and Turkana North to ensure that the college can boost enrollment for regular and upgrade students.

### Environmental performance

On environment, the college staff have managed to plant over 500 hundred trees and flowers in the college in line with National Environment Management authority requirements.

### Employee welfare

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Bishop Mahon Teachers Training College plans to develop a Human Resource manual that will ensure consistency, transparency, fairness, and merit-based hiring.

The college further hopes to continually develop skills for its employees to improve organization performance. It hopes to conduct Annual Performance Appraisal and Training Needs Assessments to establish how well the employees are performing their duties as well as the employees that need training, salary increment and job promotion.

**Market place practices-**

The organisation should outline its efforts to:

**a) Responsible competition practice.**

Bishop Mahon Teachers Training College is steadfast in its fidelity to anti-corruption practices and remain a corruption free zone. A public poster is duly erected at the gate reminding clients and suppliers of commitment of management in ensuring fair dealings and above board transactions.

The management does not engage in political alienations and practices responsible political involvement at Sub county and County Government levels

**b) Responsible Supply chain and supplier relations- maintains good business practices:-**

Bishop Mahon TTC management are strongly committed to promoting local content in its procurement processes in accordance with AGPO regulations and will always strive to ensure that all goods supplied on credit are paid within 30 days to minimize pressure on its local suppliers

The management has made it part of its culture to treat its suppliers responsibly by honouring contracts and making payment within agreed credit terms.

**c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices.**

Management strives to admit trainees without discrimination. This is aimed at enhancing equity and access to college education and acquisition of skills by students from all walks of life

**d) Corporate Social Responsibility / Community Engagements**

The plight of the immediate community remains a daily concern for the college. The College has on several occasions used its facilities to help clean the surrounding California Market as well as encouraging community members to enroll students and pay fee in kind i.e. through supply of food items (firewood, maize, beans and vegetables among others)

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**X. Report of the Board of Management**

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of Bishop Mahon Teachers Training College affairs.

**Principal activities**

The principal activities of the college is to train of Diploma in Primary Teacher Education teachers (DPTE) and Diploma in Early Child Teacher Education (DECTE) – Both Pre service and the Upgrade

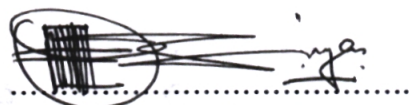
**Board of Management**

The members of the Board who served during the year are shown on page viii to xii

**Auditors**

The Auditor General is responsible for the statutory audit of Bishop Mahon Teachers Training College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2022.

By Order of the Board



**Secretary of the Board  
Bishop Mahon Teachers Training College  
Lodwar  
Date:**

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**XI. Statement of Board of Management's Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and Early Childhood Development and Basic Education Act No 14 of 2013-require the Board members to prepare financial statements in respect of Bishop Mahon Teachers Training College, which give a true and fair view of the state of affairs of the college at the end of the financial year and the operating results of the college for that year ended June 30, 2022. The Board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the Bishop Mahon Teachers Training College. The council members are also responsible for safeguarding the assets of Bishop Mahon Teachers Training College.

The Board members are responsible for the preparation and presentation of Bishop Mahon Teachers Training College's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the college, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the college, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

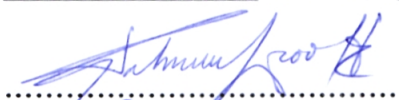
The Board members accept responsibility for Bishop Mahon Teachers Training College's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Early Childhood Development and Basic Education Act No 14 of 2013.

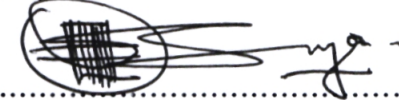
The Board members are of the opinion that Bishop Mahon Teachers College's financial statements give a true and fair view of the state of the college's transactions during the financial year ended June 30, 2022, and of the college's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the College's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board members to indicate that Bishop Mahon Teachers Training College will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

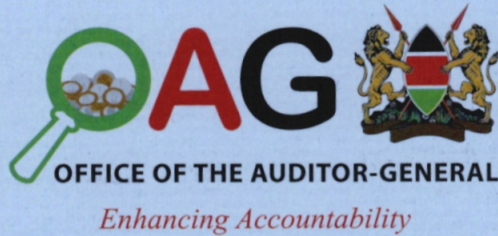
Bishop Mahon Teachers Training College financial statements were approved by the Board on \_\_\_\_\_ 2023 and signed on its behalf by:

