

REPUBLIC OF KENYA



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REPORT

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ON

**ST. AUGUSTINE TEACHERS' TRAINING
COLLEGE - EREGI**

**FOR THE YEAR ENDED
30 JUNE, 2024**

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 03 MAR 2025 Thursday

TABLED BY: Hon. Naomi Waga MP
Deputy Majority Party Whip

CLERK AT THE TABLE: A. Shibusko



ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2024

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

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Acronyms and Definition of Key Terms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
VTC	Vocational Training College

2. Key Entity Information and Management

(a) Background information

St. Augustine Eregi Teachers’ Training College was founded in 1949 by the Catholic Mill Hill Fathers to train T4 (P4) teachers. Subsequently, it was handed over to the Catholic Diocese of Kisumu and later to Kakamega Diocese. In 1955, the College started training T3 (P3) and T2 (P2) teachers. In 1960, the first group of T1 (P1) teacher-trainees was admitted. In 1967 Eregi Teachers’ Training College became full Government managed institution upon absorbing Mukumu, Kibabii and St. Joseph’s Kitale Teachers’ Training Colleges which were hitherto being managed by the church. The institute derives its mandate and functions from The Basic Education Act of 2013. Currently, it is managed by the Board of Management under the Ministry of Education. The entity is domiciled in Kenya, Kakamega County.

(b) Principal Activities

Vision: To be a leading Teacher Training and Education Centre.

Mission: Develop holistic primary school teachers through consistent quality training to face and adapt to the challenges of the society.

Core Values: The following are the key living values that the College strives to inculcate among the students as well as the stakeholders; Godliness, Diligence, Discipline, Co-operation, Dedication, Honesty, Integrity, Respect, Courage and Obedience.

(c) Key Management

The Institute’s day-to-day management is under the following key organs:

- Board of Governors
- Accounting officer/ Principal
- Deputy Principal in charge of Administration
- Deputy Principal in charge of Academics
- Registrar
- Dean of Students
- Finance Officer
- Procurement officer
- Heads of Departments

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Mr. Katua G. Manundu
2.	Deputy Principal	Mrs. Marystella Mbaya
4	Dean of Curriculum	Mr. Solomon Mirikau
5	Dean of students	Christine Owino
6	Head of Finance	CPA Harriet Mahasi
8	Procurement Officer	Mr.Kizito Wanjala

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities chaired by Mr. Jimmy Makotsi

Finance and general purpose committee chaired by Mr. Richard Andabwa

Academic committee activities chaired by Mr. Jimmy Makotsi

Infrastructure committee chaired by Mr. Gabriel Fwaya

Human rights and students welfare chaired by Mrs. Lydia Aluvala

(f) Entity Headquarters

P.O. Box 100-50300

MARAGOLI

KENYA

(g) Entity Contacts

Telephone: 0202125380/0202424398

E-mail: info.eregicollege@gmail.com

Website: www.eregiteacherscollege.ac.ke

(h) Entity Bankers

Kenya Commercial Bank

Kakamega Branch

KENYA

Equity Bank

Mbale Branch

KENYA

Absa

Kakamega Branch

KENYA

(i) Independent Auditors

Auditor-General

Office of Auditor General

Anniversary Towers, Institute Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya


Key Entity Information and Management (Continued)


(j) Principal Legal Adviser


The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

County Attorney
(Provide address for the county attorney)


3. The Board of Management



<p>Name: Mr. Gerald Bulimo Makomere D.OB: 15/10/1956 Key Qualifications: Bachelor of Science (Agriculture) – university of Nairobi Work Experience: 2012 to date Board Member Eregi TTC, Deputy Chairman B.O.M. Eregi TTC 1982 -1985 – District Animal Production Officer, Ministry of Agriculture and Livestock Development – Busia and Kakamega Districts 1985 -2016 – Branch Manager Agricultural Finance Corporation.</p>	
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	<p>Name: Dosiana Olivia Mukwila Ahindukha D.OB: 17.03.1957 Key Qualifications: BA (UON), PGDE Kenyatta University, Masters in Leadership policy in Education (Moi University) Work Experience: 1990 – 2009 – Principal of St. Agnes Girls Shibuye, 2009 – 2012 – Principal St. Pauls Erusui Girls Secondary School. 2012 – 2017 – County Director of Education(TSC) Baringo and Homabay</p>
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	<p>Name: Prof Mary M.M Kadenyi D.OB : 1955 Key Qualifications: Doctor of philosophy-Moi University Currently professor at Koitalel Samoi University Eldoret</p>
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	<p>Name: Mr. Elijah Mokono D.OB: 1967 Key Qualifications: Holds a Bachelor Education degree from Moi University Work Experience:Head of Subject (Kiswahili) at St.Augustine TTC-Eregi Representative of Academic Staff Welfare</p>
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<p>Name: Mr. Richard Aiden Andabwa D.O.B: 1950 Key Qualifications: Cambridge school Certificate 1968 Work experience: Retired banker</p>	
	<p>Name: Gabriel Fwaya D.OB: 12.6.1969 Key Qualifications: LLB Hons. University of Nairobi Work Experience: Practicing advocate for over 22 years</p>

<p>Name: Mr. Matekwa John Gregory Khamati D.OB: 27/7/1968 Key Qualifications: Bachelor of Science and PGDE. Egerton University. Work Experience: 1995 – 2009 Teacher of Mathematics, Computer Studies and Physics at Pan Paper High School Webuye. 2010 – Date: Constituency Elections Coordinator – Webuye, Kitui Central, Ikolomani and Bondo Constituencies.</p>	
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	<p>Name: Mr Stanley Mmbasu Mukoyani D.O.B: 1958 Key Qualifications: Holds a Diploma in logistics and supply Chain Management-Kampala University Work Experience: Currently working with the County Government of Kakamega as a senior Clerical Officer.</p>
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	<p>Name: Lydia Aluvala D.OB: 1968 Key Qualifications: B.Sc. in Food and Nutrition and Dietetics, 2015 Kenyatta University Work Experience: Coordinator and trainer in various health promotion projects and programmes since 2002.</p>
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	<p>Name: Otieno Titus Ojwang' D.OB: 3/05/1977 Key Qualifications: National Diploma in Land Surveying from the Kenya Institute of Surveying and Mapping - 2002. Work Experience: Has wide experience in various aspects of surveying in and outside Kenya. Currently is attached to the Ministry of lands in Busia since 2012</p>
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Name: Genvieve Imbayi
D.OB: 20/11/1970
Key Qualifications: BA – Egerton University 1994 and Diploma in Human Resource Management by Kenya Institute of Management 2007
Work Experience: 2005 – 2016 Manager rehabilitation school in Kakamega
 2002 – 2004 – District Childrens’ Officer - Kakamega
 -currently the Sub county Childrens’ officer in the Ministry of Labour and Social protection.



Name: Makotsi Makotsi Jimmy
D.OB: 3/5/1958
Key Qualifications: BA (Hons) University of Nairobi.
Work Experience: Wide experience in the publishing industry as manager and publisher. Currently in retirement published several Works.



