

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

PAPERS LAID	
DATE	23/04/2024
TABLED BY	Dep-Locate Majority Whip -
COMMITTEE	
CLERK AT THE TABLE	CAROLYN E C.

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

TAMBACH TEACHERS TRAINING
COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2023



TAMBACH TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2023

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



18

18

Table of Contents

1. Acronyms & Glossary of Terms	iii
2. Key Entity Information and Management.....	iv
II. The Board Members	vii
III. Management Team	xi
IV. Chairman's Statement	xiii
V. Report of the Principal	xv
VI. Statement of Performance against Predetermined Objectives	xvii
VII. Corporate Governance Statement	xx
VIII. Management Discussion and Analysis	xxiii
IX. Environmental and Sustainability Reporting	xxv
X. Report of the Board of Management	xxvii
XI. Statement of Board of Governors/ Council's Responsibilities	xxviii
XII. Report of the Independent Auditor on Tambach Teachers College	xxx
1. Statement of Financial Performance For The Year Ended 30 June 2023	1
2. Statement of Financial Position As At 30th June 2023	2
3. Statement of Changes in Net Asset For The Year Ended 30 June 2023.....	3
4. Statement of Cash Flows For The Year Ended 30 June 2023	4
5. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2023 ..5	
6. Notes to the Financial Statements	6
7. Transfers from other National Government entities.....	19
8. Rendering of Services	19
9. Sale of Goods	20
10. Rental revenue from facilities and equipment.....	20
11. Other Income.....	20
12. Use of Goods and Services	21
12 Employee Costs.....	21

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

13	Board/Council Expenses	22
14	Repairs and Maintenance	22
20.	Employee Costs	25
15	Appendices	27

1. Acronyms & Glossary of Terms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NTS	Non-Teaching Staff
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
Fiduciary Management Tambach Teachers Training College	Key management personnel who have financial responsibility in

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

2. Key Entity Information and Management

(a) Background information

Tambach Teachers Training College was established under the Education Act on 09/10/1992. The College is domiciled in Kenya and has no branches. The College is under the Ministry of Education.

(b) Principal Activities

The principal activity/mission/ mandate of Tambach Teachers Training College is to Train Diploma in Primary Education and Diploma in Early Childhood Education Teachers.

College Vision

To be a Centre of Excellence in Teacher Training and Human Resource Development.

College Mission

To train teachers equipped with desirable skills, knowledge and attitudes responsive to the challenges of a dynamic society.

(c) Key Management

Tambach Teachers Training College's day-to-day management is under the following key organs:

- Board of Management;
- Accounting officer/ Principal;
- Finance Officer;
- College Administration Officers (Deputy Principal, two Deans) and
- College Procurement Officer

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	JANE TALLAM
2.	Deputy Principal	GERALD MUTEKI
3.	Dean of Curriculum	DAVID NGETICH
4.	Dean of students	SAMMY BURUDI PEPELA
6	Head of Finance	ROBERT NGETICH
7	Procurement Officer	ROSE ROTICH

(e) Fiduciary Oversight Arrangements

The Tambach Teachers Training College Fiduciary oversight is mainly done by the Board of Management through its committees, which report to the full Board of Management. The oversight committees which have direct impact on the fiduciary issues in the college include;

1. BoM Finance and General Purpose Committee
2. BoM The Human rights and welfare committee.
3. College Inspection and Acceptance of procured goods committee
4. The college procurement Evaluation Committee

External oversight authorities include the County Schools Auditor, and the Public Procurement Regulatory Authority (PPRA) and the Kenya National audit Office (KENAO)

(f) Tambach Teachers Training College Headquarters

P.O. Box 30704, Private Bag,

Tambach - Iten

Off Iten – Kabarnet Road

KENYA

(g) Tambach Teachers Training College Contacts

Telephone: 254714174551

E-mail: tambachttc@yahoo.com

Website: www.tambachttc.ac.ke

(h) Tambach Teachers Training Bankers

1. Kenya Commercial Bank

Iten Branch

Box 456

ITEN

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

2. Equity Bank

Iten Branch

Box 616

ITEN

3. Access Bank

ITEN BRANCH

(i) Independent Auditors

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

(j) Principal Legal Adviser

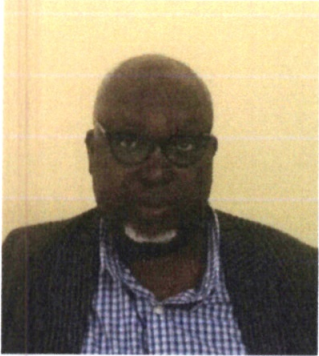
The Attorney General State Law
Office Harambee Avenue P.O. Box
40112
City Square 00200 Nairobi,
Kenya

II. The Board Members

1. PROFESSOR JOHN CHANG'ACH 	Date of Birth: 12.12.1965 Qualification: Associate Professor History of Education, Dean Faculty of education, Moi University. Work Experience: Current Dean, School of education, Moi University. A member of the editorial review of Asia Pacific Journal of Multidisciplinary research, among many other educational engagement Executive Member of the Board Board Chair
2. BOM KENNETH CHEROP 	Date of birth 19.2.1975 Qualification BCOM Work experience . Banker . Vice Chair of BOM . Chair Finance and general purpose committee
3. DR. ANNE MUTHONI KARANU 	Date of Birth: 6/12/1988 Qualification: MBChB, MMed (Ophthalmology) Work Experience: Medical Doctor (Iten Hospital), Consultant Doctor (Mombasa Light House, Kisii eye Hospital, Kenyatta National Hospital) Member: Academic Standards committee

4. GLADYS OMUSE 	Date of Birth: 21/06/1970 Qualification: Dip (Community Health Nursing), HND (Nursing), BA (Psychology), MSc (Development Studies) Work Experience: Nursing Officer (13 Years), Health Promotion Officer (13 years – to date) Member: Human Rights and student Welfare Committee.
5. JANE TALLAM 	Date of Birth: 25/11/1967 Qualification: Bed Arts Work Experience: Principal Tambach TTC, Principal Kenyena TTC, Secretary BOM Is not a member of ICPSK.
5. JOSPHAT MAIYO 	Date of Birth: 15/6/1973 Qualifications: BA (sociology), Dip (Clinical Medicine and Surgery) Work Experience: Currently, Chief Officer (Health Projects and Administration Elgeyo Marakwet County, clinical officer i/c Chepkorio Health Centre, District Aids/STI coordinator-Keiyo, County AIDS/STI coordinator – Elgeyo Marakwet County. Chair: Human Rights and student Welfare Committee, Member of the executive BOM

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

7. BOM TERESIA KOSKEI 	Date of Birth: 01/10/1967 Qualification: PhD (Sociology), BA, MA Work Experience: Lecturer Moi University (Sociology), Project Manager mt. Elgon Agricultural Development Association Member: Executive Committee, Human Right and student welfare committee, finance and general purpose committee
8. DAVID KIPKENEI NGETICH 	Date of Birth: 01/09/1971 Qualification: Bed, MSc (Pure Mathematic) Work Experience: Dean of curriculum Tambach TTC, High school teacher, high school Deputy Principal, and Tambach TTC Head of mathematics department. Member: Academic Committee
9. FLORENCE KIPROP 	Date of Birth: 1980 Qualification: BA (Economics and Sociology) Work Experience: Fund Account Manager CDF – Marakwet West Constituency Member: Finance Committee
10. MATHEWS MURGOR 	Date of Birth: 1962 A Degree holder Engaged in private busines