  
.....  
Name **R. JOSEPH EKANON**  
Chairperson of the Board of Management

  
.....  
Name  
Chief Accounting Officer/Principal

# 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 BISHOP MAHON TEACHERS TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2022

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Bishop Mahon Teachers Training College set out on pages 1 to 19, which comprises of the statement of financial position as at 30 June, 2022, the statement of financial performance, statement of

changes in net assets, statement of cash flows, the statement of comparison of budget and 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 Bishop Mahon Teachers Training College as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Accounts Receivable**

The statement of financial position reflects receivables balance of Kshs.1,817,702 as disclosed under Note 14 to the financial statements. However, the supporting schedules, detailed ageing analysis and invoices issued were not provided for verification. Further, there was no provision for impairment and doubtful students' fees balances in the financial statements.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs.1,817,702 could not be confirmed.

#### **2. Unsupported Cash and Cash Equivalents**

The statement of financial position reflects a balance of Kshs.698,211 in respect of cash and cash equivalents as disclosed in Note 13 to the financial statements. However, the balance includes cash in hand amount of Kshs.25,302 which was not supported by cash count certificate or board of survey report. In addition, Management operated without a bank account register detailing the date the bank account was opened, purpose of the account and authorized signatories to the account.

In the circumstances, the validity, accuracy and completeness of the cash in hand balance of Kshs.25,302 could not be confirmed.

#### **3. Lack of Ownership Documents for Property, Plant and Equipment**

The statement of financial position reflects nil balance in respect of property, plant and equipment as disclosed in Note 15 to the financial statements. However, title deed, allotment letters or other documents to support land ownership were not provided for audit. Although Management explained that the College took over the former Turkana DICECE College owned by the Turkana County government and all its property including land, buildings and furniture, they have not been officially transferred from the ownership

of the Turkana County government to the College, no minutes or other documentary evidence was provided to support the claim.

In the circumstances, the accuracy and completeness of the nil balance and ownership of the property, plant and equipment could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bishop Mahon Teachers Training College Management in accordance with ISSAI 130 on 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 comparison of budget and actual amounts for the year under review reflects the final budgeted revenue of Kshs.10,153,123 against actual receipts of Kshs.9,706,821 resulting in an underfunding of Kshs.446,302 or 4% of the budget. Similarly, the actual expenditure was Kshs.7,190,908 against actual receipts of Kshs.9,706,821 resulting in an underutilization of Kshs.2,515,913 or 26% of the actual receipts.

The under-funding and underutilization 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 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**

The Management is responsible for the other information set out on page iv to xxii which comprises of Key Entity Information and Management, Report of Principal, Statement of performance against agreed objectives, Corporate Governance Statement, Management discussion and analysis, Environmental and Sustainability reporting statement and Statement of Board of Management responsibilities. 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 USE OF PUBLIC RESOURCES

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Unapproved Board Expenses**

The statement of financial performance for the year under review reflects board expenses of Kshs.88,500 as disclosed in Note 12 to the financial statements. However, there was no evidence that the board allowances were paid using the rates approved by the cabinet Secretary as required by Section 17, second schedule of the Technical and Vocational Education and Training Act, 2013.

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

#### **2. Failure to Deduct and Remit Statutory Deductions**

The statement of financial performance for the year under review reflects employee costs of Kshs.1,640,500 as disclosed in Note 10 to the financial statements. However, there was no evidence provided to show that the Management deducted and remitted statutory monthly National Hospital Insurance Fund (NHIF) as required by Section 16(1) of NHIF Act provides that the employer of a liable person shall be liable to deduct and to pay the contribution to the Board on behalf of and to the exclusion of that person.

In addition, there was no evidence that the Management recovered and remitted National Social Security Fund (NSSF) deductions from the employees' salaries for year under review as provided by Section 20(1)(a) of the NSSF Act that requires an employer to pay to the Pension Fund in respect of each employee in his or her employment.

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

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

the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on 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 overall governance were not effective.

#### **Basis for Conclusion**

##### **1. Lack of Internal Audit Function**

During the financial year ended 30 June, 2022, there was no internal audit review of the College's activities contrary to Section 73(3)(b) of the Public Finance Management Act, 2012 which requires that the Internal Auditor shall conduct internal auditing which includes risk-based, value-for-money and systems audits aimed at strengthening internal control mechanisms that could have an impact on achievement of the strategic objectives of the entity.