Name: Mr Fabian Sumba Muya
D.O.B: 1956
Key Qualifications: Bsc. In Agriculture, Msc Land and Water Management
Work Experience: Retired as a Director and Agriculture Attache



Name: Mr Kipchumba Adams
D.O.B:
Key Qualifications: Students’ Council Representative
 Diploma in Primary Teacher Education (ongoing)



Name: Gideon Manundu Katua

D.OB: 1965


Key Qualifications: MSc. (HRM) Jomo Kenyatta University
 B.Ed. (Sp. Education) Kenyatta University
 Diploma in Ed. (Sp.Ed.) Kenya Institute of Special Education


Work Experience: 33 years

Muangeni Primary School	1 year	1985 – 1986	– Teacher
Yatwa Primary School	3 months	1988 – 1988	- Teacher
Nuu Special School	11 years	1988 – 1999	- H/Teacher
Kilimambogo TTC	17 years	2002 – 2018	- Lect./DOC
Ugenya TTC	2 years	2019 – 2020	- DOS/ Deputy
Eregi TTC	1 year	2020 – to date	Principal

Secretary to Board of Management – Eregi Teachers Training College

4. Key Management Team

	<p>Name: Gideon Manundu Katua D.OB: 1965 Key Qualifications: MSc. (HRM) Jomo Kenyatta University B.Ed. (Sp. Education) Kenyatta University Diploma in Ed. (Sp.Ed.) Kenya Institute of Special Education</p> <p>Work Experience: 33 years</p> <table border="0"> <tr> <td>Muangeni Primary School</td> <td>1 year</td> <td>1985 – 1986</td> <td>– Teacher</td> </tr> <tr> <td>Yatwa Primary School</td> <td>3 months</td> <td>1988 – 1988</td> <td>- Teacher</td> </tr> <tr> <td>Nuu Special School</td> <td>11 years</td> <td>1988 – 1999</td> <td>- H/Teacher</td> </tr> <tr> <td>Kilimbabogo TTC</td> <td>17 years</td> <td>2002 – 2018</td> <td>- Lect./DOC</td> </tr> <tr> <td>Ugenya TTC</td> <td>2 years</td> <td>2019 – 2020</td> <td>- DOS/ Deputy</td> </tr> <tr> <td>Eregi TTC</td> <td>1 year</td> <td>2020 – to date</td> <td>Principal</td> </tr> </table> <p>Secretary to Board of Management – Eregi Teachers Training College</p>	Muangeni Primary School	1 year	1985 – 1986	– Teacher	Yatwa Primary School	3 months	1988 – 1988	- Teacher	Nuu Special School	11 years	1988 – 1999	- H/Teacher	Kilimbabogo TTC	17 years	2002 – 2018	- Lect./DOC	Ugenya TTC	2 years	2019 – 2020	- DOS/ Deputy	Eregi TTC	1 year	2020 – to date	Principal
Muangeni Primary School	1 year	1985 – 1986	– Teacher																						
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Ugenya TTC	2 years	2019 – 2020	- DOS/ Deputy																						
Eregi TTC	1 year	2020 – to date	Principal																						

	<p>Name: Mrs. Marystella Mmbaya</p> <p>Deputy Principal DoB 29/5/1973 Bachelors of Arts (French)</p>
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Name: Mirikau Solomon

D.OB: 1965

Key Qualifications: MEd. – University of Nairobi

Work Experience: Has served as the Dean of Curriculum since 2011. He is a teacher of Language and has authored various titles for secondary and teacher training.



Name: Christine Owino

D.OB: 02/02/1966

Key Qualifications: BED English/Literature Catholic University of East Africa

Work Experience: Dean of Students – 2020 (confirmed)
 H.O.S of English and Indigenous Languages,
 Coordinator: Child Development and Psychology
 Currently Deans of



Name: CPA .HARRIET MAHASI


D.O.B: 26/9/1980

Key Qualifications:
 MASTERS IN BUSINESS ADMINISTRATION-
 FINANCE OPTION
 BACHELOR OF COMMERCE-FINANCE
 OPTION
 C.P.A(K)
 ICPAK NO. 14825

Work Experience:
 2004 - 2010 ACCOUNTS CLERK ST.ANNES
 BUYANGU GIRLS
 2011 - 2021 BURSAR BONDO TEACHERS
 TRAINING COLLEGE

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	<p>2022-2023 FINANCE OFFICER KENYENYA TEACHERS TRAINING COLLEGE 2017-2024 MEMBER OF AUDIT COMMITTEE VIHIGA COUNTY 2024 FINANCE AND ADMINISTRATION OFFICER St.AUGUSTINE TEACHERS TRAINING COLLEGE-EREGI</p>
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	 <p><i>Kizito Wanjala</i></p>	<p>Head of Procurement</p> <ul style="list-style-type: none">•Date of birth 1976•Diploma(Suplies management)•Procurement officer
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5. Chairman’s Statement

St. Augustine Teachers Training College – Eregi is mandated to offer training in Diploma in Primary Teacher Education and Diploma in Early Childhood Teacher Education. The college was also mandated to carry out upgrade training program to Diploma for P1 Certificate teachers. The board of Management is entrusted with the responsibility of providing leadership in designing conducive plans and strategies that contribute to sound financial management and accountability. This is anchored on the fact that prudent financial management dictates the smooth running of all other activities and an environment that steers quality training of teachers for the 21st century.

During the period 2023 - 2024, the Board of Management achieved the following:

- (a) Installed a new college water storage tank
- (b) Repair of college buildings
- (c) Paid non-teaching staff their salaries despite there being very few students. The reduced number of students led to reduced income for the college
- (d) Commenced construction of the perimeter wall of the college.
- (e) Management of statutory obligations such as Income Tax and NHIF.
- (f) Training of Teaching Staff in the Competency Based Curriculum
- (g) Managed recurrent bills such as electricity bills.
- (h) Constructed a new college gate

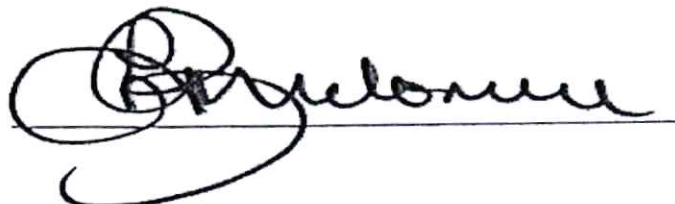
CHALLENGES

The period 2023 – 2024 saw the College grapple with many challenges which included but not limited to the following: -

- (a) Dilapidated infrastructure due to age.
- (b) Un-serviced college vehicles
- (c) Need for renovation of some buildings
- (d) Inadequate female hostels
- (e) Insufficient ablution blocks
- (f) Poor fees payment by the students

WAY FORWARD

- (a) Enhance fee collection
- (b) Revamp the farm activities for income generation
- (c) Installation of solar to save on electricity
- (d) Install energy saving jikos to save on charcoal and firewood.
- (e) Seek financial assistance from the Ministry of Education to improve the infrastructure.
- (f) Seek support from other stakeholders such as the County Government, National Government CDF.
- (g) Construct a new hostel for female students to meet the demands occasioned by increased enrolment

A handwritten signature in black ink, appearing to read 'Gerald Makomere', is written over a horizontal line. The signature is stylized and cursive.

Signed:

Mr. GERALD MAKOMERE
Chairman Board of Management

6. Report of the Principal/Manager

St. Augustine Teachers Training College – Eregi is a fully fledged teacher training college. The college is authorized to provide training in Diploma in Primary Teacher Education (DPTE) and Diploma in Early years Teacher Education (DECTE). Recently the college was mandated to carry out upgrade training program to Diploma for both ECDE Certificate and P1 Certificate teachers. The vision of the College is to be a leading Teacher Training and Education Centre and a preferred choice for all those who aspire to be teachers. The mission statement is to develop holistic Primary School teachers through consistent quality training to face and adapt to the changes of the society, thus making our trainers the most marketable in the pool of teachers. The entire college community adheres to the college motto of 100% discipline, diligence and dedication. The college is guided by the values; Godliness, obedience, diligence, cooperation, respect, dedication, integrity and discipline,

The College sits on 58 acres of land and has great potential to be exploited. The College has the capacity to host national and inter- national events i.e. sports, meetings, marking, workshops etc. It has 41 members of teaching staff, all employed by the Teachers Service Commission. The Non-teaching staff under the Board of Management stands at 53

The teacher training offered is fully residential. The college has a capacity of housing 1000 students.

