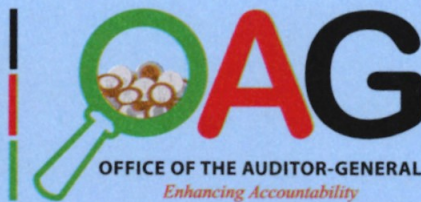
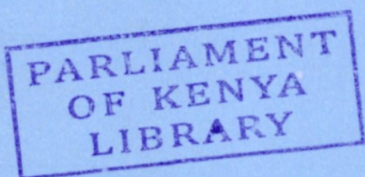


REPUBLIC OF KENYA



REPORT




OF

THE AUDITOR-GENERAL

ON

GALANA TEACHERS
TRAINING COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	07 APR 2026 DAY.
TABLED BY:	Horr Samuel <i>dep kengere</i>
CLERK-AT THE-TABLE:	A. Shitika



OFFICE OF THE AUDITOR GENERAL
P. O. Box 81543, MOMBASA
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GALANA TEACHERS TRAINING COLLEGE

AMENDED
ANNUAL REPORT AND FINANCIAL STATEMENTS DRAFT

FOR THE YEAR ENDED
30TH JUNE 2025

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



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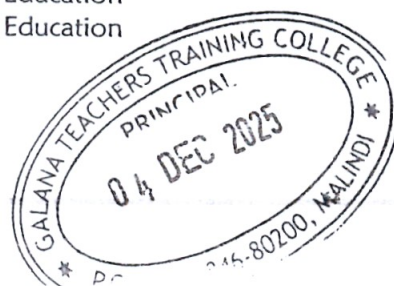
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Galana Teachers Training College
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1. Acronyms and Definition of Key Terms

A. Acronyms

BoM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
CPA(K)	Certified Public Accountant (Kenya)
CPA	Certified Public Accountant
KNEC	Kenya National Examinations Council
NASCOP	National Aids and STI Control Program
KUCCPS	Kenya Universities and Colleges Central Placement Service
NG-CDF	National Government Constituency Development Fund
FY	Financial Year
NSSF	National Social Security Fund
NHIF	National Health Insurance Fund
SHA	Social Health Authority
NITA	National Industrial Training Authority
PAYE	Pay As You Earn
ICT	Information and Communication Technology
PhD	Doctor of Philosophy
HIV	Human Immunodeficiency Virus
AIDS	Acquired Immunodeficiency Syndrome
MoE	Ministry of Education
GoK	Government of Kenya
VCT	Voluntary Counseling and Testing
ARVs	Antiretroviral drugs
PMTCT	Prevention of Mother-to-Child Transmission
PVE	Prevention of Violent Extremism
CVE	Countering Violent Extremism
CBC	Competency-Based Curriculum
CEO	Chief Executive Officer
KPEEL	Kenya Primary Education Equity in Learning
DLP	Digital Literacy Program/Digital Learning Platform
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTC	Teacher Training College
GTTC	Galana Teachers Training College
D.O.C	Dean of Curriculum
D.O.S	Dean of Students
GGI	Green Galana Initiative
Kshs.	Kenya Shillings
PFMA	Public Finance Management Act
PPRA	Public Procurement Regulatory Authority
DPTE	Diploma in Primary Teacher Education
DTE	Diploma in Teacher Education
&	And
ICS	Institute of Certified Secretaries
UDPTE	Diploma in Teacher Education-Upgrade
DECTE	Diploma in Early Childhood Teacher Education
UDECTE	Diploma in Early Childhood Teacher Education
B/Fwd.	Balance Brought Forward



B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. KEY COLLEGE INFORMATION AND MANAGEMENT

(a) BACKGROUND INFORMATION

Galana Teachers Training College was established under the Basic Education Act, 2013; legal notice No. 14, laws of Kenya on 16 July 2018. It is governed by a Board of Management as required under section 55 (1) (f) of the Basic Education Act 2013.

Its Financial Matters are guided by the Public Finance Management Act, 2012, Regulations 2015

(b) PRINCIPAL ACTIVITIES

The College Principal Activities are derived from the Core Functions stipulated in the Basic Education Act 2013. The Principal Activity of Galana Teacher Training College is to Educate Diploma in Teacher Education (Pre-Primary and Primary)

VISION

A Centre for Globally Competitive Teacher Education and Training.