In the circumstances, the effectiveness of the College's internal controls could not be confirmed.

##### **2. Non-Establishment of Occupational Safety and Health Committee**

Review of the College operations, as an occupier, revealed that the College did not establish a Safety and Health Committee at the workplace as required under Section 9(1) of the Occupational Safety and Health Act, 2007. Further, Management did not provide a safety and health audit report as required under Section 11(1) of the Act which stipulates that the occupier of a workplace shall cause a thorough safety and health audit of his workplace to be carried out at least once in every period of twelve (12) months by a safety and health advisor.

In the circumstances, the health and safety of the workplace could not be confirmed.

##### **3. Weak Information Technology Internal Control Environment**

Review of the Information Technology Internal Controls revealed that the College did not have an ICT Policy, had not developed an IT continuity and disaster recovery plan which is important in ensuring that the College recovers its functionality in case of an unplanned incident or disaster.

Further, the College did not have an approved IT strategic committee and strategic plan which is important in performing the oversight function and formulation of policies to ensure that the IT department functions properly to assist in achievement of the College's objectives in an economic, efficient and effective way.

In the circumstances, the effectiveness of internal controls on management of ICT could not be confirmed.

#### **4. Lack of Risk Management Policy and Strategy**

Audit verification revealed that Management did not have in place an approved risk management policy and risk management framework including strategies and procedures put in place to assess, identify, measure, prioritize and mitigate risks in the entity.

In the circumstances, Management lacks a mechanism to help in detecting and mitigation of any possible risk in the institution and operations may be disrupted.

#### **5. Lack of an Approved Staff Establishment**

The statement of financial performance for the year ended 30 June, 2022 reflects employee cost amount of Kshs.1,640,500 as salaries and wages for the board of management's recruited staff as detailed in Note 10 to the financial statements. However, it was noted that the College did not have an approved salary structure for the staff.

Further, the College operates without an authorized staff establishment to support the establishment of appropriate structures to manage staffing, posting, training, skills retention, and succession plans. It was therefore not possible to establish the criteria used by the Board to fill positions within the College. In addition, the College did not have an approved Human Resource & policies and procedures guide line and salary structure.

In circumstances, it was not possible to determine if the College operated with an optimal number of staff and that job placement and grading was equitable.

#### **6. Lack of a Board Charter and Board Work Plan**

The statement of financial performance for the year ended 30 June, 2022 reflects an amount of Kshs.80,500 being board expenses. Audit verification of the documents provided revealed that the College did not have a board charter and board work plan in place. This was contrary to the Mwongozo Code of Governance for State Corporations.

Further, there was no evidence of quality assurance process, risk management strategies and board members competency development in the governance objective of the board. In addition, the Board membership comprised of fifteen (15) members, exceeding the required ceiling of nine (9) members contrary to the Governance parameter 1.1 paragraph 3 of the Mwongozo code of Governance for sate corporation that requires the Board membership of all State Corporations to be between seven and nine members.

In the circumstances, effectiveness of governance mechanisms at the College 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and the Board of Management**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services, and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

23 June, 2025

Bishop Mahon Teacher Training College  
Annual Report and Financial Statements  
For the year ended 30th June 2022

XIII. Statement Of Financial Performance for The Year Ended 30 June 2022

Description	Note	2021/2022
<b>Revenues from Non-exchange transactions</b>		<b>Kshs</b>
Transfers from National Government	6	2,882,655
Public Contributions and donations	7	1,301,580
<b>Total revenue from non-exchange transactions</b>		<b>4,184,235</b>
<b>Revenues from Exchange transactions</b>		
Rendering of services - fees from students	8	5,522,586
<b>Revenue from Exchange transactions</b>		<b>5,522,586</b>
<b>Total Revenue</b>		<b>9,706,821</b>
<b>Expenses</b>		
Use of goods and services	9	3,906,069
Employee costs	10	1,640,500
Repairs and maintenance	11	1,555,839
Board Expenses	12	88,500
<b>Total expenditures</b>		<b>7,190,908</b>
<b>Net Surplus for the year</b>		<b>2,515,913</b>

The Financial Statements set out on pages 1 to 5 and explanatory notes on Pages 6 to 18 were signed on behalf of the Board by:

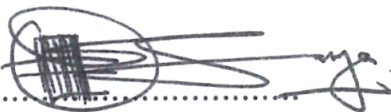
  
.....  
Chairman of Board

Date 23/5/2025

  
.....  
Finance Officer

ICPAK No

Date 23/5/2025

  
.....  
Principal

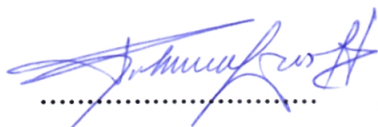
Date 23/5/2025

Bishop Mahon Teacher Training College  
Annual Report and Financial Statements  
For the year ended 30th June 2022

XIV. Statement of Financial Position as at 30th June 2022

Description	Note	2021-2022
<b>Assets</b>		<b>Kshs</b>
<b>Current Assets</b>		
Cash and cash equivalents	13	698,211
Receivables from exchange transactions	14	1,817,702
<b>Total Current Assets</b>		<b>2,515,913</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	15	-
<b>Total Non-Current Assets</b>		<b>-</b>
<b>Total assets</b>		<b>2,515,913</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Refundable deposits from customers/students		-
Trade and other liabilities from exchange transactions		-
<b>Non-Current Liabilities</b>		<b>-</b>
<b>Total Liabilities</b>		<b>-</b>
<b>Net Assets</b>		<b>2,515,913</b>
<b>FINANCED BY</b>		
Capital Funds		-
Accumulated surplus/deficit		2,515,913
<b>Total Net Assets and Liabilities</b>		<b>2,515,913</b>

The Financial Statements set out on pages 1 to 5 and explanatory notes on Pages 6 to 18 were signed on behalf of the Board by:



Chairman of Board

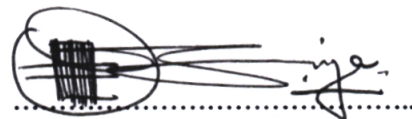
Date 23/05/2025



Finance Officer

ICPAK No

Date 23/05/2025



Principal

Date 23/05/2025

Bishop Mahon Teacher Training College  
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 For the year ended 30th June 2022

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**XV. Statement of Changes in Net Asset for the year ended 30 June 2022**

	<b>Accumulated Fund</b>	<b>Retained earnings</b>	<b>Capital Fund</b>	<b>Total</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>		<b>Kshs</b>
<b>As at July1,2020</b>	-	-	-	-
Accumulated Retained Earnings	-	-	-	-
Capital Grants received during the year	-	-	-	-
<b>As at June 2021</b>	-	-	-	-
<b>As at July1,2021</b>				
Revaluation gain	-	-	-	-
Surplus/(Deficit) for the year	2,515,913			2,515,913
Capital Grants received during the year	-	-	-	-
<b>As at June 30, 2022</b>	<b>2,515,913</b>	-	-	<b>2,515,913</b>

Bishop Mahon Teacher Training College  
Annual Report and Financial Statements  
For the year ended 30th June 2022

XVI. Statement of Cash Flows For The Year Ended 30 June 2022

Description		2021-2022
	Note	Kshs
<b>Receipts</b>		
Transfers from National Government	6	2,882,655
Public Contributions and donations	7	1,301,580
Rendering of services - Student fee collections	8	3,704,884
<b>Total Receipts</b>		<b>7,889,119</b>
<b>Payments</b>		
Use of goods and services	9	3,906,069
Compensation of Employees	10	1,640,500
Repairs and maintenance payments	11	1,555,839
Board Expenses	12	88,500
<b>Total Payments</b>		<b>7,190,908</b>
<b>Net cash flow from operating activities</b>		<b>698,211</b>
<b>Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment		-
<b>Net Cash flow from investing activities</b>		-
<b>Cash flow from financing activities</b>		
Reserves		-
<b>Net Cash flow from Financing activities</b>		-
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>698,211</b>
<b>Cash and Cash Equivalents at 1 July 2021</b>		-
<b>Cash and Cash Equivalents at 30 June 2022</b>	13	<b>698,211</b>

Bishop Mahon Teacher Training College  
Annual Report and Financial Statements  
For the year ended 30th June 2022