ACHIEVEMENTS

In the period 2023 – 2024 the College made the following achievements:

- (a) The Upgrade for The Diploma in Primary Teacher Trainees Sat for the Summative Assessment
- (b) The first cohort of the Diploma in Primary Teacher Education (DPTE) trainees sat for their Summative Assessment
- (c) Participated in ballgames and won six disciplines at the regional level and one at the National level
- (d) Repairs were done in some areas that were wanting.
- (e) Ablution block for members of the teaching staff was completed.
- (f) Teaching staff were trained in the Competency Based Curriculum.
- (g) Electricity bills were paid
- (h) Part of the college was re-fenced.
- (i) Statutory obligations were met NHIF, Income tax.

- (j) Payment of recurrent expenditure such as salaries of the NTS.
- (k) Construction of the college gate was completed.
- (l) Laying of the cabro was completed from the college main gate to the chapel.

CHALLENGES

- (a) Dilapidated structures in need of dire repair.
- (b) Inadequate female hostels
- (c) Old leaking water storage tanks.
- (d) Inadequate staff due the increased enrolment.

WAY FORWARD

Possible solutions to these challenges include:

- (a) Revamping farm activities for income generating
- (b) Install energy saving jikos and reduce on firewood and charcoal
- (c) Installation of solar to save on electricity
- (d) Jump start the Eregi Alumnus
- (e) Seek financial assistance from stakeholders namely: - Ministry of Education and County Government of Kakamega.
- (f) The church sponsor, Non-governmental institutions.

Signed: 

Gideon M. Katua
Chief Principal/Secretary Board of Management

7. Statement of Performance against Predetermined Objectives

St. Augustine Teachers’ Training College - Eregi has six (6) strategic pillars and objectives within the current strategic plan for 2022-2023.

These pillars are as follows:-

1. Learning, Teaching and Educational Experience.
2. Research, Innovation and Enterprise
3. Staff, Organization Structure and Institution’s Environment.
4. Resources, Infrastructure, Competitiveness and Commercial Income.
5. Inter-Institutional Collaboration.
6. Socio-Economic Engagement and External Stakeholders Partnerships.

St. Augustine Teachers’ Training College - Eregi develops its annual work plans based on the above 6 pillars. The assessment of the Board’s performance against its annual work plan is done on a quarterly basis. Eregi achieved its performance targets set for 2022-2023 period for its 6 strategic pillars as indicated in the diagram below:-

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Learning, Teaching and Educational Experience.	To sustain and further develop an inclusive learning community that empowers learners to be successful in a dynamic environment.	1. Develop an effective model that enhances St. Augustine TTC-Eregi engagement with different schools and the wider community.	1. Engage partnerships with schools in the community for teaching practice and graduate absorption. 2. Sustain Administration of continuous Assessment Tests.	- Improved performance in DPTE at DECTE results - Improved teacher attendance
Research, Innovation and Enterprise	To support sustainable learning and training through relevant and excellent collaborative research, innovation	1. Develop and a roadmap for research based approaches for	1. Develop a research based model of teacher training in St.	- Wifi installation - Increased hours of library

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	and knowledge based enterprise development.	learners and teachers.	Augustine TTC-Eregi.	- Issuance of electronic receipts
Staff, Organization Structure and Institution's Environment	To enhance our working environment and organizational structure to support all staff to perform to their full potential.	<ol style="list-style-type: none"> Enhanced training for Board of Management. Supporting departmental strategic plans to meet St. Augustine TTC-Eregi master plan. 	<ol style="list-style-type: none"> Enhanced Board of Management training. Development of departmental work plan. Departmental and subject meetings Preparation of schemes of work and lesson plans 	<ul style="list-style-type: none"> Timely revision program Training of staff in CBC Improved worker engagement
Resources, Infrastructure, Competitiveness and Commercial Income.	To continue to offer a competitive, modern, learning and research environment by providing a flexible, cost effective, commercially viable and fit for purpose connected infrastructure.	<ol style="list-style-type: none"> Develop a Resource Strategy. Develop strategies for optimized fees collection. 	<ol style="list-style-type: none"> Map out financial resources potential sources. Establish a database of potential sources of alternative income Put tiles in the 5 classroom floors. 	<ul style="list-style-type: none"> Link with potential stakeholders Assistance from CDF Decentralize decision making
Inter-Institutional Collaboration	To create a cross-disciplinary learning environment that builds on its capacity for developing and maintaining strategic consolidation and collaborative relationships with quality external partners in academic and talent identification and nurturing sectors regionally, nationally and internally.	<ol style="list-style-type: none"> Establish a working relationship with other tertiary institutions. 	<ol style="list-style-type: none"> Memorandum of Understanding with partner institution for a status upgrade. 	<ul style="list-style-type: none"> Use of primary schools for teaching practice Improved community relations Use of college facilities to the community
Socio-Economic Engagement and external	To construct and embed a sustainable and measurable approach to civil	<ol style="list-style-type: none"> External stakeholder engagement. 	<ol style="list-style-type: none"> Conduct a comprehensive 	<ul style="list-style-type: none"> Link with CDF, coun and region

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Stakeholder Partnership.	engagement (social, economic, cultural) that permeates St. Augustine TTC- Eregi curriculum and advances extra-institutional development.	2. Assessment of St. Augustine TTC- Eregi external context.	stakeholder mapping exercise. 2. Conduct a needs analysis on perceptions of St. Augustine TTC- Eregi.	education offices - Link internet providers e. safaricom - Link with county government
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8. Corporate Governance Statement

The top management organ of St. Augustine Teachers’ Training College - Eregi is the Board of Management. The Board runs its affairs through frequent board meetings. The meetings may be: -

- (i) Full Board meetings.
- (ii) Executive Board meetings.
- (iii) Board Committee meetings.

During this period, two (2) full board meetings were held with 15 and 14 members attending the first and the second meetings respectively.

Three (3) Executive Board meetings were held with all the seven executive members in attendance. One Financial Board Committee meeting was also held with all the committee members attending. Attendance in the executive board and financial committees vary depending on the agenda of the meeting.

On succession, the County Director of Education chairs the vetting committee of board members for appointment by the CS to the Board for a period of three (3) years. The Board is composed of PTA representative, DEB nominee, representative of the teaching staff, special interest groups, persons with special needs, student representative and co-opted members. Board is inaugurated every after three (3) years, however, the Board Secretary who is the College Principal may stay for a shorter or longer period depending on how long he/she heads the College. The appointment and removal of a board member is upon expiry and resignation of the said member. Members of the Board are required to observe article 6 of the Constitution on leadership and integrity.

The College has a service charter that stipulates the service that clients can access and the timelines. Appointment and removal of Board member is the mandate of the Cabinet Secretary (CS), Ministry of Education.

The roles and functions of the Board consist and but not limited to the following: -

- a) Promote the best interests of the institution and ensure its development;
- b) Promote quality education for all pupils in accordance with the standards set under this Act or any other written law;

- c) Ensure and assure the provision of proper and adequate physical facilities for the institution;
- d) Manage the institution's affairs in accordance with the rules and regulations governing the occupational safety and health;
- e) Determine cases of pupils' discipline and make reports to the County Education Board. (CEB) provide for the welfare and observe the human rights and ensure safety of the pupils, teachers and non-teaching staff at the institution;
- f) Allow reasonable use of the facilities of the institution for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may be determined including the charging of a fee;
- g) Administer and manage the resources of the institution;
- h) Receive, collect and account for any funds accruing to the institution;
- i) Perform any other function to facilitate the implementation of its functions under this Act or any other written law.