MISSION

To Provide Quality Teacher Education and Training, that produces Patriotic, Competent, Innovative and Self-directed Professionals.

CORE VLUES

Love
Respect
Integrity
Tolerance
Teamwork
Professionalism

MOTTO

Quality Education to unlock potential

SLOGAN

The Fear of God is the Beginning of Wisdom



KEY COLLEGE INFORMATION AND MANAGEMENT (Continued)

(c) KEY MANAGEMENT

Galana TTC day-to-day management is under the following key organs:

- Board of Management

The Cabinet Secretary, Ministry of Education appointed the BOM on July 08, 2022.

The BoM Members serve for a three (3) years term effective from July 08 2022 to July 7th 2025.

- Principal/Accounting officer

The College is headed by One (1) Principal and One (1) Deputy Principal both appointed by the Teachers Service Commission (TSC)

- College Senior Management Team

The Principal heads the College Senior Management Team, which comprises of the deputy principal, and members derived from various heads of departments.

- The Deans

The Deputy Principal heads the Galana TTC Deans, which comprises of the Dean of Curriculum and Dean of Students. Both the Dean of Curriculum and Dean of Students are on acting capacities

(d) Fiduciary Management

Galana TTC key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1	Principal	Janet M Kang'ombe Mwadiga
2	Deputy Principal	Abdikadir Musa Bare
3	Ag. Dean of Curriculum	Caroline Elazia Emile
4	Ag. Dean of Students	Julius Kalume Charo
5	Ag. ICT Officer	Mochama Bakora Samwel
6	Bursar	Gabriel Mwangome Mwagambo
7	Stores Clerk	Jimmy Kazungu Mwambire

KEY COLLEGE INFORMATION AND MANAGEMENT (CONTINUED)

(e) Fiduciary Oversight Arrangements

Parliamentary Committee Activities

The principal, Galana TTC is accountable to the National Assembly for the college's financial management. Article 226(4) of the Constitution of Kenya, 2010 states that the Auditor-General shall audit the accounts of all governments and State organs. Further, 229(4) states that within six months after the end of each financial year, the Auditor-General shall audit and report, in respect of that financial year, on — (a) the accounts of the national and county governments. Upon audit, the annual reports and financial statements are submitted to the National Assembly to ascertain whether the finances of the college were prudently managed.

Executive Board of management committee Activities

- Setting Strategic Directions
- Making Decisions on key matters
- Overseeing Daily Operations
- Resources Allocation to achieve organizational goals
- Monitoring and evaluating organization's performance against set objectives
- Stake holder management
- Financial management

Audit Committee Activities

- The Audit and Risk Committee is responsible for overseeing the financial reporting process, audit activities, and internal controls.
- The committee reviews financial statements, audits, and risk management policies to ensure compliance with relevant regulations and standards.
- It identifies and mitigates potential risks that could affect the college's operations and financial health.

Finance, Procurement and General-Purpose Committee Activities

- This committee monitors and reviews the college's financial planning, budgeting, and operational performance.
- It ensures that financial resources are allocated effectively and that operations align with the college's strategic goals.
- The committee also oversees procurement processes, ensuring transparency and adherence to procurement regulations.

Academic Committee Activities

- The Academic Committee is tasked with overseeing the quality and standards of education provided by the college.
- It reviews and approves curricula, academic policies, and programs to ensure they meet both national and international standards.
- The committee also monitors student performance, faculty qualifications, and the overall academic environment



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KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

(f) Headquarters	(g) Contacts
Galana Teachers Training College P. O. Box 5846-80200, Malindi, Kenya Kilifi County. Magarini Sub County. Magarini ward Bomani Location	Telephone: +254 769 976 849 E-mail: galanateacherscollege@gmail.com Website: www.gttc.ac.ke

(h) Bankers

GOK-MOE	OTHER COMMERCIAL BANKS		
Central Bank of Kenya Haile Selassie Avenue P.O. Box 60000 City Square 00200 Nairobi, Kenya	1. Equity Bank (K) Ltd Malindi Branch	2. KCB Bank (K) Ltd Malindi Branch	3. KCB Bank (K) Ltd Malindi 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
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3. MEMBERS OF THE BOARD OF MANAGEMENT