**XVII. Statement of Comparison of Budget & Actual amounts**

	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Performance Difference	Utilization Difference	Explanation of material variances
<b>Receipts</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>%</b>	<b>Note</b>
Government Grants	3,043,478	-	3,043,478	2,882,655	160,823	5%	
Public Harambee	1,500,000	-	1,500,000	1,301,580	198,420	13%	1
Rendering of services	5,489,645	-	5,489,645	5,522,586	1,784,761	33%	2
<b>Total Receipts</b>	<b>10,153,123</b>		<b>10,153,123</b>	<b>9,706,821</b>	<b>2,144,004</b>		
<b>Payments</b>							
Employee costs	3,311,755		3,311,755	1,640,500	1,671,255	50%	3
Repairs and maintenance	1,384,737	-	1,384,737	1,555,839	171,102	12%	4
Board Expenses	-	-	-	88,500	(88,500)	100%	5
Use of Goods and services	4,585,049	-	4,585,049	3,906,069	678,980	14%	6
<b>Total Payments</b>	<b>9,281,541</b>	<b>-</b>	<b>9,281,541</b>	<b>7,190,908</b>			
<b>Surplus for the period</b>		<b>-</b>	<b>871,582</b>	<b>2,515,913</b>			

**Notes to Budget comparison and actual amounts**

1. Harambee was done to facilitate the refurbishment of college buildings and the playing ground.
2. Fees were not collected fully due to students' inability to pay on time.
3. Employees were not paid on time due to funding challenges resulting from non-collection of all of the budgeted revenue.
4. The major repairs were being done in form of refurbishing the college buildings and playing ground' which was ongoing.
5. The budget amount for Board of Management Expenses was misclassified in administrative cost
6. Funding Challenges.

## XVIII. Notes to the Financial Statements

### 1. General Information

Bishop Mahon Teachers Training College is established by and derives its authority and accountability from Early Childhood Development and Basic Education Act No.14 of 2013. The college is wholly owned by the Government of Kenya and is domiciled in Kenya.

The entity's principal activity is to train Primary Teacher Education teachers – Both Pre- service and the Upgrade at Diploma level

### 2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost.

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the College's accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the College.

The financial statements have been prepared in accordance with the PFM Act, Early Childhood Development and Basic Education Act No.14 of 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied during the year ended 30 June 2022.

### 3. Adoption of New and Revised Standards

#### i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to covid19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

#### ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

Standard	Effective date and impact:
<b>IPSAS 41:</b> Financial Instruments	<b>Applicable: 1<sup>st</sup> January 2023:</b> The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:

Bishop Mahon Teacher Training College  
Annual Report and Financial Statements  
For the year ended 30th June 2022

Standard	Effective date and impact:
	<ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</li> </ul>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> </ul>

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Standard	Effective date and impact:
	Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	<p><b><i>Applicable 1<sup>st</sup> January 2023</i></b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

**iii. Early adoption of standards**

Bishop Mahon Teachers Training College did not early-adopt any new or amended standards in year ended 30 June 2022.

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the college and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

**ii) Revenue from exchange transactions**

**Rendering of services**

The college recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

**b) Budget information**

The original budget for FY 2021/2022 was approved by the Board on 11/10/2021. Subsequent revisions or additional appropriations were made to the approved budget in accordance with actual students' enrolment of 67 students against an original budget of 150. The revised budget was approved by the Board on 22/10/2021

**Notes to the Financial Statements (Continued)**

**c) Property, Plant and Equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the college recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

The property, plant and equipment are depreciated on a straight line basis over their useful lives at the following annual rates

Land	0 %	-
Buildings	2.5 %	40 years
Property and equipment	12.5 %	8years
Furniture and fittings	12.5 %	8 years
Computers and related equipment	33.3 %	8years

All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**d) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the College.

**e) Contingent liabilities**

The college does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

**Notes to the Financial Statements (Continued)**

**f) Contingent assets**

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**g) Nature and purpose of reserves**

The college did not create any reserves account during the year ended 30 June 2022

**h) Changes in accounting policies and estimates**

The college recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**i) Employee benefits**

**Retirement benefit plans**

There was no provision for retirement benefits for its BOG employees through National Social Security Fund as a defined contribution plan. Defined contribution plans are post-employment benefit plans under which the college pays fixed contributions into NSSF fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

**j) Foreign currency transactions**

There were no foreign currency transactions during the year ended 30 June 2022.