The Performance of the Board was effective during the said period. The board carried out its functions diligently. There are no conflicts of interest in the Board of Management.

The Board members are paid sitting allowance ranging from Ksh. 3,000 and Ksh. 7,000 when they have sittings/meetings.

To promote Ethics and Governance Audit, the Board members through sub-committees monitor the activities and programs in the college through the Principal. The books of accounts are also audited yearly by the County and Regional School Auditors. The Board members attend meetings when required.

9. Management Discussion and Analysis

Grants

This is a discussion of the financial performance for the year 2023/2024. The College received unconditional grants from the Ministry of Education worth Kshs14,336,729.10. They were received as follows:-

(i)	1 st quarter	-	3,327,690.00
(ii)	2 nd quarter	-	3,257,303.10
(iii)	3 rd quarter	-	4,169,673.00
(iv)	4 th quarter	-	<u>3,582,063.00</u>
	Total	-	<u>14,336,729.10</u>

These grants assist the College to finance:-

- (i) Non-teaching and support staff salaries
- (ii) College Administrative costs
- (iii) Activity subsidy
- (iv) Tuition

We thank the Ministry of Education for the grants that enabled the College to finance the above activities.

The College received in the year 2021/2022 conditional grants of Kshs. 10,000,000.00 for construction of perimeter wall. The work is on-going.

College Fees

During the year 2022/2023, the College received fees as follows:-

(i)	Rendering services		29,635,663.00
(ii)	Sale of goods	-	226,113.00
(iii)	Rental revenue from facilities		270,800.00
(iv)	Other income		
	(a) Graduation fees	-	560,350.00
	(b) Tender	-	99,500.00
	(c) Seminar	-	3,186,000.00
	Total	-	<u>33,978,426.00</u>

We have challenges in collection of:-

- (a) Fees from students
- (b) Rent collection from staff
- (c) Graduation fees

Members suggested the following to avert these challenges:-

- (i) Fees must be paid in full on admission day.
- (ii) Graduation fees should be paid on admission day.
- (iii) Rent – we shall involve a debt collector/conduct College Lawyer (Advocate)

The year 2022/2023 we paid most of our suppliers but remained with payables worth Kshs. 12,391,141.00

The current total payables is worth Kshs.16,518,109.00 out of which Kshs 4,357,968.00 is for previous years. We intend to clear the debt immediately funds are available.

Statutory Obligations

We have paid all statutory deductions, i.e.; N.H.I.F., N.S.S.F, P.A.Y.E for the year 2021/2022.

10. Environmental And Sustainability Reporting Statement

St. Augustine TTC-Eregi exists to transform lives. This is our purpose; driving force behind everything we do. It is what guides us to deliver our strategy. Putting the students' first, delivery

of relevant services, and improving operational and academic excellence. Below is a highlight of strategies and activities that promotes the institution's strategic objectives.

Sustainability strategy and profile

The institution has made deliberate efforts to ensure sustainability of its programs and priorities. These include but not limited to the following:

- Providing good working conditions for its workers so as to maintain a motivated work force.
- Continuous appraisal of the staff to maintain high standards of delivery.
- Providing conducive environment for students' study so as to maintain high academic standards.

Environmental performance

- St. Augustine TTC-Eregi has ensured sustainability of the environment through establishment of a tree nursery. This has made it possible to have continuous replacement of mature harvested trees by planting more every year.
- Waste bins have been placed at strategic points to ensure proper disposal of the wastes.
- 5000 trees donated by equity bank were planted during 2022-23 period.
- The institution has sewerage and lagoons to ensure proper sewage disposal.
- Incinerator has been constructed.
- Waste management companies have been contracted to collect wastes that cannot be incinerated.

Employee welfare

- To ensure good employee welfare, the institution has undertaken the following: -
 - i) CBA has been signed with KUDHEHA
 - ii) To ensure gender equity, the institution has employed both men and women with 35 being men, and 18 women.
 - iii) Embraced appraisal of both teaching and non-teaching staff.
 - iv) Capacity building is key and a number of workers attended seminars during this period.
 - v) Safety training on fire fighting has been maintained to create awareness for the need of safety.
 - vi) Employees in various sections have been provided with the right work gear and implements for their relevant work

Market place practices-

- The institution has an open tender system where tenders are advertised and interested parties encouraged to apply.
- Reservation for special groups i.e. youth, women and persons living with disabilities is always provided as indicated in the procurement act.

- Consumer sustainability survey is carried out to find out the level of satisfaction.
- Quality control committee is in place for the vetting of goods and services provided
- Suppliers are paid for goods and services provided.
- Sensitization on health matters i.e. Covid-19 protocols undertaken
- Training programs for staff growth and development.

Corporate Social Responsibility / Community Engagements

The community benefits from the college in the following ways:

- Use of college facilities for community activities such as sports and athletics
- Engaging the community during cultural festivals and church activities
- Visiting the orphanage to donate foodstuffs and toiletries (Divine Providence Home)
- Cleaning the market during the Community Health Week
- Tenders given to members of the community to supply foodstuffs and labour
- Using local schools for teaching practice.

11. Report of the Board of Management

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the College affairs.

Principal activities

The principle activities of St. Augustine Teachers Training College – Eregi include; -

- (i) Training of Teacher Trainees in DECTE, DPTE, UDPTE
- (ii) We also train C.B.C. in our local schools.
- (iii) Holding seminars.

Results

The results of the entity for the year ended June 30 are set out on page 1 to 7

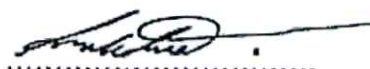
Council/Board of Governors

The members of the Board who served during the year are shown on page vii to xi. During the year three director retired and three were appointed with effect from 25 July 2022.

Auditors

The Auditor General is responsible for the statutory audit of the College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



.....

Secretary of the Board

Date: 24th December 2024

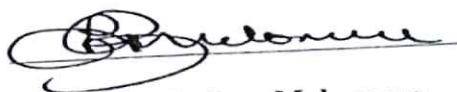
12. **Statement of Board of Management Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and (section 29 of schedule 2 of the *Teacher training colleges Act, 2013* - require the Board members to prepare financial statements in respect of *St Augustine Teachers Training College-Eregi*, 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. 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 *College*. The Board members are also responsible for safeguarding the assets of the *College*.

The Board members are responsible for the preparation and presentation of the *College* 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, 2023. 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 the *College* 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 section 29 of schedule 2 of the *Teacher training colleges Act, 2013*. The council members are of the opinion that the *College* financial statements give a true and fair view of the state of the *College* transactions during the financial year ended June 30, 2024, and of the *College* financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the *St Augustine Teachers Training College-Eregi*, 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 Council members to indicate that the *College* will not remain a going concern for at least the next twelve months from the date of this statement.



Mr. Gerald Bulimo Makomere
Chairperson of the Board



Mr. Gideon Manundu Katua
Chief Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Augustine Teachers' Training College – Eregi set out on pages 1 to 44, which comprise the statement of financial

position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and 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 St. Augustine Teachers' Training College – Eregi as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies of the Financial Statements

Review of the financial statements revealed inaccuracies as detailed below;

- i. The statement of financial performance reflects employee costs and amortization and depreciation of Kshs.9,864,835 and Kshs.1,324,688 for the previous financial year(2022/2023) which differs with Kshs.9,876,835 and nil amounts in the Notes to the financial statements respectively resulting unexplained variances of Kshs.12,000 and Kshs.9,876,835 respectively.
- ii. The statement of financial position reflects receivables from exchange transactions of Kshs.44,954,535 and Kshs.35,529,630 for the current and previous years(2022/2023) which differs from Kshs.35,644,732 and Kshs.5,149,374 in Note 27(a) to the financial statements resulting in unexplained variances of Kshs.9,309,803 and Kshs.30,380,256 respectively.
- iii. The statement of financial position reflects cash and cash equivalent of Kshs.23,658,702 for the previous financial year(2022/2023) which differs from Kshs.23,598,712 resulting unexplained variance of Kshs.59,990.