Prof. Abdullah Naji Said, PhD

Chairman



Prof. Abdullah Naji Said is the Chairman of the College Board of Management. He was appointed on 9 July 2019 and re-appointed on 8 July 2022. His term expires on Monday 7th July 2025. Professor Naji holds a PhD in Animal Nutrition (UON), B.V.Sc. (University of East Africa, Nairobi), Diploma in Animal Husbandry (Egerton College of Agriculture), Certificate on Performance Management (Manitoba Institute of Management, Canada) among other academic Certifications. He has researched and published on various aspects of nutrition and integrated animal production systems. Worked as a consultant and wrote consultancy reports on sustainable livestock development and production in Kenya and in sub – Saharan Africa. He was the founder member of the Board of Management of the Kenya Agricultural Research Institute (KARI), the Steering Committee of the sister Network and the Pasture Network for Eastern and Southern Africa. He has served at many Academic and Technical Committees including but not limited to; the International Livestock Centre for Africa (ILCA) now ILRI as the Head of Nutrition and Management Section, African Research Network for Agricultural By-products as the Coordinator, University of Nairobi as Chairman and Professor, Department of Animal Production. He also served as Member of the Egerton University Council; Chairman of the Board Directors, Tegemeo Institute for Agricultural Policy and Development, Egerton University; Vice Chairman, Coast Province Land Disputes Appeals Committee; Chairman Laikipia University Council; Chairman, Malindi Museum Society; Chairman, Malindi District Anti-Corruption Civilian Oversight Committee; Commissioner and Chairman, Wakf Commission, Kenya; Council member, Mombasa Polytechnic University College, Chairman, Maseno University Council.

Aileen Dzidza Munga

Vice Chairman



Aileen Dzidza Munga is a Member College Board of Management. She was appointed on 9th July 2019 and re-appointed on 8th July 2022. Her term expires on Monday 7th July 2025. Aileen is the Vice Chairperson of the Board of Management, a member of the Human Rights and Student Welfare committee and Finance, Procurement and General Purpose Committee. Aileen holds a Master of Applied Anthropology and Participatory Development (Gender and Development Option): Australian National University; Post Graduate Diploma in Public Administration: Australian National University; Bachelor of Arts Sociology: Kenyatta University. She served as Partnership Facilitator, Compassion International; Program Manager, World Vision Kenya, Marafa Area Development Programme; Program Management (assessment, design, implementation monitoring and evaluation of projects and program); HIV/AIDS Response Coordinator, World Vision Kenya, Kaloleni Area Development Programme; Community Development Motivator, World Vision Kenya, Kaloleni Area Development Programme.



3. MEMBERS OF THE BOARD OF MANAGEMENT



Benjamin Katana Kenga

Member

Benjamin Katana Kenga is a Member College Board of Management. He was appointed on 9th July 2019 and re-appointed on 8th July 2022. His term expires on Monday 7th July 2025. Kenga is a Member of the; Executive Board of Management, Finance, Procurement and General Purposes Committee, Academic Standards, Quality and Environment Committee and Discipline, Ethics and Integrity Committee. He holds a Bachelor of Education in Educational Management from SAN JUAN DE LA CRUZ University, and Diploma in Education Management - DALC. He worked as Curriculum Support Officer (CSO), Marafa Zone.



Maryselina Nyevu Kibamba.

Member.

Maryselina Nyevu Kibamba a Member College Board of Management. She was appointed on 9th July 2019 and re-appointed on 8th July 2022. Her term expires on Monday 7th July 2025. She is a Member of the; Discipline, Ethics and Integrity Committee, Academic Standards, Quality and Environment Committee and a member of the Audit Committee. She holds a Master of Education; Bachelor of Education Arts and Diploma in Early Childhood Development Education (ECDE); she went to Kenya School of Government for Strategic leadership development program; she works at Kilifi County as the County Staffing Officer in the Department of Education and ICT.



Fr. Ambrose Muli Kilonzo

Chairperson of Discipline, Ethics and Integrity Committee

Fr. Ambrose Muli Kilonzo is a Member College Board of Management. He was appointed on 9th July 2019 and re-appointed on 8th July 2022. His term expires on Monday 7th July 2025. He serves as Chairman of Discipline, Ethics and Integrity Committee; Academics Standards, Quality and Environmental Committee; Audit Committee. He holds a Bachelor of Sacred Theology, Pontifical Urbaniana University. He is the Priest In-charge of St. Paul Gongoni Parish.