**k) Borrowing costs**

There were no Borrowing during the year ended 30 June 2022

**l) Related parties**

The college regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the College, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

**m) Service concession arrangements**

There were no service concession arrangements during year ended 30 June 2022

**Notes to the Financial Statements (Continued)**

**n) Cash and cash equivalents**

Cash and cash equivalents comprise cash at hand and cash at bank.

**o) Comparative figures**

The college began operations in October 2021 hence there were no comparative figures from last financial year

**p) 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 June 30, 2022.

The preparation of the College's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period

**Estimates and assumptions**

There are no estimates and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

**Provisions**

There were no provisions raised by management during the year ended 30 June 2022

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Notes to the Financial Statements (Continued)

6. Transfers from National Government entities

Description	2021-2022
	Kshs
Operational Grants	2,882,655
<b>Total Government grants</b>	<b>2,882,655</b>

6 (a) Transfers from other Government entities (Categorized)

Name of The Entity Sending The Grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund.	Total grant income during the year	2021-2022
			Kshs	Kshs	Kshs
Ministry of Education	2,882,655	0	0	0	2,882,655
<b>Total</b>	<b>2,882,655</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,882,655</b>

7. Public Contributions and Donations

Description	2021-2022
	Kshs
Fund Raising revenue (Harambee)	1,301,580
<b>Total</b>	<b>1,301,580</b>

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Notes to the Financial Statements (Continued)

8. Rendering of Services- Fee from students

Description	2021-2022
	Kshs
BES Levy	2,027,727
TES Levy	363,392
LT&T Levy	259,134
Medical Fees	51,827
Activity fee	155,481
RMI/Rehabilitation Levy	340,071
VRM/Replacement Levy	345,513
Contingency/Administrative Levy	172,756
Teaching Practice (Practicum) Levy	215,945
Track Suits Levy	-
EWC Levy	341,711
Registration Fees	17,276
Students Council	43,189
PE Subsidy/Gratuity Levy	362,290
Internet Connectivity/Computer Studies Levy	345,513
COVID Response Levy	172,756
Student ID	25,913
Clubs and Societies	-
Library Books	43,189
Students Guide Book	17,276
TP Lesson Plan Books	103,654
Bank Charges Levy	21,595
KNEC Exam Fee	-
<b>Total</b>	<b>5,522,586</b>

The revenue amount of Kshs. 5,522,586 for rendering of services consists of actual receipts of kshs. 3,704,884 and receivables amount of Kshs. 1,817,702.

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Notes to the Financial Statements (Continued)

9. Use of Goods And Services

Description	2021-2022
	Kshs
BES Levy	978,044
TES Levy	109,780
LT&T Levy	675,485
Medical Fees	5,250
Activity fee	315,342
Contingency/Administrative Levy	399,177
EWC Levy	310,720
Students Council	16,000
COVID Response Levy	69,250
Student ID	18,465
Clubs and Societies	30,500
Bank Charges Levy	4,656
KNEC Exam Fee	973,400
<b>TOTAL</b>	<b>3,906,069</b>

10. Employee Costs

Description	2021-2022
	Kshs
BOG Staff wages	1,477,500
BOG Casual Workers	163,000
Total Employee Costs	<b>1,640,500</b>

11. Repairs and Maintenance

Description	2021-2022
	Kshs
Property (Refurbishment of buildings and playing ground)	1,301,580
Equipment repairs and maintenance	254,259
<b>Total</b>	<b>1,555,839</b>

12. Board Management Expenses

Description	2021-2022
	Kshs
Board of Management Expenses	88,500
<b>Total</b>	<b>88,500</b>

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Notes to the Financial Statements (Continued)

13. Cash and Cash Equivalents

	2021-2022
<b>Cash and cash equivalents</b>	Kshs
Fee Bank Account	127,074
Grants Bank Account	545,835
Cash in hand	25,302
<b>Total Cash and cash equivalents</b>	<b>698,211</b>

13 (a). Detailed Analysis of Cash and Cash equivalents

Financial institution	Account number	2021-2022
a) <b>Current account</b>		<b>Kshs</b>
KCB Bank Ltd Fee Account	1279460105	127,074
KCB Bank Ltd Grant Account	1279475935	545,835
<b>Sub- total</b>		<b>672,909</b>
Cash in hand		25,302
<b>Sub- total</b>		<b>25,302</b>
<b>Grand total</b>		<b>698,211</b>