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

2. Misstatement of Use of Goods and Services

The statement of financial performance and Note 15 to the financial statements reflects use of goods and services amount of Kshs.62,923,038. The balance includes sundry creditors amount of Kshs.3,981,104. However, the expenditure vouchers provided for review revealed that the expenses were incurred in the financial year 2021/2022. No explanations were provided why the expenses were not reflected in previous financial year and why they were not included in trade payables opening balance for the current year.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.62,923,038 could not be confirmed.

3. Unsupported Long-Term Receivable from Exchange Transaction

The statement of financial position reflects receivables from exchange transaction balance of Kshs.44,954,535. However, Note 27(a) to the financial statements reflects a balance of Kshs.35,644,732 which includes an amount of Kshs.34,416,542 for student debtors which have been outstanding for a period of more than one(1) year. However, the general and detailed subsidiary ledgers for the receivables, and debt management policy were not provided for audit review. Further, explanations were not provided for classifying student fees arrears as long-term receivables.

In the circumstances, the accuracy and completeness of receivables from exchange transaction balance of Kshs.44,954,535 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Augustine Teachers' Training College – Eregi 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

Budget Control and Performance

The statement of comparison budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.113,875,171 and Kshs.102,648,323, respectively, resulting to an under-funding of Kshs.11,226,848 or 10% of the budget. Similarly, the College expended Kshs.95,128,620 against an approved budget of Kshs.102,542,110 resulting to an underutilization of Kshs.7,413,490 or 7 % of the budget.

Additionally, the approved budget and minutes approving the budget for the current year was not provided for audit review.

In the circumstances, under-funding and under-utilization 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 Board of Management is responsible for the other information set out on page iii to xxv which comprise of Key Entity Information and Management, Board of Management, Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Management, 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 College'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 and 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

Unsupported Expenditure on Boarding Equipment and Stores

The statement of financial performance and Note 15 to the financial statements reflects use of goods and services expenses of Kshs.62,923,038, which includes boarding equipment and stores expenses of Kshs.28,184,179. However, the procurement documents for boarding expenses amounting to Kshs.13,856,570 were not provided for audit review. This was contrary to Section 149 (2b) of the Public Finance Management Act, 2012 which provides that the accounting officer should ensure that the entity maintains proper financial accounting records that complies with the Act.

In the circumstances, value for money could not be confirmed for procurements of Kshs.13,856,570.

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 governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Department

During the year under review, the College did not have an internal auditor to perform roles as stipulated in Section 73 (3) of the Public Finance Management Act, 2012, including risk assessment, establishment of a risk register, assessing and reinforce the internal control systems, development of an internal audit charter and internal audit work plan among others.

In the circumstances, the adequacy of assurance and oversight role provided by the internal audit function could not be confirmed.

2. Use of Asbestos Roofing on the Buildings

During the year under review, audit inspection of the College's buildings revealed that a number of buildings had asbestos roofing. This was contrary to the provisions of Chapter 3 of the Environmental Management and Coordination (Waste Management) to mitigate the risks in view of their adverse health effects.

In the circumstances, the continued use of asbestos roofing exposes the college students to adverse health risks.

3. Inadequate Assets Management

During the year under review, the college did not provide supporting documentation on assets tagging. This was contrary to International Public Sector Accounting Standards (IPSAS) 17 which provides that the minimum requirements of assets as: identification or serial number, acquisition date, description of asset, location, class, cost of acquisition, accumulated depreciation, net book value.

In the circumstances, adequacy of the asset custody and safety 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 the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the College's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using 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 comply 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 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, SBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

St. Augustine Teachers Training College – Eregi
Annual Report and Financial Statements for the year ended 30 June 2024

14. Statement of Financial Performance For The Year Ended 30 June 2024

	Notes	2023-2024	2022-2023
		Kshs.	Kshs.
Revenue from non- Exchange Transaction			
Reccurent Grants	6	12,807,247	14,336,729
		12,807,247	14,336,729
Revenue from Exchange Transaction			
Tution and Other Related Fees	10	85,462,244	29,979,570
Rental Revenue from Facilities and equipments	12	3,806,542	3,456,800
Other Income/sale of goods	14	572,290	885,963
		89,841,076	34,322,333
Total Revenue		102,648,323	48,659,062
Expenditure			
Employee cost	16	17,278,276	9,864,835
General Expenses	21	2,587,365	-
Repairs and Maintenance	19	9,987,941	1,403,416
Amortisation and Depreciation	18	15,402,262	1,324,688
Contracted Services	20	1,680,000	
Use of goods and services	15	62,923,038	28,993,800
Board Expenses	17	672,000	682,500
Total Expenditure		110,530,882	42,269,239
Operating Surplus		(7,882,559)	6,389,823

The Financial Statements set out on pages 1 to 59 were signed by:



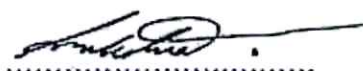
Mr. Gerald Makomere
Chairman of Board

Date: 24th December 2024



CPA harriet Mahasi
Accountant
ICPAK No:14825

Date: 24th December 2024



Mr. Gideon Manundu Katua
Chief Principal

Date: 24th December 2024

15. Statement of Financial Position As At 30 June 2024

	Notes	2023-2024	2022-2023
ASSETS		Kshs.	Kshs.
Current assets			
Cash and cash equivalents	16	19,447,297	23,658,702
Receivables from exchange transactions	27a	44,954,535	35,529,630
Inventories	29	2,885,456	2,107,130
		67,287,288	61,295,462
Non current assets			
Property, plant and equipment	31	317,955,349	19,240,018
Intangible assets	32	434,000	620,000
Total Non-Current Assets		318,389,349	19,860,180
TOTAL ASSETS		385,676,637	81,155,480
EQUITY AND LIABILITIES			
Current Liabilities			
Trade and Other Payables	35	6,197,658	17,511,517
Total Current Liabilities		6,197,658	17,511,517
Non Current Liabilities			
Net Assets		<u>379,478,979</u>	<u>63,643,963</u>
Capital Grants Reserves		380,182,148	56,464,574
Revenue Reserve		(703,169)	7,179,389
Total Equity		379,478,979	56,464,574
Total net assets and liabilities		379,478,979	81,155,480

The Financial Statements set out on pages 1 to 59 were signed by:



Mr. Gerald Makomere
Chairman of Board



CPA Harriet Mahasi



Mr. Gideon Katua

Manundu

St. Augustine Teachers Training College – Eregi
Annual Report and Financial Statements for the year ended 30 June 2024

Date: 24th December 2024

Accountant
ICPAKNo: 14825

Principal

Chief

St. Augustine Teachers Training College – Eregi
Annual Report and Financial Statements for the year ended 30 June 2024

16. Statement of Changes in Net Assets For The Year Ended 30 June 2024

	Capital Reserves	Revenue Reserve	Total Equity
	Kshs.	Kshs.	Kshs.
Balance as at 1 July 2022	56,464,573	7,179,390	63,643,963
Surplus for the year		(7,882,559)	(7,882,559)
Capital Development Grants	10,000,000	-	10,000,000
Revaluation of assets	313,717,575	-	313,717,575
Balance as at 30 Sept 2022	380,182,148	(703,169)	370,169,176