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

11. VERONICA SUTER 	Date of birth: 1959 Qualification: Bed. Career Teacher: Principal in several secondary schools, Teacher training Tutor. Currently retired and doing business
12. PROF. PHILIP RABURU 	Date of Birth: 1 DEC 1959 Qualification :PHD Associate Professor of Aquatic Resource and Environmental management Work experience: Deputy vice chancellor
13. PIUS LANG'AT. 	Date of Birth: 15/08/1948 Highest Qualification: Higher National diploma (Automotive Engineering) Work Experience: Currently Director Naivasha Water and Sanitation Company. Has also worked in several NGOs. Member of the Finance Committee of the Board
14. STUDENT REPRESENTATIVE – DANIEL KIPTOO	Date of Birth: 05/08/1994 Chair of Student Representatives

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

	
---	--

III. Management Team

1. JANE TALLAM Bed. 	Responsibility: Principal and accounting officer of Tambach Teachers Training College Date of Birth: 25/11/1967 Qualification: Bed Arts Work Experience: Principal Tambach TTC, Principal Kenyena TTC, Secretary BOM
2. GERALD MUTEGI NYAGA Med, Bed 	Date of Birth: 23/8/1967 Academic Qualification: Med. Economics of Education Work experience: Deputy Principal/ Chair procurement Committee Tambach TTC

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

3. DAVID K NGETICH Bed, MSc (Pure Mathematics) 	Date of Birth: 01/09/1971 Qualification: Bed, MSc (Pure Mathematic) Work Experience: Dean of curriculum Tambach TTC, High school teacher, high school Deputy Principal, and Tambach TTC Head Dean of Curriculum.
STEPHENSON SAINA 	Date of Birth: 10/2/1973 Qualification: Bed. Arts, MPhil. Kiswahili Education Experience: Dean of students Tambach TTC
4. ROBERT NGETICH Bcom, CPA (K) 	Date of Birth: 01/01/1977 Qualification: B.Com Banking and Finance, CPA(K) Work Experience: Bursar Tambach TTC, Finance Officer Tambach TTC
5. ROSE ROTICH Bcom (Supplies and Purchasing) 	Date of Birth: 02/11/90 Qualification: Bachelor of Purchasing and supplies management. Member: KISM Experience: Procurement officer Tambach TTC

IV. Chairman's Statement

Tambach Teachers college is a Government Established Teacher Training College under the Ministry of Education, department of Basic Education. The college's main mandate is to train Diploma teachers to serve in primary schools in Kenya, a mandate that the Board of Management takes very seriously. The College operates under policy Guidelines given by the Ministry of Education (MOE) from time to time and adheres to such guidelines whenever they are received. The College Board of Management is also under performance Contract with the Government of Kenya, through the ministry of Education.

As a Board, our main strategic management objectives for the college are to Establish effective and efficient college administrative and management structure, Establish a students' governance linked to the overall college administrative hierarchy, Develop the college communication channel/flow of information and to Acquire tuition and boarding materials on a timely basis for quality service to our students. Our core values as a college are professionalism, Teamwork, Efficiency and Respect for individual differences.

Tambach Teachers College is funded by the Students who pay fees as per the approved Ministry of education fee structure for Public Teacher Training Colleges, with vote heads clearly indicated. The College also receives grants on a quarterly basis from MOE for use to pay salaries for employees under Board of Management. Once in a while, the Ministry of Education gives the college development grants for establishment and maintenance of college facilities from time to time. Tambach Teachers College Board of Management also has the task of managing funds for establishment of Moiben Science Teachers College which is still under Construction, now at phase II after Phase I was completed. The Board of Management is very keen on ensuring prudent use of funds received and strives to ensure accountability in all expenditure. To this end, the Board approves college Budget estimates.

The financial year 2022/2023 saw the second batch of Upgrade from P1 to Diploma in Teacher education student, Upgrade to Diploma in Early Childhood teacher Education (DECTE) and Diploma in early Childhood Teacher Education (DECTE) in the second quarter. The Board of Management encouraged the college administration to collect fee from the students in full so that the operations of the college can run smoothly.

The Board still faces challenges on payment of Non – teaching staff salaries especially when quarterly grants from MoE delay or the money is not enough. We would like to request the ministry to assist the college management by adequate grants on time so that the NTS can be paid on time.

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

The college buildings are old and need some major repairs, and therefore we request the Ministry of Education to consider availing more development/infrastructure grants so that the repairs can be done on the College complex and also the staff quarters.

The College Board of Management guides the college CEO on financial issues mainly through the Boards Finance and general Purpose Committee headed by the Boards vice Chair and the Board's Executive Committee headed by the Board Chair. The committees meet regularly on a needs basis and on short notice. The Board is committed to support the College achieve financial prudence and accountability. We strive to ensure that all procurement and disposal of assets activities in the college adhere strictly to PPRA guidelines and regulations.

In conclusion, the boards wishes to state that it is in support of the new financial reporting guidelines and will do all within its power to ensure compliance with the regulations stipulated by the Auditor General. .

Signed



Professor John Chang'ach

V. Report of the Principal

Tambach Teachers Training College has the Mandate of Training Diploma teachers and is managed by Tambach Teachers College Board of Management who oversees the running of the college in terms of oversight, policy formulation and Management of non – teaching staff members of the college. The Board of management also offers guidance on financial management in the college through the Boards committee on Finance and general purpose, which is very active and very supportive to the college management. The college financial accountability is under the office of the Principal who reports directly to the Board of management and also avails financial records to the Auditor General as required. Other committees of the Board also play a key role in providing support and guidance to the college internal management. The principal is assisted by the college deputy principal, finance officer, procurement officer, Dean of Curriculum and Dean of students in the day – to – day running of the college and implementation of received policies.

The college is funded by the school fees paid by students, grants for NTS salaries and development grants from Ministry of education. Occasionally, the college hosts seminars which gives the college some revenue. The college also has a college farm which supplements the fee collected from students through affordable Milk and assorted vegetables. In the financial year 2022/2023 college enrolled a Total of 271 comprising 137 UDPTE, 88 DECTE and 46 UDECTE.

In the financial year 22/2023, the college received grants from MOE for payment of salaries of the permanent employees of the Board. The College is grateful to the ministry for the grants though it was not enough to cater for the salaries for all the months. We urge the Ministry to release the grants on time so that the College employees are paid on time. This will improve their morale and productivity.

The college has an incomplete one storey tuition block which needs to be completed so that it can be put to use. The building was constructed through grants from the ministry of Education. We request the Ministry to assist the college to complete the building by availing more grants. There is also need to repair the college infrastructure (the college complex and staff quarters).

During the Financial year 2022/2023, the college Procured goods and services in strict adherence to the PPRA procurement guidelines The college has a qualified procurement officer and a procurement committee headed by the college Deputy Principal. The College prepares an annual procurement plan in line with the budget which is approved by the BoM.

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

The college management is committed to prudent use of public resources under its watch, with a view to maximize the utility of the resources for the good of the public. To this end, the college has submitted its books of accounts for the FY ending 30th June 2023 to the schools auditor. We are committed to address any shortcoming which may arise from the audit and strive to eliminate any audit queries.