14. Receivables from Exchange transactions

Description	2021-2022
	Kshs
School Fee Debtors	1,817,702
<b>Total</b>	<b>1,817,702</b>

15. Property, Plant and Equipment

Description	Office Equipments	Electrical Appliances	Furniture & Fittings	Stores (Mattresses)	Total Assets
Cost/Valuation	Kshs	Kshs	Kshs	Kshs	Kshs
As at 01.07.2021	-	-	-	-	-
Donations	-	-	-	-	-
Additions	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-
<b>As at 30 06.2022</b>					
<b>Depreciation</b>	-	-	-	-	-
As at 01.07.2021	-	-	-	-	-
Charge for the year	-	-	-	-	-
Transfers/adjustments					
<b>As at 30.06.2022</b>	-	-	-	-	-
<b>Net Book Values</b>	-	-	-	-	-
<b>As at 30 06.2022</b>	-	-	-	-	-

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Notes to the Financial Statements (Continued)

16. Capital Funds

The value of donated assets could not be established as the Board is still pursuing the issue with former owners of the facility (Resource Centre)

17. Cash generated from operations

Description	2021-2022
	Kshs
<b>Surplus before tax</b>	<b>2,515,913</b>
<b>Adjusted for</b>	-
Depreciation	-
<b>Working capital adjustments</b>	-
Increase in receivables from exchange transactions	<b>1,817,702-</b>
Increase in deferred payables	-
Increase in trade payables	-
<b>Net cash flow from operating activities</b>	<b>698,211</b>

18. Financial Risk Management

(i) Credit risk

The college has no credit risk exposure, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2022</b>				
Receivables from exchange transactions	1,817,702		1,817,702	0
Bank balances	672,909		672,909	0
<b>Total</b>	<b>2,490,611</b>		<b>2,490,611</b>	<b>0</b>

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**(ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

	<b>Less than 1 month</b>	<b>Between 1-3 months</b>	<b>Over 5 months</b>	
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>At 30 June 2022</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(iii) Market risk**

The college is not exposed to market risks as it is wholly owned by the State

**(iv) Foreign currency risk**

There were no foreign currency transactions and risks

**19. Events After The Reporting Period**

There were no material adjusting and non- adjusting events after 30 June 2022.

**20. Ultimate And Holding Entity**

The entity is a State-owned college under the Ministry of Education. Its ultimate parent is the Government of Kenya.

**21. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

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**Appendices**

**Appendix 1:  
Implementation Status of Auditor-General Recommendations**

Bishop Mahon Teachers Training College is in its first year of operation and has therefore no audit issues to be addressed.

**Appendix II:  
Projects Implemented by Bishop Mahon Teachers Training College**

**Projects**

There were no Projects implemented by Bishop Mahon Teachers Training College funded by development partners

**Appendix III-  
Inter-Entity Confirmation Letter**

There were no amounts disbursed by the College to other Agencies

**Appendix IV:  
Reporting of Climate Relevant Expenditures**

There were no Climate Relevant Expenditure

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**Name  
Accounting Officer**

**Date** 23/5/2023

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Appendix II- Inter-Entity Confirmation Letter



## BISHOP MAHON TEACHERS TRAINING COLLEGE

P.O. Box 148-30500, Lodwar.

Tel: 0112972138

Email: bishopmahonttc@gmail.co

Location:

FormerTeaches

ResourceCentr

The Ministry of Education wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

### Confirmation of amounts received by Bishop Mahon TTC as at 30<sup>th</sup> June 2022

Reference Number	Date Disbursed	Amounts Disbursed by Ministry of Education (Kshs) as at 30th June 2022				Total (D)=(A+B+C)	
		Recurrent (A)	Development (B)	Inter-Ministerial (C)			
	28.10.2021	300,000	0	0	300,000	300,000	
	12.01.2022	798,750	0	0	798,750	798,750	
	16.05.2022	896,970	0	0	896,970	896,970	
	17.06.2022	886,935	0	0	886,935	886,935	
<b>Total</b>		<b><u>2,882,655</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>2,882,655</u></b>	<b><u>2,882,655</u></b>	

In confirm that the amounts shown above are correct as of the date indicated.

Head of Accountants department of beneficiary Entity:

Name MOSES EDAPAL Sign [Signature] Date 23/05/2022