St. Augustine Teachers Training College – Eregi
Annual Report and Financial Statements for the year ended 30 June 2024

17. Statement of Cash Flows For The Year Ended 30 June 2024

		2023-2024	2022-2023
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6	12,807,247	14,336,729
Public contributions and donations		-	-
Rendering of services- Fees from students	10	54,641,744	29,979,570
Other incomes	14	572,290	4,342,763
Total Receipts		68,021,281	48,659,062
Payments			
Compensation of employees	16	5,629,818	9,864,835
Use of goods and services	15	72,401,950	24,360,699
Remuneration of Directors	17	672,000	682,500
Repairs and maintenance	19	9,987,941	1,403,416
General expenses	21	2,587,365	3,422,140
Total Payments		91,279,074	38,129,670
Net cash flows from operating activities		(23,257,793)	8,106,219
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		9,106,319	-
Proceeds from sale of property, plant and Equipment			
Net cash flows used in investing activities		9,106,319	
Cash flows from financing activities			
Increase in deposits - capital grants		10,000,000	3,540,000
Net cash flows used in financing activities		10,000,000	3,540,000
Net increase/(decrease) in cash and cash equivalents		(4,151,474)	11,646,219
Cash and cash equivalents at 1 July 2023		23,598,711.93	25,257,119
Cash and cash equivalents at 30 June 2024	16	19,447,297	23,598,712

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2024

	Original budget	Adjustments	Final budget	Actual Outcome	Performance difference	Performance difference %	Remarks
	2023-2024	2023-2024	2023-2024	2023-2024	2023-2024	%	
	Kshs	Kshs	Kshs	Kshs	Kshs		
Revenue							
Recurrent Grants	22,668,527	-	22,668,527	12,807,247	9,861,280	-44%	Favourable
Tuition and Other Related Fees	84,641,744	-	84,641,744	85,462,244	(820,500)	1%	Favourable
Other Income	6,564,900	-	6,564,900	4,378,832	2,186,068	-33%	Favourable
Total Income	113,875,171	-	113,875,171	102,648,323	11,226,848		
Expenses							
Employee Costs	14,956,362	-	14,956,362	17,278,276	(2,321,914)	-16%	Favourable
General Expenses	4,160,400	-	4,160,400	2,587,365	1,573,035	-38%	Favourable
Contracted services	1,680,000	-	1,680,000	1,680,000	-	0%	
Board Expenses	672,000	-	672,000	672,000	-	0%	
Repairs and Maintenance	2,111,650	-	2,111,650	9,987,941	(7,876,291)	-373%	Favourable
Use of goods and services	78,961,698	-	78,961,698	62,923,038	16,038,660	20%	Favourable
Total Expenditure	102,542,110	-	102,542,110	95,128,620	7,413,490		

(Budget notes)

- i) Other incomes include ksh.4,378,832 Appropriation of revenue from seminars, Graduation and rental income which was not realised
- ii) Employee costs include kshs.2,325,914 which was used to pay contract workers hired as a result of increase in number of students
- iii) Repair and maintenance include repairs totalling to Kshs.4,898,976 done from savings realised from income generating activities

- iv) Use of goods realised a saving of Kshs.16,038,660 as a result of installation of solar which cut down on electricity bills, reduction in consumption of goods and reduction of water pumping

19. Notes to the Financial Statements

1. General Information

- entity is established by and derives its authority and accountability from - Act/*(insert the establishing instrument)*. The entity is wholly owned by the County Government of - and domiciled in - sub-county. The entity's principal activity is -.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. 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 *entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue and effective in the year ended 30 June 2024.

There are no new standards and interpretations issued in the Financial Year.

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 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 cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, 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: 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. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 46:	Applicable 1st January 2025

Standard	Effective date and impact:
Measurement	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i) Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii) Clarifying transaction costs guidance to enhance consistency across IPSAS. iii) Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

iii. Early adoption of standards

(The entity) did not early-adopt any new or amended standards in year 20xx./the entity adopted standard xx and xx. The impact of these standards on entity's financial statements is xx.(amend appropriately)

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 entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

- ii) Revenue from exchange transactions

Rendering of services

The entity 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. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

- b) Budget information

The original budget for FY 2023/2024 was approved by the Board on -. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the

original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of - on the FY 2023/2024 budget following the Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page xx under section - of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule - of the - Act.

Sales tax/ Value Added Tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately).* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) 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 or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity 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. 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.

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the

leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Research and development costs

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

j) 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.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Inventories (Continued)

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

k) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

The *Entity* 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.

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.

l) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

m) Nature and purpose of reserves

The *Entity* creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted*).

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a 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. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

The *Entity* 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 Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

s) Service concession arrangements

The *Entity* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) 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 the Central Bank of Kenya and at various commercial banks at the end of the financial year.

u) Comparative figures

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

v) 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, 20XX.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity'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. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The 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, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

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:

- The condition of the asset based on the assessment of experts employed by the *Entity*.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note -.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

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6. Transfers from the National Government

Government grants (Recurrent)	2023-2024	2022-2023
	Kshs.	Kshs.
Quarter ending 30 Sept		-
Quarter ending 31st Dec	7,237,325	-
Quarter ending 31st March		-
Quarter ending 30 June	5,569,922	14,336,729
Total	12,807,247	14,336,729

7. Grants from Development Partners

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
<i>In-Kind Donations</i>	-	-
<i>Donor 1</i>	-	-
<i>Donor 2</i>	-	-
<i>Other Donors (specify)</i>	-	-
Total Grants from Development Partners	-	-

(a) Reconciliations of grants from development partners

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions Met - Transferred to Revenue	-	-
Conditions Yet To Be Met	-	-

(Provide brief explanation for this revenue)

8. Transfers from National Government entities

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Transfer from Ministry/State dept XX	-	-
Other transfers(specify)	-	-
Total Transfers	-	-

9. Public Contributions and Donations

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Public Donations	-	-
Donations from Local Leadership	-	-
Donations from Religious Institutions	-	-
Donations from Alumni	-	-
Other Donations	-	-
Total Donations and Contributions	-	-

(Provide brief explanation for this revenue)

10. Tuition and Other Related Charges

Tuition and Other Related Charges	2023-2024	2022-2023
Practicum	2,562,500	610,244,00
Teaching Equipment & Stores	2,288,000	962,785
Electricity Water & Conservancy	4,525,664	1,386,464
Local Transport & Travel	4,576,000	1,368,522
Activity	2,288,000	812,491
Medical	1,144,000	324,891
Contingencies	-	316,884
Repairs, Maintenance & Improvement	3,432,000	1,188,166
Motor Vehicle Repairs	6,864,000	1,920,999
Boarding Equipment & Stores	31,580,000	10,311,706
Examination	1,868,300	2,117,041
ICT Equipment/Accessories	4,576,000	1,330,378
Personal Emoluments	9,861,280	2,852,852
Students Council	532,800	138,250
Registration		25,800
Truck suit	2,220,000	642,500
Student ID	266,400	77,100
Clubs and env.	532,800	215,200
Hockey stick	2,664,000	496,200
Library books		129,000
Student guide book	-	24,200
TP lesson plan	-	324,143
Covid 19	-	240,015
College Magazine	-	38,700
Set book shows	-	51,600
Knec ass	-	999,430
Administration costs	2,860,000	844,259
Bank Charges	-	42,250
KUSCPS	820,500	187,500
Total	85,462,244	29,979,570

11. Sale of Goods

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Sale of Books	-	-
Sale of Publications	-	-
Sale of Farm Produce	-	-
Cafeteria sales	-	-
Other sales (specify)	-	-
Total Revenue from Sale of Goods	-	-

(Provide brief explanation for this revenue)

12. Rental revenue from facilities and equipment

Rent Revenue	2023-2024	2022-2023
Students Accommodation Fees		-
Hall Hire/seminar	3,606,242	3,186,000
Hire of Transport		-
Staff Rent Income	200,300	-
Hire of College Equipment	-	270,800
Total	3,806,542	3,456,800

13. Finance Income

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Cash investments and fixed deposits	-	-
Interest income from treasury bills	-	-
Interest income from treasury bonds	-	-
Interest from outstanding debtors	-	-
Total finance income	-	-

(Provide brief explanation for this revenue.)