In the FY 2023/2024, we look forward to improving our financial management capabilities by taking advantage of financial training opportunities which may arise for our staff. We fully embrace the new financial reporting guidelines/format and we will strive to adhere and comply fully. We will be open to guidance by the relevant government agencies in this endeavour.



Signed

JANE TALLAM

PRINCIPAL

VI. Statement of Performance against Predetermined Objectives

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

Tambach Teachers Training College has eight strategic pillars and objectives within its Strategic Plan for the FY's 2020-2024. These strategic pillars are as follows:

1. To institutionalize an efficient management system in the college to enhance quality in service delivery.
2. To ensure that teacher trainees are adequately prepared to teach competently and effectively in primary schools in Kenya and beyond.
3. To create an enabling environment for moulding caring, responsible and adaptive teachers.
4. To design and implement programs that will enable student teachers to discover and develop their potential and talents.
5. To provide and maintain adequate facilities for optimal use in teaching and learning.
6. To enhance teaching and non – teaching staff capacity for better performance.
7. To initiate and sustain income generating projects to supplement the college budget.
8. To develop programs and strategies that address emerging issues in education and training.

Tambach Teachers Training College develops its annual work plans based on the above eight pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Board achieved its performance targets set for the FY 2022/2023 period for its eight strategic pillars, as indicated in the diagram below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	Institutionalize an efficient management system in the college to enhance quality in service delivery.	To provide quality and efficient service to our clients	Fast and efficient service delivery	Digitize the examination department to ensure fast retrieval of students data/result/transcripts	The examination office has digitized students data/information up to 2023

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

Pillar 2	Ensure that teacher trainees are adequately prepared to teach competently and effectively in primary schools in Kenya and beyond	To produce a qualified teacher with adequate skill to teach in Kenya and any other part of the world	lessons by students and tutors -Duly completed schemes of work and records of work covered. -Timely completion of the syllabus -Improved performance in knec School based assessment	- Daily attendance register for students - Lesson attendance register for teachers	The students were able to complete their Knec school based assessment successfully
Pillar 3	Create an enabling environment for moulding caring, responsible and adaptive teachers.	To bring about an emotionally controlled person who is psychologically and socially fit for life challenges	Reduced use of Drugs/Alcohol in college	Offer one on one counselling in the guidance and Counselling office Train lecturers in charge of prevention of drug and alcohol abuse	G&C office is in place with a qualified officer in charge Five teachers were trained on prevention of alcohol and drug abuse by Nacada
Pillar 4	Design and implement programs that will enable student teachers to discover and develop their potentials and talents	To bring out hidden talents/potential in students and assist them to exploit them fully	Participation in national Competitions (Athletics, Drama, Music and Ballgames) Clubs and societies	Provision of games equipment Holding internal competitions Electing students to positions of leadership	The college participated in the inter colleges ball games and attained position one nationally in basketball The college also took students to the national athletics championships where a majority of students representing the region came from Tambach

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

Pillar 5	Provide and maintain adequate facilities for optimal use in teaching and learning	To ensure adequate learning space and sanitary facilities for students	Adequate Classrooms and toilets	Complete the Two Storey, 6 classroom tuition block Complete male external ablution block	The new classroom block is 90% complete and is usable during the day Ablution block 50% complete
Pillar 6	Enhance teaching and non – teaching staff capacity for better performance	To improve performance of Teaching and Non- teaching staff in the college	Staff attend capacity building workshops	The BOM shall set aside funds in its approved budget	The finance and the bursar attended sensitization workshops on the new financial reporting formats.
Pillar 7	Initiate and sustain income-generating projects to supplement the college budget.	To sustain the college budget	Availability of IGA in college	Improving the college orchard and dairy	The college farm has produced vegetables, cassava and milk which have supplemented the college budget in a big way.
Pillar 8	Develop programs and strategies that address emerging issues in education and training	To put in place a program for the prevention of HIV/AIDS infection	Increased awareness on HIV/AIDS among staff and students -Behaviour change among staff and students -Increased peer support activities -Sensitization workshops held -Posters on HIV/AIDS	Workshop/seminars for teaching and non-teaching staff and students on HIV/AIDS	Successful HIV testing was done for willing students and teachers during the regional athletics championships by Reale and Top Hill Hospitals from eldoret

VII. Corporate Governance Statement

The Appointment of Boards of Management of Public Teacher Training Colleges is done under section 55 of the Basic Education Act 2013. Under this Act, the Education cabinet secretary shall, by regulations prescribe the qualifications for persons who may be appointed to or co-opted into the Board of Management. (55(i). According to the Act, the Board shall consist of

- (a) Six persons elected to represent parents (in case of Teacher Training Colleges, the six persons will represent the community)
- (b) One person nominated by the County Education Board
- (c) One representative of the Teaching staff
- (d) Three representatives of the sponsors of the College where applicable
- (e) One person to represent special interest groups in the community
- (f) One person to represent persons with special need, and
- (e) One representative of the student's council who will be an *ex-officio* member.

In Tambach Teachers College, there are 14 BOM members in compliance with the requirements of the Act. The cabinet Secretary, Ministry of education through the County director of education, makes appointments. A board of Management holds office for a period of Three years, renewable.

The functions of the Board are stipulated in the Education act and are as follows;

- (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) Advise the County Education Board on the staffing needs of the institution;
- (f) Determine cases of pupils' discipline and make reports to the County Education Board;
- (g) Prepare a comprehensive termly report on all areas of its mandate and submit the report to the County Education Board;
- (h) Facilitate and ensure the provision of guidance and counselling to all learners;
- (i) Provide for the welfare and observe the human rights and ensure safety of the pupils, teachers and non-teaching staff at the institution;

- (j) Encourage a culture of dialogue and participatory democratic governance at the institution;
- (k) Promote the spirit of cohesion, integration, peace, tolerance, inclusion, elimination of hate speech, and elimination of tribalism at the institution;
- (l) Encourage the learners, teachers and non-teaching staff and other, parents and the community, and other stakeholders to render voluntary services to the institution;
- (m) 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 determine including the charging of a fee;
- (n) Administer and manage the resources of the institution;
- (o) Receive, collect and account for any funds accruing to the institution;
- (p) Recruit, employ and remunerate such number of non-teaching staff as may be required by the institution in accordance with this Act; and
- (q) Perform any other function to facilitate the implementation of its functions under this Act or any other written law.

The Board provides for formation of committees of the Board as follows;

- (a) finance, procurement and general purposes committee;
- (b) Academic standards, quality and environment committee;
- (c) Discipline, ethics and integrity committee;
- (d) Audit committee; and
- (e) Human rights and student welfare committee

Boards of Management once nominated, are sworn in by the County Director of Education.

The Board of Management members do not draw any salaries, but are reimbursed fare and lunches whenever they attend Board Meetings at a rate discussed and agreed by members and approved by the county Director of Education, subject to availability of funds.

A member of the Board can be removed from office if the member resigns and communicates the decision in writing, or fails to attend Three consecutive Board meetings without apology. The Board secretary is then required to notify the nominating entity of the situation with a view of finding a suitable replacement.

In all full Board Meetings and meetings of committees of the Board, a conflict of interest register is kept and signed by members after the Agenda of the day has been adopted.