CPA. George Mwambogo Tuva

Chairman Audit Committee

CPA. George Mwambogo Tuva is a member of the College Board of Management. He was appointed for his first term on Friday July 08, 2022. His term expires on Monday July 7th 2025. He serves the board as Chairman of the Audit Committee and Member; Discipline, Ethics and integrity Committee. He holds a Bachelor of Commerce, Kisii University, and Diploma in Purchasing and supplies from Kenya Institute of Management, Certificate in Senior Management and a Certificate in Advanced Financial Management, both from Kenya School of Government. He is pursuing a Master of Business Administration at Pwani University. He is a member. Tuva is a member of ICPAK, member number 24015. He worked as Graduate Clerk at Cooperative Bank of Kenya and currently the senior Accountant at Malindi Water and Sewerage Company Ltd and is the Chairman of the cost recovery task group which holds accounts water sector under the umbrella of water service providers Association-WASPA

3. MEMBERS OF THE BOARD OF MANAGEMENT



Dr. Mujahid Othman Bwana PhD

Chairman; Academic Standards, Quality and Environmental Committee

Dr. Mujahid Othman Bwana is a Member College Board of Management. He was appointed on 9 July 2019 and re-appointed on 8 July 2022. His term expires on Monday 7th July 2025. He serves the board as the Chairman of the Academic Standards, Quality and Environmental Committee, member of the Discipline, Ethics and Integrity Committee; and a member of Audit Committee. He holds a PhD in Early childhood education-McGraw University and Education studies and Development - San Juan de la Cruz University; a Master in Educational Administration and Planning- Usman Dan Fodiyo University, Sokoto, Nigeria. He is the PVE/CVE Consultant trainer, Educational consultant. He is the Director at Ummul Qura Educational centre -Research, Consult and directs on areas of education, peace building and Terrorism.



Maurice Muteti Kilonzi

Chairman; Finance; Procurement and General Purpose Committee

Maurice Muteti Kilonzi is a Member College Board of Management. He was appointed on 9 July 2019 and re-appointed on 8 July 2022. His term expires on Monday 7th July 2025. He serves the board as the Chairman, Finance, Procurement and General-Purpose Committee; and member, human Rights and Student Welfare Committee. He holds a Master of Law-University of Leicester-England; Higher Diploma in Law – Kenya School of Law; Bachelors of Law- University of Nairobi; Certificate of Certified Public Accountants- Strathmore School. He is a senior Advocate, practicing, consulting and conveyancing advocate of over 15 years work experience. He is Managing Partner Kilonzo & Aziz Co. Advocate Mombasa & Amp; Malindi.



Agnes Waithira Bakari

Chairman; Human Rights and Student Welfare Committee

Agnes Waithira Bakari is a member of the College Board of Management. She was appointed for the first term on Friday July 08, 2022. Her term expires on Monday July 7th 2025. She serves as the chair; Human Rights and Student Welfare Committee and member of the Audit Committee. She holds a Masters of Arts in Counselling Psychology, Bachelors of Arts in counseling psychology from KEMU, Higher Diploma in counseling psychology from Kenya Association of Professional Counselors, Certificate in ARV's and HIV Rational Management from MoH and NASCOP, Certificate in Counselor Support Supervision from Liverpool school of Tropical Medicine, Public Health Nursing course in MTC Embu. She works as Kenya Enrolled Nursing at MTC Murang'a, The Child Protection Centre, and Malindi, as a Child Psychological Counselor, worked with Nairobi University in a research, PMTCT Evaluation Project Study, worked at Malindi District Hospital in the Comprehensive Care Centre for HIV/AIDS as a Nurse, VCT Counselor, Counselor support supervisor and ARVs adherence Counselor before retirement.



3. MEMBERS OF THE BOARD OF MANAGEMENT



Joseph Iha Wanje
Member

Joseph Iha Wanje is a member of the Board of Management having been appointed for his first term on Friday July 08, 2022. He has Bachelor of Education (Accounting & Mathematics), from University of Nairobi. He is also a graduate of Advanced Management Program (AMP) from Strathmore Business School & IESE Business School, Barcelona Spain. Joseph is an astute and accomplished Executive Leader with Board and Stakeholder management experience across the East African countries of Kenya, Uganda and Tanzania at management and Chief Executive levels in the banking sector. He previously served as Managing Director & CEO for Bank of Africa Tanzania Ltd and Equity Bank (T) Limited respectively. Prior to that, he served as the General Manager, Credit in Equity Bank Uganda. He is currently an investor and Entrepreneur managing family businesses in the sectors of Real Estate, Hospitality, Transport & Logistics and Finance. He brings to the board wealth of knowledge having served and participated in several previous boards and board committees before.