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14. Other Income

Other Incomes	2023-2024	2022-2023
Farm Income	488,290	226,113
Graduation fees	8,000	560,350
Tender fee	76,000	99,500
Total	572,290	885,963

15. Use of Goods and Services

Use of goods and services	2023-2024	2022-2023
Travelling/Accommodation/Fuel	1,463,560	2,370,444
Fuel and Oils	850,000	
Practicum	750,900	939,551
Teaching Equipment & Stores	532,687	150,085
Power bills/Electrical Appliances	2,638,084	3,092,124
Catering		9,220,005
Activity	8,761,560	2,159,118
Purchase of Drugs /Medical	240,075	200,625
Contingencies	-	839,152
Examination Payment	1,776,900	2,804,090
Rental Expenses		11,395
Tender Expenses	-	274,000
BES	28,184,179	-
Seminar		1,053,031
Vehicle Fund & Insurance		1,261,549
Farm inputs	353,309	91,230
Student council	7,000	299,500
I,C,T	2,860,132	588,464
Track suit	2,292,150	563,750
Student ID	127,500	39,150
Admin cost	8,103,897	-
Administrative costs	-	1,872,778
BOM Allowance	-	
Bank charges		19,952
Graduation		554,826
Advance	-	3,500
Practicum	-	585,000
Sundry creditors	3,981,104	-
	62,923,038	28,993,800

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Employee Costs

Employee Costs	2023-2024	2022-2023
	Kshs.	Kshs.
Salaries and wages	17,278,276	7,483,751
Housing benefits and allowances	-	-
Medical allowance	-	-
Gratuity	-	2,393,084
NSSF	-	-
Total	17,278,276	9,876,835

16. Board Expenses

Board expenses	2023-2024	2022-2023
Board allowances	672,000	682,500
Travel and Subsistence	-	-
Total	672,000	-

17. Depreciation and Amortization expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, plant and equipment	15,216,262	
Intangible assets	186,000	0
Total depreciation and amortization	15,402,262	

18. Repairs and Maintenance

Repairs and Maintenance	2023-2024	2022-2023
VRM/Replacement	3,003,746	1,403,416
Repairs and Rehabilitation	6,984,195	-
	9,987,941	1,403,416

19. Contracted Services

Contracted services	2023-2024	2022-2023
Security services	1,680,000	-
	1,680,000	-

20. General Expenses

General Expenses	2023-2024	2022-2023
Tender expenses	272,040	-
Student union related expenses(Magazine)	4,600	-
Seminar	994,075	-
Supplementary(Exam materials for resits)		-
Application fees(Kuccps)	1,165,500	-
S.E.S centre fees(Assestment books)	151,150	-
KMLTTB Indexing Levies		-
KMLTTB log book levies		-
Track suit	-	-
Total	2,587,365	-

21. Finance Cost

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Borrowings (Amortized Cost)*	-	-
Finance Leases (Amortized Cost)	-	-
Unwinding of Discount from lease liabilities	-	-
Interest on Bank Overdrafts	-	-
Interest on Loans from Commercial Banks	-	-
Total Finance Costs	-	-

(*Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)

22. Gain On Sale of Assets

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Other Assets not capitalised	-	-
Total Gain On Sale of Assets	-	-

23. Gain/(loss) on Fair Value Investments

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Fair value on equity investments	-	-
Fair value arising from investment property	-	-
Fair value arising from biological assets	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

24. Impairment Loss

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

25. Cash and Cash Equivalents

	Account	2023-2024	2022-2023
Cash and Cash Equivalents	Number	Kshs.	Kshs.
College Fund	1103649949	1,639,754	2,235,700
Main Account	1103650041	12,707,727	8,674,743
Gratuity A/C	1102432768	1,419,852	1,173,397
Infrastructure	1102498793	1,183,539	10,038,023
Vehicle Account	1102498890	11,788	14,983
Seminar Account	1102498599	992,239	515,244
Examination	1102466212	743,652	167,883
Farm Account	1118464095	299,677	75,524
ABSA ACCOUNT- Rent	2025584395	345,669	643,095
EQUITY BANK-ECDE		52,694	39,329
Cash in hand		50,706	80,780
		19,447,297	23,658,702

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

26 (a). Detailed Analysis of Cash and Cash Equivalents

Financial Institution	Account number	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
a) Current Account			
- Bank		-	-
- Bank, etc.		-	-
Sub- Total		-	-
b) On - Call Deposits			
- Bank		-	-
- Bank – etc.		-	-
Sub- Total		-	-
c) Fixed Deposits Account			
- Bank		-	-
- Bank		-	-
Sub- Total		-	-
d) Others (Specify)		-	-
Cash in Transit		-	-
Cash in Hand		-	-
Mobile Money account		-	-
Sub- Total		-	-
Grand Total		-	-

26. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Receivables from Exchange Transactions	2023-2024	2022-2023
Students Debtors	34,416,542	3,795,284
Rent debtors	1,228,190	651,890
TSC		702,200
	35,644,732	5,149,374

27 (b) Long- term Receivables from Exchange transactions

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	-	-
Advance Payments	-	-

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Public Organizations	-	-
Less: Impairment Allowance	(-)	(-)
Total	-	-
Current Portion Transferred To Current Receivables	(-)	(-)
Total Non-Current Receivables	-	-
Total Receivables	-	-

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	Current	% of total	Comparative FY	% of total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

27 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
At the beginning of the year	-	-
Provisions during the year	-	-
Recovered during the year	(-)	(-)
Write offs during the year	(-)	(-)
At the end of the year	-	-

(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)

27. Receivables from Non-Exchange transactions

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Current Receivables		
Capitation Grants*	-	-
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-

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Less: Impairment Allowance	(-)	(-)
Total Current Receivables	-	-

(*Receivables on capitation grants are recognised for monies received after year end but relating to the year under review).