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

On a needs basis, sometimes the Board invites an expert to give professional advice regarding a matter before the Board or a committee of the Board. In such a case, the Board decides on the remuneration of such a person. The Board of management comes up with the citizens service charter for the institution and reviews it from time to time.

The performance of Board of Management is closely monitored by the County director of education, who can recommend to the cabinet secretary of Education to dissolve a Board of Management at any time during the tenure of the Board.

Whenever a Board or committee of the board meets, the members are reimbursed fare of Ksh. 5000. This was passed by the full Board during the inauguration meeting.

VIII. Management Discussion and Analysis

In the FY 202/2023, the college received revenue as follows

SN	Source of Income	Amounts in Ksh.
1.	FEES FROM STUDENTS	23,442,900.00
2.	HOUSE RENT	1,208,500.00
3.	MINISTRY GRANTS P.E	12,711,121.00
4.	FARM	966,650.00
5.	DEBTORS	3,285,232.00
	TOTAL	41,614,403.00

During the financial year, there were also sundry Debtors amounting to Ksh. **3,285,232.00** during the financial year, the college was able to run its programs well to meet its core mandate responsibilities. The college managed to fund its operations as per the vote heads provided for in the MoE fee structure for the upgrade students.

The college managed to pay all the affiliation fee for sports and students were able to participate in sports without any problem.

The College also managed to remit all statutory deductions to the respective Government bodies – PAYE, NSSF, NHIF and also to third party payees like the SACCOs in respect to each Non – teaching staff employees

The College management notes that although the Government provided Grants for payment of salaries and also gave provision in the fee structure for Personal emoluments, the monies were not adequate to cover salaries for the entire Financial year. The actual expenditure as compared to the budgeted amounts for 2021/2022 is contained in the detailed financial analysis.

The fee paid by students as per the fee structure was not collected 100% because some students came from extremely poor families. Some students were paying fee for themselves and at the same time, paying fee for their children in school as well. This is because some of the students who joined the college for upgrade completed P1 course as far back as the year 2013. This posed a challenge because in the absence of 100% fee payment, some College commitments, like paying all suppliers could not be met, leading to Pending bills.

Due to rise in the prices of Fuel, the LT&T vote head was greatly affected. This also affected the prices of other procured goods, which lead to request for variations from a number of suppliers.

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

The college Still continues to manage the construction of phase II of Moiben Science Teachers College.

The college management is committed to collecting 100% fee subsidy from students and spending the money prudently and in strict adherence to the vote heads provided by MoE through the fee structure. We are grateful to the many Constituencies, which assisted our students pay fee through CDF.

IX. Environmental and Sustainability Reporting

Tambach Teachers Training College exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, which is founded on five pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

i. Sustainability strategy and profile

Tambach Teachers Training College is a Government facility funded fully by the Government through Student fee and MOE grants. The college is sustained fully by the Government. The College management strives to make prudent use of the available resources to maintain and improve the existing college facilities.

ii. Environmental performance

Tambach Teachers Training College is situated in the Keiyo Escapement of Elgeyo Marakwet County. The college has a constant and sufficient water supply with the source at the foot of the escarpment and flow through gravity to the college. The availability of enough clean water has ensured high standards of cleanliness in the college. The college has an elaborate sewage system and 99% of the toilets within the college are flush toilets.

The college has a working incinerator for burning of solid waste.

The college periodically invites the National Environment Management Authority (NEMA) to come, Audit our environmental situation, and give recommendations that are then acted upon.

iii. Employee welfare

Tambach Teachers college non – teaching staff Employees are hired and paid by the Board of Management and deployed to suitable workstations within the college. The remunerations of the employees is in strict adherence of the SRC recommendations on salaries and allowances. Where casuals are employed, the Board adheres to the existing labour laws and pays the recommended minimum wages.

All statutory deductions payable by an employee (i.e PAYE, NSSF, NHIF, HELB and SACCO CONTRIBUTIONS) are duly deducted and remitted every month. The members of the Non – Teaching staff operate under scheme of service recommended by the ministry of education for that cadre of staff.

Progression from one job group to a higher one is effected upon recommendation of the BOM.

The NTS have a fully functional welfare organization which the BOM encourages and supports.

This ensures that employee issues have a channel of reaching management, through the leadership of the staff welfare.

Most of the college employees (Teachers and NTS) are housed in college houses at a very low nominal rent. The Board aims at motivating all the college employees through this gesture. College Employees are also supplied with adequate working equipment, uniforms and tools. The College lecturers are employed and paid by the TSC. The College provides houses for most of the staff at a nominal rent which is a motivation to staff. Staff with disabilities are well catered for in terms of allocation of lecture rooms and also in appointments to administrative positions.

iv. Market place practices

Tambach teachers college operates under its citizen's service charter and signs performance Contract with MOE to ensure that best practices are in place in the college.

The College also maintains strict adherence to PPRA guidelines in its procurement procedures.

5. Corporate Social Responsibility /Community Engagements

In the spirit of corporate social responsibility, the college has allowed unlimited access of the college field to Kenya top Athletes who come to Train at the facility.

The college has always maintains a cordial relationship with the neighboring community and especially with the Prisons department which has partnered with the College to improve the college farm through provision of Labour.

The college water source is managed by the community and there has always been harmonious relations with the community where Tambach TTC water source is located.

Tambach Teachers College collaborates with the schools around the college, both primary and secondary, mainly in donating the sports ground and facilities. Most of the sub county and county sports events are held at the college field at no cost at all.

The College also hosted the regional and national Prisons service athletics competition and also the regional TIVET athletics championships.

The college also avails the theater hall has also been availed upon request to various stakeholders for meeting and trainings.

X. Report of the Board of Management

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

Principal activities

The principal activities of Tambach Teachers College continue to be Training of Diploma Teachers to teach in Primary schools and ECDE centers in Kenya.

Results

The results of Tambach Teachers College for the year ended June 30 are set out on page

BOARD OF MANAGEMENT

The members of the Board of Management who served during the year are shown on page vi. During the year 2021, no Board Member resigned.

Auditors

The Auditor General is responsible for the statutory audit of Tambach Teachers Training College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 . Tambach Teachers Training College has been audited for the year/period ended June 30, 2021 in accordance to section 23 of the Public Audit Act, 2015.

By Order of the Board



JANE K. TALLAM
Secretary of the Board
Date: 30 January 2024

XI. Statement of Board of Governors/ Council's Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (*section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013*) - require the Board members to prepare financial statements in respect of Tambach Teachers College, which give a true and fair view of the state of affairs of the college at the end of the financial year/period 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 Tambach Teachers 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 Tambach teachers 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 (period) 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 Tambach Teachers Training 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 Tambach teachers 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 Tambach Teachers 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 (*the State Corporations Act, and the TVET Act*). The Board members are of the opinion that the Tambach Teachers College financial statements give a true and fair view of the state of college transactions during the financial year ended June 30, 2021, and of Tambach Teachers College financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Tambach Teachers College, which have been relied upon in the preparation of Tambach Teachers College financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

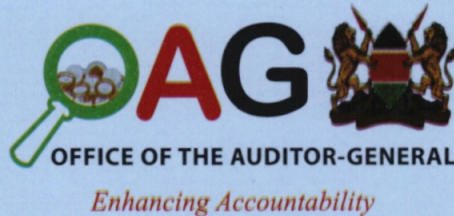
The Tambach Teachers College financial statements were approved by the Board on 11 July 2023 and signed on its behalf by

Prof John Chang'ach
Chairperson of the Board/Council

Jane Tallam
Accounting Officer/Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON TAMBACH TEACHERS TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Tambach Teachers Training College set out on pages 1 to 28, which comprise of the statement of financial position as at 30 June, 2023 and of 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

Report of the Auditor-General on Tambach Teachers Training College for the year ended 30 June, 2023

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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Tambach Teachers Training College as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Public Finance Management Act, 2012 and the Basic Education Act No.14 of 2013.