Janet Mkang'ombe Mwadiga
Principal/Secretary to the Board of Management

Janet Mkang'ombe Mwadiga is the Secretary to the Board of Management and member of the Board of Management Committees. She served as a teacher in High School, Lecturer in Shanzu Teachers Training College, Deputy and presently as the Ag. Principal of the College. Janet has a Master of Science in Agriculture Education - Egerton University; Bachelor of Science in Agricultural Education and Extension (BSc. AGED) - Egerton University; Diploma in Project Management - Kenya Institute of Management (KIM); Diploma in Educational Management- Kenya Educational Management Institute (KEMI); Diploma in Agricultural Education and Extension (AGED) - Egerton University; and is the current Chairperson - Wildlife Clubs of Kenya -Coast Region. The Secretary is not a member of ICS

Galana Teachers Training College
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4. KEY MANAGEMENT TEAM

In the financial period ended 30th June 2025 the College day-to-day management was under the following persons:

Designation	Name & Photo	Qualification	Responsibility	Passport Photo
Principal	Janet Mkang'ombe Mwadiga	Master of Agricultural Science Bachelor of Science	Principal, Accounting officer and Secretary to the Board of Management	
Deputy Principal	Abdikadir Barre Musa	Bachelor of Education-Arts	Deputy Principal, Deputising the Principal. In charge of student discipline and college programs	
Ag. D.O.C	Caroline Elazia Emile	Master of Education - Kiswahili Bachelor of Education-Arts	In charge of all academic programs in the College, ensuring quality and standards of training are met and upheld	
Ag. D.O. S	Julius Kalume Charo	Bachelor of Education Science	In charge of student welfare and all programs related to student welfare	
Bursar	Gabriel Mwangome Mwagambo	CPA Advanced level (KASNEB)	Accounting and Book Keeping, Supervises essential staff.	
Stores Clerk	Jimmy Kazungu Mwambire	Certificate in Supply Chain Management (KNEC)	In charge of stores and supply chain tasks	

Galana Teachers Training College

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5. Chairman's Statement

Preamble

Galana Teachers Training College is a Public Institution located in Magarini Sub County, Kilifi County. The College sits on an 8.313 Hectors piece of land. Being a relatively new institution having been incepted in 2019, infrastructure development is poor. Galana Teachers Training College boasts of five dilapidated classrooms, which were constructed through NG-CDF money in 2014, when this College was still a community project. The institution has one administrative block and two hostels (male and female). The kitchen is a makeshift temporary structure. Currently, there are semi-permanent classrooms and other incomplete permanent buildings.

Key activities in the 2024/2025 FY

The ending year of 2024/2025 has been a busy but relatively successful one. We have had our own share of success and challenges in the institution. Some of the successes we recorded include -

1. The College received government grants amounting to Kshs. 3,751,548.00, this went a long way to ease the burden of running the institution. Payment of College workers (non-teaching staff) was made possible; including some aspects of maintenance.
2. The College enrolled 145 teacher trainees in September 2025 under the Diploma in Teacher Education (DTE) program. This is a three-year program.
3. Increased teaching staff establishment
4. Increased support staff establishment
5. Retooling of tutors who joined the institution from the secondary schools. This was a capacity-building program to equip teachers with relevant skills for quality output.
6. Planting of about 1,000 trees of different species.
7. Recovery of encroached land for college use
8. Production of Maize on a five acre farm
9. Establishment of a banana farm for fruits
10. Establishment of two semi-permanent classrooms
11. One five-door washroom/Toilet donated by NG-CDF
12. One hostel for female students, capacity 96 (about 80%complete)

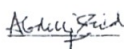
Despite the successes recorded, we also faced a share of some challenges.