28 (a) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
At the beginning of the year	-	-
Additional provisions during the year	-	-
Recovered during the year	(-)	(-)
Written off during the year	(-)	(-)
At the end of the year	-	-

28. Inventories

Inventories	2023-2024	2022-2023
Stationery	1,986,830	1,455,405
Maintenance Stores	253,923	406,125
Health Unit Stores	77,223	35,625
Cleaning Materials Stores/House keeping	29,580	7,275
Catering Stores	537,900	202,700
	2,885,456	2,107,130

29. Investments in financial assets

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Financial Institution		
CBK	-	-
CBK	-	-
Sub- Total	-	-
b) Investment with Financial Institutions/ Banks		
Bank X	-	-
Bank Y	-	-
Sub- Total	-	-
c) Equity Investments (Specify)		
Equity/ Shares in Company -	-	-
Sub- Total	-	-
Grand Total	-	-
Analyzed as:		
Current portion of Investment	-	-
Non-Current portion of Investment	-	-

(Entity should disclose whether the fixed investment financial assets are measured at amortised cost or at fair value through changes in net assets/ equity) Investments in equity should be measured at fair value through surplus or deficit. Other information to be disclosed includes: the interest rates, maturity dates, valuation methodology, and impairment of these investments.

d) Shareholding in other entities

For investments in equity share listed under note 30 (c) above, list down the equity investments under the following categories:

Name of Entity where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	Insert Current FY	Insert Comparative FY
					Kshs	Kshs
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
	-	-	-	-	-	-

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30. Property, Plant and Equipment

Current year	Land	Buildings and Structures	Work in Progress	Equipment and Machinery	Motor Vehicles	Furniture & Fittings	Computers	Library Books	Total
Cost									
At 1 July 2023	-	-	-	3,170,940	15,841,190	-	313,388	-	19,325,518
Revalued assets	23,850,000	262,786,000	-	595,000	2,144,166	3,702,005	4,306,312	5,583,400	302,966,883
Additions	-	9,048,953	-	-	-	-	1,830,257	-	10,879,210
Transfer	-	-	-	-	-	-	-	-	-
At 31 March 2024	23,850,000	271,834,953	-	3,765,940	17,985,356	3,702,005	6,449,957	5,583,400	333,171,611
Depreciation									
At 1 July 2023	-	-	-	-	-	-	-	-	-
Charge for the year	-	6,795,874	-	753,188	4,496,339	462,751	2,149,771	558,340	15,216,262
At 31 March 2024	-	6,795,874	-	753,188	4,496,339	462,751	2,149,771	558,340	15,216,262
Net Book Value									
At 31 March 2024	23,850,000	265,039,079	-	3,012,752	13,489,017	3,239,254	4,300,187	5,025,060	317,955,349
Depreciation	-	2.5%	-	20%	25%	12.5%	33.33%	10%	

[Include Brief Description Of WIP)

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by - professional valuers on -. These amounts were adopted in the financial statements on -.

31 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

31. Intangible Assets

Intangible Assets	2023-2024	2022-2023
	Kshs.	Kshs.
Additions—internal development	620,000	620,000
Amortization	186,000	-
Total	434,000	620,000

32. Investment Property

Description	Insert Current	Insert Comparative FY
	FY Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	(-)	(-)
Depreciation	(-)	(-)
Impairment	(-)	(-)
Gain or loss on fair value- if fair value is elected	-	-
At end of the year	-	-

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(For investment property held at fair value, changes in fair value should go through the statement of financial performance. Where cost model is elected, depreciation and impairment should not be charged. Investment measured at fair value should be evaluated at the end of the reporting period for changes in fair value.). Entity should disclose the independent valuers, rental income from the investment property if any and the direct costs attributed to the investment property. Any charges on the investment property as well as any difficulty in classifying this asset as an investment property.

33. Biological Assets

	Insert Current FY Kshs	Insert Comparative FY Kshs
Cattle	-	-
Trees	-	-
Others (Specify)	-	-
Total	-	-

34. Trade and Other Payables from Exchange Transactions

Trade and Other Payables	2023-2024	2022-2023
Accounts Payable	6,197,658	16,749,109
Prepaid fees	-	762,408
	6,197,658	17,511,517

35. Refundable Deposits from Customers/Students

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
Fees prepayments	-		-	
Caution money	-		-	
Other refundable deposits	-		-	
Total Deposits	-		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (to tie to totals deposits above)	-	%	-	%

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36. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	(-)	(-)	(-)	(-)
Change due to discount and time value for money	(-)	(-)	(-)	(-)
Total provisions at the end year	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

37. Finance Lease Obligation

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
At the start of the year	-	-
Discount interest on Lease Liability	-	-
Paid during the year	(-)	(-)
At end of the year	-	-

Maturity Analysis

Period	Amount
	Kshs
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and onwards	-
Less: Unearned Interest	(-)
Total	-

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Analysed as:

Description	Amount
	Kshs
Current	-
Non- Current	-
Total	-

38. Deferred Income

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
County Government	-	-
National Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

The deferred income movement is as follows:

Description	County government	National funding/ donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	-	-	-	-
Additions during the year	-	-	-	-
Transfers to capital fund	(-)	(-)	(-)	(-)
Transfers to income statement	(-)	(-)	(-)	(-)
Other transfers	(-)	(-)	(-)	(-)
Balance carried forward	-	-	-	-

Include columns as needed for the various sources of income deferred.

Analysed as:

Description	Amount
	Kshs
Current	-
Non- Current	-
Total	-

39. Service Concession Arrangements

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	(-)	-
Net carrying amount	=	=
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	(-)	(-)
Service concession liability at end of the year	=	=

40. Cash generated from operations.

	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Surplus/(Deficit) for the year	-	-
Adjusted for:		
Depreciation	-	-
Non-Cash grants received	(-)	(-)
Contributed assets	(-)	(-)
Impairment	-	-
Gains and Losses on Disposal of Assets	(-)	(-)
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance Income	(-)	(-)
Finance Cost	-	-
Working Capital Adjustments		
Increase in Inventory	(-)	(-)
Increase in Receivables	(-)	(-)
Increase in Deferred Income	-	-
Increase in Payables	-	-
Increase in Payments received in advance	-	-
Net Cash Flow from Operating Activities	-	-

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

41. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, 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.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

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
At 30 June 20XX (previous year)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 20XX (current year)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The entity has significant concentration of credit risk on amounts due from -x

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(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.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 20XX (previous year)				
Trade Payables	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Total	-	-	-	-
At 30 June 20XX (current year)				
Trade Payables	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Total	-	-	-	-

(iii) Market risk

The entity has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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The entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

iv) Capital Risk Management

The objective of the entity's capital risk management is to safeguard the entity's ability to continue as a going concern. The entity capital structure comprises of the following funds:

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(-)	(-)
Net Debt/(Excess Cash and Cash Equivalentents)	-	-
Gearing	xx%	xx%

42. Related Party Balances

Nature of related party relationships

Entities and other parties related to the entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

County Government of -

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The County Government of - is the principal shareholder of - VTC. The County Government of - has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties include:

- i) The County Government.
- ii) The Parent Department.
- iii) Board of Management;
- iv) Key management;
- v) -

The transactions and balances with related parties during the year are as

Description	Insert Current	Insert
	FY	Comparative
	Kshs	FY
		Kshs
Transactions with Related Parties		
a) Sales to related parties		
Hire of facility by govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
B) Purchases from related parties		
Purchases of electricity from kplc	-	-
Purchase of water from govt service providers	-	-
Rent expenses paid to govt agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
b) Grants /Transfers from the Government		
Grants from National Govt	-	-
Grants from County Government	-	-
Donations in Kind	-	-
Total	-	-
Total		
c) Key Management Compensation		
Board of Management emoluments	-	-
Compensation to Key Management	-	-
Total	-	-

43. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets arising from determination of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

Contingent Liabilities

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case - against (<i>The Entity</i>)	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

(Give details)

44. Capital Commitments

Capital Commitments	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the entity but at the end of the year had not been contracted or those already contracted for and ongoing)

45. Events After The Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

46. Currency

The financial statements are presented in Kenya Shillings (Kshs) and the values are rounded off to the nearest shilling.

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

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

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



Name: Mr. Gideon Manundu Katua
 Chief Principal

Date: 24th December 2024

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Appendix II: Projects Implemented by (*The Entity*)

Projects

Projects implemented by the - VTC Funded by development partners.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Project Completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

	Project	Total project Cost	Total expended to date	Completion% to date	Budget	Actual	Sources of funds
1							
2							
3							

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity:.....

Name of beneficiary entity:.....

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 Name Sign Date.....

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Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

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