Basis for Adverse Opinion

1. Presentation, Accuracy and Disclosure of Financial Statements

Review of the financial statements revealed the following non-compliance issues:

- i. The header in the financial statements read "Tambach Teacher Training College" instead of "Tambach Teachers Training College". In addition, the table of contents and the statement of financial performance do not have headers.
- ii. The amounts and balances in the financial statements have been rounded off to the nearest cents instead of Kenya Shillings.
- iii. Significant accounting policies have not been disclosed.
- iv. Financial risks, related party transactions and balances and information on project implemented by the College for Moiben Science Teachers Training College were not disclosed.
- v. Note 20 to the financial statements has not been presented as required by the financial reporting template issued by the Public Sector Accounting Standards Board.
- vi. The statement of changes in net assets was not prepared in accordance with the approved template.

In the circumstances, the presentation of the financial statements was not in accordance with the financial reporting template issued by the Public Sector Accounting Standards Board and International Public Sector Accounting Standards (IPSAS).

2. Variance Between Financial Statements and Notes to the Financial Statements

The statement of financial performance reflects use of goods and services amount of Kshs.21,789,231 while Note 11 to the financial statements discloses an amount of Kshs.18,658,348 resulting to an unexplained variance of Kshs.3,130,883. In addition, the statement of financial position reflects employee benefit obligation balance of Kshs.23,577,962 while Note 20 to the financial statements discloses a balance of Kshs.14,382,060 leading to another unexplained variance of Kshs.9,195,902.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.21,789,231 and employee benefits obligation balance of Kshs.23,577,962 could not be confirmed.

3. Unsupported Cash Book Balance

The statement of financial position and Note 15 to the financial statements reflects cash and cash equivalents balance of Kshs.7,938,043. Review of documents provided for audit indicated that the College has an account at a local bank with a bank balance of Kshs.128,741 as per bank statements and certificate of bank balance provided. However, the cash book for the bank account was not provided for audit verification. Further, review of the bank reconciliation statements for the bank accounts for the month of June, 2023 revealed receipts in bank statement not in cash book amounting to Kshs.5,828,481. It was not however clear why the depositors have not been traced and the amounts receipted in the cash book.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.7,938,043 could not be confirmed.

4. Inaccuracies in Property, Plant and Equipment

The statement of financial position and Note 18 to the financial statements reflects property, plant and equipment balance of Kshs.627,448,990. However, the prior year depreciation charge and the accumulated depreciation balances and the comparative figures were not disclosed in the schedule of movement of property, plant and equipment. In addition, review of the valuation report for property, plant and equipment reveals that buildings balance of Kshs.504,530,940 includes work in progress valued at Kshs.11,190,000 which has been included under buildings. Further, included in the balance is land of approximately 185 hectares on which the College sits with an estimated value of Kshs.85,000,000. However, no document of title was provided for audit verification.

In the circumstances, the accuracy, completeness and ownership of the property, plant and equipment balance of Kshs.627,448,990 could not be confirmed.

5. Inaccuracies in the Statement of Financial Position

The statement of financial position reflects net assets balance of Kshs.607,814,055 and total net assets and liabilities balance of Kshs.625,897,985 resulting in an unexplained variance of Kshs.18,083,930. In addition, a recast of the net assets and liabilities results to Kshs.630,132,296 leading to another difference of Kshs.14,234,311 which has also not been explained.

In the circumstances, the accuracy of the statement of financial position could not be confirmed.

6. Inaccuracies in the Statement of Changes in Net Assets

The statement of changes in net assets reflects opening retained earnings and capital grants/fund balances of Kshs.1,712,306 and Kshs.628,419,990 respectively. However, the prior year audited financial statements reflects nil retained earnings and capital grants/fund balances leading to variances of Kshs.1,712,306 and Kshs.628,419,990 respectively which have not been explained or reconciled. Further, it was noted that the statement of changes in net assets did not reflect balances for 2021/2022 financial year.

In the circumstances, the accuracy of the statement of changes in net assets could not be confirmed.

7. Inaccuracies in the Statement of Cash Flows

The statement of cash flows reflects cash and cash equivalents balance of Kshs.7,938,043. However, a recast of the statement results to cash and cash equivalents balance of Kshs.6,156,133, resulting in an unexplained variance of Kshs.1,781,910.

In the circumstances, the accuracy of the statement of cash flows could not be confirmed.

8. Unapproved Borrowings

As reported previously, the statement of financial position reflects current portion of borrowings balance of Kshs.15,499,125. Review of records revealed that the Board Executive Committee meeting on 17 December, 2019 resolved that Kshs.12,000,000 (twelve million shillings) be transferred from Moiben Diploma Teachers College account and later additional of Kshs.4,000,000 to Tambach College account to pay for KNEC fees and salaries/allowances. However, there was no report of how the College was going to repay the money. According to the financial records the funds were transferred on 18 December, 2018 and there was no repayment made during the year under review. In addition, there was no approval by the Ministry of Education for the withdrawal of the funds from Moiben Diploma College.

In the circumstances, the accuracy of current portion of borrowings balance of Kshs.15,499,125 could not be confirmed.

9. Unsupported Capital Fund Balance

As reported previously, the statement of financial position reflects Kshs.628,419,990 as capital fund balance. However, supporting documents for the capital fund balance were not provided for audit.

In the circumstances, the accuracy and completeness of the capital fund balance of Kshs.628,419,990 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.43,579,010 and Kshs.38,082,951 respectively resulting to an under-funding of Kshs 5,496,059 or 13% of the budget. Similarly, the College expended Kshs.38,733,105 against an approved budget of Kshs.43,579,010 resulting to an under-expenditure of Kshs.4,845,905 or 11% of the budget. Further, the

statement of comparison of budget and actual amount omitted employee costs, the amount for use of goods and services was inaccurate, the amount for repairs and maintenance was also not correct and the utilization difference percentage (%) columns were not accurate.

The underfunding and underperformance 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, a number of paragraphs were raised. However, Management has not resolved and disclosed all the prior year matters as provided by the Public Sector Accounting Standards Board templates. Management has not provided satisfactory explanation for the delay in resolving the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with One-Third of Basic Salary Rule

Review of the payroll records for the period 2022/2023, revealed that sixteen (16) employees earned less than a third (1/3) of their basic salaries. This was contrary to Section 19(3) of the Employment Act, 2007 which requires that deductions made by an employer from the wages of his employee at any one time shall not exceed two thirds of such wages.