1. Galana Teachers Training College, having recorded a low enrolment, faced financial challenges. Most of the teacher trainees were not able to raise all their tuition fees; hence, the College has posted huge fee balances.
2. The College is located in Magarini Sub County, Kilifi County. This is a hardship area, with low socio-economic status. Rain dependent peasant crop farming and livestock rearing are the main source of livelihoods. This implies that most parents/guardians have difficulty in paying school fees.
3. Inadequate hostels and classrooms to support expanding enrolment
4. Unreliable water supply and electricity
5. Inadequate finances to procure much needed resources required in the college
6. Lack of any vehicle to support college functions

Chairman's Statement-Continued

Way forward

1. The College hopes to increase enrolment in the new academic year of 2025/2026. The increased enrolment will give room to increased capitation and increased fee collection.
2. We have developed a fee payment policy, which we hope to implement effectively to reduce fees arrears by teacher trainees.
3. The Board of Management has plans to collaborate with key stakeholders to boost infrastructure development in the College, on a bid to expand the institution.



Prof. Abdullah Naji Said
Chairman, BOM

Galana Teachers Training College

Annual Report and Financial Statements for the year ended 30th June 2025

6. Report of the Principal

Galana Teachers Training College is a public institution. It is located in Magarini Sub County, Kilifi County. The College started as a community project in 2014, and in 2016, it was officially launched by H.E. Dr. William S. Ruto officially launched, when he was the Deputy President of the Republic of Kenya. Galana Teachers Training College was training Primary Teacher Education students (PTE) at her inception. The first cohort of PTE students took their examination in 2018, from a nearby examination centre, Talea Teachers' College. This is because this College had not yet been registered as an examination centre, since it was still a community project.

In the year 2019, the College was taken over by the Government and the first Principal, Mr. Luke Lagat Chebet was deployed in February 2019. Since then the College has seen a high growth trajectory. This is because the College was able to enrol the first cohort of teacher trainees 60 No. Upgrade Diploma in Primary Teacher Education (UDPTE) in October 2021. In September 2022, the college enrolled the second cohort comprising of 20 No. Diploma in Early Childhood Teacher Education (DECTE) and 22 No. Diploma in Primary Teacher Education (UDPTE). During this academic year 2022/2023, we were able to recruit one teacher (Music/Kiswahili) increasing our teaching staff roll to 7 No. The founder Principal was transferred to Egoji Teachers Training College in January 2023. The Deputy Principal, Mrs. Janet M. Mwadiga took over in acting capacity, and was later confirmed as Principal in February 2024. She is the current Principal of the institution.

Among the notable successes is the first graduation of the College that happened on March 30th, 2023. On this occasion, 51 No. teacher trainees were commissioned as fully trained CBC compliant teachers.

We have also gradually increased the student enrolment to 272 currently. The staff establishment has also grown to 22 teaching staff and 14 support staff.

One hostel for female trainees was established, which is incomplete but in use. A three classroom block was also established, though incomplete, but in use. Three semi-permanent classrooms were constructed in the year 2024.

Challenges

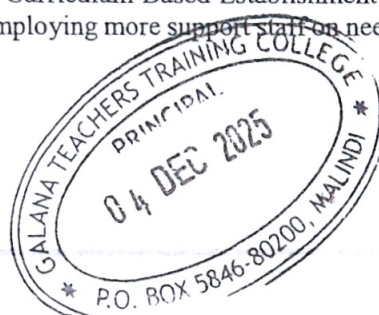
Galana Teachers Training College has her own challenges. One major challenge is finances. Due to low enrolment, we receive a comparatively low amount of government grants, which makes it difficult to run the institution. Fees arrears is a big challenge. By 30th June 2025, the College had Kshs. 4,344,620.00 in fees arrears. This is caused by the fact that many trainees come from Magarini Sub County, which is a hardship area of low socio-economic status. This means that the College did not collect all targeted school fees from trainees, pausing a challenge in execution of the approved budget and thus, management of the Institution. By the end of the 2024/2025 FY, the College was not able to pay all her debtors and support staff salaries, due to the financial challenges faced.

Currently, we have one hostel for male students and two for female students, both of equal capacity of 96 No. of students each. We also have 3 complete permanent classrooms, three permanent but incomplete classrooms, one semi-permanent hall, two semi-permanent classrooms and one computer room. The College does not have a dining hall, and school bus. We also have a temporary kitchen. All these limitations pause a challenge to expansion and growth of the institution.

In terms of human resources, we are also limited. Galana Teachers Training College has of 22 No. tutors and 14 No. support staff. The lean staff are sometimes overworked.

Way forward

In terms of the number of tutors, the Principal, Mrs. Janet Mwadiga has written to the employer, TSC requesting for more tutors, after refurbishing them with the Curriculum Based Establishment (CBE) of the institution. The Board of Management has also proposed employing more support staff on need basis, when funds are available.