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

2. Non-Compliance with Law on Ethnic Composition

During the year under review, the total number of employees of the College was eighty-eight (88) out of which seventy-two (72) or 82 % of the total number were members of the

dominant ethnic community in the county. Further, out of the twelve (12) Board Members, who served for the year under review, nine (9) were from the dominant ethnic community which translate to 75% of the total number of Board Members. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community".

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

3. Delay in Completion of the Project

As previously reported, the tender for construction of the classroom block was advertised in the Daily Nation of 19 December, 2018 for the construction of six (6) lecture rooms at Tambach Teachers Training College. According to the Directorate of Public Works, the project was estimated to cost Kshs.10,798,614. Four (4) firms sent their bids and after evaluation, one of the local contractors won the bid at a contract price of Kshs.9,817,800. The contractor moved to the site on 1 March, 2019 and had estimated the contract period to be twelve (12) weeks with an expected completion date of 1 July, 2019. According to the Principal's report on the project on 1 March, 2019, provisions for mechanical plumbing works were not captured in the bills of quantities. However, as at the time of audit, five (5) certificates had been paid for a total amount of Kshs.9,357,800 representing 95.3% of the contract price.

Physical verification of the project in January, 2024 revealed that the project had not been completed and the contractor was not on site. In addition, the classrooms block had been roofed, fitted with grilled doors and windows without glasses and had ceiling boards. Further, the painting, plumbing, electrical works and other finishes had not been done and the classes had not been handed over to the College. Thus, the project has stalled and is behind schedule by over three (3) years.

In the circumstances, value for money on expenditure of Kshs.9,357,800 on the project could not be confirmed.

4. Lack of Fixed Assets Register and a Disposal Plan

The College did not maintain a fixed asset register during the year under audit. This was contrary to the requirements of Regulation 143 (1) of Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

Further, the College had a total of eight (8) grounded motor vehicles, some of which have not been in use for over fifteen (15) years. However, the College Management did not provide a disposal plan for the motor vehicles contrary to Section 53(11) of Public Procurement and Asset Disposal Act, 2015 which states that all asset disposals shall be planned by the accounting officer concerned through annual asset disposal plan in a format set out in the regulations.

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

5. Unbalanced Budget

The statement of comparison of budget and actual amounts reflects total final revenue and expenditure budgets of Kshs.43,579,010 and Kshs.23,905,913 respectively resulting in budget imbalance of Kshs.19,673,097. This was contrary to Regulation 33 (c) of the Public Finance Management (National Government) Regulations, 2015 which states that during budget formulation and approval the budget shall be balanced.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Credit Policy and Aging Analysis

Review of records revealed that the College did not have the creditors policy which is required to guide on how creditors should be dealt with.

In the circumstances, existence of effective internal controls on management of creditors could not be confirmed.

2. Lack of a Risk Management Policy

The College Management had not put in place risk management policy, strategies, and risk register to mitigate against risk. It was, therefore, not clear how the management manages risk exposures. This is in contravention of Section 165 of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism and system of risk management and internal controls that builds robust business operations.

In the circumstances, existence of an effective risk management measures could not be confirmed.

3. Lack of Internal Audit and a Functional Audit Committee

The College has not established an Internal Audit function and a functional Audit Committee of the Board. This was contrary to Section 155 of the Public Finance Management Act, 2012 which provides for the establishment of the internal audit function and an Audit Committee of the Board. As such the College did not benefit from the assurance and advisory services from the internal audit function as well as oversight from the Audit Committee.

In the circumstances, the effectiveness of internal controls and governance could not be confirmed.

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

Responsibilities of Management and the Board of Management

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

25 March, 2024

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

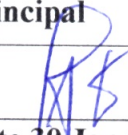
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

1. Statement of Financial Performance For The Year Ended 30 June 2023

	Notes	Current 2022-2023 Kshs	Comparative 2021-2022 Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	12,711,121.75	16,972,971.00
		12,711,121.75	16,972,971.00
Revenue from Exchange transactions			
Rendering of services- fees from students	7	23,255,968.00	66,647,636.65
Sale of goods	8	966,649.00	967,864.00
Rental revenue from facilities and equipment	9	1,208,500.00	1,249,802.00
Other income	10	2,303,673.00	1,276,465.00
Revenue from Exchange transactions		27,734,790.00	70,141,767.60
Total Revenue		40,445,911.75	87,114,738.60
Expenses			
Use of goods and services	11	21,789,230.50	64,506,782.70
Employee costs	12	14,382,560.00	16,565,700.00
Board /Council Expenses	13	651,000.00	
Repairs and maintenance	14	1,910,815.00	2,281,893.80
Total Expenses		38,733,605.50	83,354,376.65
Total Other Gains/(Losses)		1,712,306.30	3,760,362.00
Net surplus/(deficit) for the year			

JOHN K. CHANGACH	CPA NGETICH ROBERT	JANE K. TALLAM
Chairman of Board	Finance Officer	Principal
	ICPAK No 31691 	
Date 30 Jan 2024	Date 30 Jan 2024	Date 30 Jan 2024

Tambach Teachers Training College
Annual Report and Financial Statements for The Year Ended 30th June 2023

2. **Statement of Financial Position As At 30th June 2023**

Description	Notes	Current FY2022-2023	Comparative FY2021-2022
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	15	7,938,043.70.00	3,115,881.00
Current portion of receivables from exchange transactions	16	2,911,882.00	6,270,894.30
Receivables from non-exchange transactions			8,932,042.00
Inventories	17	2,941,267.00	4,817,818.00
Total Current Assets		13,791,192.70	23,136,635.30
Property, plant, and equipment	18	627,448,990.00	581,749,200.00
Biological Assets	19	971,000.00	
Total Non-Current Assets		628,419,990.00	581,749,200
Total Assets		642,211,182.70	604,885,835.43
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	23	12,055,824.25.	27,295,993.75
Employee benefit obligation	20	23,577,962.00	16,252,070.00
Current portion of borrowings	21	15,499,125.00	15,499,125.00
Total Liabilities		51,132,911.25	59,946,063.75
Net Assets		607,814,054.70	545,239,771.68
Accumulated Surplus		1,712,306.30	3,760,362.15
Capital Fund		628,419,990.00	581,749,200.00
Total Net Assets and Liabilities		625,897,985.00	684,860,885.80

The Financial Statements set out on pages 1 to 19 were signed by:

JOHN K. CHANGACH.	CPA NGETICH ROBERT	JANE K. TALLAM
Chairman of Council/Board	Finance Officer	Principal
	ICPAK No 31691	
Date 30 Jan 2024	Date 30 Jan 2024	Date 30 Jan 2024

3. Statement of Changes in Net Asset For The Year Ended 30 June 2023

Description	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital Grants/Fund	Total
At July 1, 2022	0		1,712,306.30	628,419,990.00	630,132,296.30
Revaluation gain	0	-		-	
Surplus/(deficit) for the year	-			-	
Capital grants received during the year	-	-			
Transfer of depreciation/amortisation from capital fund to Retained earnings	-				-
At June 30, 2023			1,712,306.30	628,419,990.00	630,132,296.30
At July 1, 2023			1,712,306.30	628,419,990.00	630,132,296.30

4. Statement of Cash Flows For The Year Ended 30 June 2023

Description		Current FY2022-2023	Comparative FY2021-2022
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		12,711,121.75	16,972,971.00
Rendering of services- fees from students		21,807,516.00	66,647,636.65
Sale of goods		966,649.00	967,864.00
Rental revenue from facilities and equipment		1,208,500.00	1,249,802.00
Other income		2,303,673.00	1,276,465.00
Total Receipts		38,997,459.75	70,141,767.65
Payments			
Use of goods and services		18,658,347.50	64,506,782.70
Employee costs		14,382,060.00	16,565,700.00
Board /Council Expenses		651,000.00	
Repairs and maintenance		1,910,815.00	2,281,893.80
Total Payments		35,602,222.50	83,354,376.50
Net Cash Flows from operating activities	46		
Cash flows from investing activities			
Repayment Of Borrowings			(898,375.00)
Cash and Cash equivalents at 1 JULY 2022	26	2,760,896.00	1,198,424.85
Cash and Cash equivalents at 30 JUNE 2023	26	7,938,043.00	2,760,896.00

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

5. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2023

Description	Original budget	Adjustment s	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other National Government entities	19,100,010.00		19,100,010.00	12,711,121.75	(6,388,888.25)	100%
Grants from donors and development partners	0					
Rendering of services- fees from students	21,679,000.00		21,679,000.00	23,495,780.00	1,816,780.00	100%
Sale of goods	1,450,000.00		1,450,000.00	966,649.00	(483,351.00)	100%
Rental revenue from facilities and equipment	1,350,000.00		1,350,000.00	909,400.00	(483,351.00)	100%
Total Income	43,579,010.00		43,579,010.00	38,082,950.75		
Expenses						
Use of goods and services	21,679,000.00		21,679,000.00	21,807,516.00	128,516.00	100%
Employee costs						
Board /Council Expenses				651,000.00		100%
Repairs and maintenance	2,226,913.00		2,226,913.00	1,767,235.00	459,678.00	100%
Use of goods and services						
Total Expenditure	23,905,913.00		23,905,913.00	24,225,751.00	-4,950,616.25	
Surplus For the Period			-2,226,913.00	-2,418,235.00		

6. Notes to the Financial Statements

1. General Information

Tambach Teachers College is established by the Ministry of Education and derives its authority and accountability from Education Act. Tambach Teachers Training College is wholly owned by the Government of Kenya and is domiciled in Kenya. Tambach Teachers Training College's principal activity is to train Diploma in Primary Teacher education and Diploma in Early Childhood Teacher Education Teachers.

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 Tambach Teachers Training College accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 1-4. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Tambach Teachers Training College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. **Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.**

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by Tambach Teachers Training College. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on Tambach Teachers Training College's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

Standard	Effective date and impact:
	b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	Applicable 1st January 2023 • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

i. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 43	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 cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
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.

ii. Early adoption of standards

Tambach Teachers Training College did not early-adopt any new or amended standards in year 2023. Tambach Teachers Training College adopted standard 43 and 44. The impact of these standards on Tambach Teachers Training College financial statements is to recognise, measure and present information on right of use assets.

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 Tambach Teachers Training College 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

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

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 Tambach Teachers Training College.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2022/2023 was approved by the Council or Board on 8/11/2022 . 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 Tambach Teachers Training College upon receiving the respective approvals to conclude the final budget. Accordingly, Tambach Teachers Training College recorded additional appropriations of none on the FY 2022/2023 budget following the Council/ Board's approval. Tambach Teachers Training College'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 *xxx* of these financial statements.

c) Taxes

Current income tax

Tambach Teachers Training College is not exempt from paying taxes.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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. 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, Tambach Teachers Training College recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. 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 Tambach Teachers Training College. 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. Tambach Teachers Training College 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 Tambach Teachers Training College 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 Tambach Teachers Training College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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

Tambach Teachers Training College expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Tambach Teachers Training College 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. 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, Tambach Teachers Training College 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Financial assets

Classification

Tambach Teachers Training College 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 Tambach Teachers Training College'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, Tambach Teachers Training College 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 Tambach Teachers Training College 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

Tambach Teachers Training College 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. Tambach Teachers Training College 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 33*.

Financial liabilities

Classification

Tambach Teachers Training College 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 Tambach Teachers Training College.

k) Provisions

Provisions are recognized when Tambach Teachers Training College 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 Tambach Teachers Training College 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

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

Contingent assets

Tambach Teachers Training College 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 Tambach Teachers Training College 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. Tambach Teachers Training College 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 Tambach Teachers Training College will incur in fulfilling the present obligations represented by the liability.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

Tambach Teachers Training College does not create and maintain reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

Tambach Teachers Training College recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

o) Employee benefits

Retirement benefit plans

Tambach Teachers Training College 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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

s) Service concession arrangements

Tambach Teachers Training College 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, Tambach Teachers Training College 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, Tambach Teachers Training College 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for 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, 2023.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

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.

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

6. Transfers from other National Government entities

Description	2022-2023	Comparative 2021- 2022
	Kshs	Kshs
Unconditional Grants		
1 st Quarter grant	3,228,089.00	4,522,650.00
2 nd Quarter grant	3,200,386.75	5,477,095.00
3 rd Quarter grant	2,819,212.00	3,492,211.00
4 th Quarter grant	3,463,434.00	3,494,015.00
Total unconditional Grants	12,711,121.75	16,972,971.00
Total Government Grants and Subsidies	12,711,121.75	16,972,971.00

7. Rendering of Services

Description	Current 2022-2023	Comparative 2021- 2022
	Kshs	Kshs
Personal Emolument	2,310,160.00	5,238,966.65
Boarding Equipment Store	8,040,000.00	17,089,926.00
Teaching Equipment and Stores	536,000.00	4,075,610.00
Local Travelling and Transport	1,072,000.00	5,364,979.00
Medical	268,000.00	571,790.00
Activity	536,000.00	2,474,750.00
Repair Maintaince and Improvement	804,000.00	3,093,543.00
Gratuity		711,108.00
Contingencies	670,000.00	1,649,638.00
Teaching Practice	670,000.00	1,931,889.00
Electricity Water and Contingencies	1,060,208.00	2,656,714.00
Students Council	160,800.00	408,395.00
Registration		205,097.00
Computer Studies	1,072,000.00	3,038,935.00
Track suit		1,768,350.00
Covid 19 response		1,598,900.00
Club and envi subsidy	160,800.00	760,000.00
Students ID	80,400.00	234,300.00
Banks charges		195,250.00
Students guide book		221,200.00
Examination	4,207,700.00	12,111,652.00
Vehicle Repair and Maintenances	1,608,000.00	
Total Revenue from The Rendering of Services	23,255,968.00	66,647,636.65

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

8. Sale of Goods

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Farm	585,881.50	766,844.00
Dairy	268,267.50	158,520.00
Piggery	112,500.00	42,500.00
Total Revenue from Sale of Goods	966,649.00	967,864.00

9. Rental revenue from facilities and equipment

	Current fy 2022-2023	Comparative FY2021-2022
	Kshs	Kshs
House Rent	1,208,500.00	1,249,802.00
Total	1,208,500.00	1,249,802.00

10. Other Income

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Seminar	2,300,673.00	897,170.00
Photocopy	3,000.00	10,650.00
Ecde		12,645.00
Ktcpa		356,000.00
Total finance income	2,303,673.00	1,276,465.00

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

11. Use of Goods and Services

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Personal Equipment Subsidy		18,347,940.00
Boarding Equipment and Stores	6,115,248.50	15,538,370.00
Local Travelling and Stores	3,306,271.00	1,415,154.00
Medical	177,970.00	5,794,760.00
Activity	1,793,730.00	733,460.00
Repairs Maintenances and Improvement		1,891,234.00
Gratuity		784,755.10
Contingencies		2,223,600.600
Teaching Practice	569,100.00	1,500.00
Electricity Water and Conservancy	1,258,511.00	1,602,612.00
Student Council	55,800.00	389,472.00
Registration		216,125.00
Track Suit	335,000.00	1,139,750.00
Covid 19 Response		145,500.00
TP lesson plan books	6,000.00	
Club Environmental Subsidy	141,839.00	56,500.00
Library Books	18,574.00	
Banks charges		206,500.00
Student ID.	35,000.00	
Examination	2,319,380.00	12,065,600.00
Administration	2,001,654.00	
Tuition	518,270.00	
Bank charges	6,930.00	
Total good and services	18,658,347.50	64,506,782.70

12 Employee Costs

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Basic Salary	9,386,560.00	9,576,120.00
Employers nssf	405,540.00	224,640.00
Medical	291,360.00	347,580.00
Housing benefits and allowances	1,935,500.00	2,175,360.00
Hardship allowances	2,363,600.00	2,720,400.00
Employee Costs	14,382,560.00	16,565,700.00

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

13 Board/Council Expenses

Description	Current 2022-2023 FY	Comparative FY 2021-2022
	Kshs	Kshs
Board Expenses	651,000.00	
Total	651,000.00	

14 Repairs and Maintenance

Description	Current FY 2022-2023	Comparative FY 2021-2022
	Kshs	Kshs
House rent	143,580.00	1,067,122.00
Vehicles repairs and maintances	713,473.00	688,321.00
Furniture and fittings	547,250.00	526,450.00
Computer and accessories	506,512.00	526,450.00
Total Repairs and Maintenance	1,910,815.00	2,281,893.80

15 Cash and Cash Equivalents

Description	Current FY 2022-2023	Comparative FY 2021-2022
	Kshs	Kshs
Current Account		
Main Account 1103231367	6,484,646.61	2,213,281.00
Fund Account 1103231596	1,185,118.85	201,633.00
In-Service Account 1103231685	84,613.11	345,982.00
Equity Account 153027171076	128,741.63	128,741.63
Access Bank 0180100000248	54,923.50	226,243.50
Total Cash and Cash Equivalents	7,938,043.70	3,115,881.13

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

Receivables from Exchange transactions

16. Current Receivables from Exchange transactions

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Current Receivables		
Student Debtors	2,911,882.00	6,270,894.30
Total Current Receivables	2,911,882.00	6,270,894.30

17. Inventories

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Consumable stores	1,019,022.00	1,546,786.00
Cleaning materials	86,295.00	71,301.00
Catering stores	1,835,950.00	3,199,731.00
Total Inventories at lower of Cost and Net Realizable Value	2,941,267.00	4,817,818.00

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

18. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2022 (previous year)	85,000.00	531,085.20	19,065,000.00	30,000,000.00	1,599,000.00			581,749,200.00
Additions	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0	0	0	0
At 30 th June 2022 (previous FY)	85,000.00	531,085.20	19,065,000.00	30,000,000.00	1,599,000.00			581,749,200.00
Additions								
Disposals								
Transfer/Adjustments								
At 30 th June 2023 (current year)	85,000.00	531,085.20	19,065,000.00	30,000,000.00	1,599,000.00			581,749,200.00
Depreciation And Impairment								
At 1 Jun 2022 (previous year)								
Depreciation								
Disposals								
Impairment								
At 30 Jun 2022 (previous year)								
Depreciation	-	26,554,260.00	4,766,250.00	7,500,000.00	479,700.00			39,300,210.00
Disposals								
Impairment								
Transfer/Adjustment								
At 30 th Jun 2023 (current year)	85,000.00	504,530.94	14,298,750.00	22,500,000.00	1,119,300.00			627,448,990.00
Net Book Values								
At 30 th Jun 2023 (previous year)	85,000.00	504,530.94	14,298,750.00	22,500,000.00	1,119,300.00			627,448,990.00
At 30 th Jun 2023 (current year)	85,000.00	504,530.94	14,298,750.00	22,500,000.00	1,119,300.00			627,448,990.00

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

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	85,000,000.00		85,000,000.00
Buildings D.R5%	531,085,200.00	26,554,260.00	504,530,940.00
Plant And Machinery D.R 25%			
Motor Vehicles including Motorcycles D.R 25%	19,065,000.00	4,766,250.00	14,298,750.00
Computers and Related Equipment D.R 30%	1,599,000.00	479,700.00	1,119,300.00
Office Equipment, Furniture, And Fittings D.R25%	30,000,000.00	7,500,000.00	22,500,000
Total	666,749,200.00	39,318,210.00	627,448,990.00

19. Biological Assets

	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Cattle	420,000.00	
Piggery	101,000.00	
Trees	450,000.00	
Total	971,000.00	

20. Employee Costs

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Basic Salary	9,386,560.00	9,576,120.00
Employers nssf	405,540.00	224,640.00
Medical	291,360.00	347,580.00
Housing benefits and allowances	1,935,000.00	2,175,360.00
Hardship allowances	2,363,600.00	2,720,400.00
Employee Costs	14,382,060.00	16,565,700.00

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

21. Borrowings

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Balance at beginning of the year	15,499,625.00	15,499,625.00
Balance at end of the year	15,499,625.00	15,499,625.00

Breakdown of Long and Short-Term Borrowings

Description	Current FY2022-2023	Comparative FY2021-2022
	Kshs	Kshs
Short Term Borrowings(Current Portion)	15,499,625.00	15,499,625.00
Long Term Borrowings		
Total	15,499,625.00	15,499,625.00

23 Trade and Other Payables

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Trade payables	12,055,824.25	27,145,993.75
Total Trade and Other Payables	12,055,824.25	27,145,993.75

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

15 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.

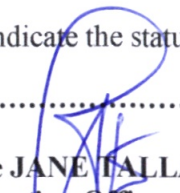
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Lack of credit policy and aging analysis.	The manage have put in place credit policy and aging analysis	Resolved	
2	Lack of risk management policy	The management have put in place management policy	Resolved	
3	Lack of an approved human resource policy manual career progression guidelines and staff establishment	The management have put in place human resource policy.	Resolved	
4	Lack of approved information communication technology (ICT) security policy	The management have put in place ICT policy	Resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

- (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 JANE TALLAM
Accounting Officer
CHIEF PRINCIPAL
Date 30/1/2024

Tambach Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2023

Appendix II: Projects Implemented by TAMBACH TEACHERS TRAINING COLLEGE

Projects

Projects implemented by the State Corporation/ SAGA 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)
1MOIBEN DIPLOMA SCIENCE TEACHERS TRAINING COLLEGE	MSTTC/TTTC/008/2021-2022 MSTTC/TTTC/006/2021-2022 MSTTC/TTC/007/2021-2022	GOK	72WKS	N/A	NO	NO
2						

Status of Projects 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	MOIBEN DIPLOMA SCIENCE TEACHERS TRAINING COLLEGE	108M	60M	80%	108M	108M	GOK