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The Board of Management will follow up on the commitments made by the Principal Secretary during the first graduation. A correct number of teacher establishment is expected to improve the human resource base of the institution once they are received.

Report of the Principal-Continued

The Board of Management is also looking at mobilizing resources for the institution through seeking partnerships with stakeholders in education within the County as well as in the Country. The College is one of the new Institutions; hence, we lack adequate infrastructure. This possesses a challenge to expand the institution since student enrolment is pegged on bed capacity.



Mrs. Janet M. Mwadiga
Principal/Secretary, BOM

Galana Teachers Training College
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7. CORPORATE GOVERNANCE STATEMENT

The Board of Management governs Galana Teachers Training College. The Basic Education Act 2013 stipulates the role, basis and conduct of business of the members of the Board of Management. The Cabinet Secretary, Ministry of Education appointed the board members for a period of three (3) years with effect from July 08, 2022 to July 07, 2025

In the financial year under review, the College did not have a board of management charter, however, plans are underway to the board of management charter in place. The membership of the Board of Management comprises of fourteen (14) members as listed hereunder;

S/No.	Name	Designation
i.	Prof. Abdullah Naji Said PhD	Chairman of the Board of Management
ii.	Aileen Dzidza Munga	Vice Chairman
iii.	Janet M Kang'ombe Mwadiga	Secretary to the Board of Management
iv.	Dr. Othman Mujahid Bwana	Member
v.	Benjamin Katana Kenga	Member
vi.	CPA George Mwambogo Thuva	Member
vii.	Fr. Ambrose Muli Kilonzo	Member, Representative of Sponsor
viii.	Maurice Muteti Kilonzi	Member
ix.	Agness Waithira Bakari	Member
x.	Maryselina Nyevu Kibamba	Member
xi.	Joseph Iha Wanje	Member

NB. One (1) Member, a representative of teachers, one Md. Ester Nyokabi Githogora retired from the teaching profession while two members appointed together with the above listed members are deceased;

- i. Najat A. Ibrahim
- ii. Samsom Maitha Mweni

The Board of Management exercises its duties through 6 committees of the Board.

- i. Executive Board of Management Committee
- ii. Finance, Procurement and General-Purposes Committee
- iii. Audit Committee
- iv. Human Rights and Student Welfare Committee
- v. Discipline, Ethics and Integrity Committee
- vi. Academic Standards, Quality and Environment Committee



Galana Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

CORPORATE GOVERNANCE STATEMENT (Continued)

Number of Board of Management Meetings held and Attendance by Members

Name of Committee	Name of Members	No. of Meetings held	No. of Meetings held attended
Full Board	Prof. Abdullah Naji Said PhD	3	3
	Aileen Dzidza Munga	3	1
	Janet Mkang'ombe Mwadiga	3	3
	Dr. Othman Mujahid Bwana	3	1
	Benjamin Katana Kenga	3	3
	CPA George Mwambogo Thuva	3	3
	Fr. Ambrose Muli Kilonzo	3	3
	Maurice Muteti Kilonzi	3	2
	Agness Waithira Bakari	3	3
	Maryselina Nyevu Kibamba	3	3
	Joseph Iha Wanje	3	2
Executive Board of Management Committee	Prof. Abdullah Naji Said PhD-Chair	1	1
	Agness Waithira Bakari	1	1
	Benjamin Katana Kenga	1	0
	Maryselina Nyevu Kibamba	1	0
	Janet Mkang'ombe Mwadiga	1	1
Finance, Procurement and General-Purposes Committee	Maurice Muteti Kilonzo -Chair	3	0
	Benjamin Katana Kenga	3	3
	Aileen Dzidza Munga	3	2
	Joseph Iha Wanje	3	3
	Janet Mkang'ombe Mwadiga	3	3
Audit Committee	CPA. George Mwambogo Thuva-Chair	None	None
	Fr. Ambrose Muli Kilonzo	None	None
	Dr. Mujahid Othman Bwana	None	None
	Maryselina Nyevu Kibamba	None	None
	Agnes Waithira Bakari	None	None
	Janet Mkang'ombe Mwadiga	None	None
Human Rights and Student-Welfare Committee	Agnes Waithira Bakari -Chair	None	None
	Maurice Muteti Kilonzo	None	None
	Aileen Dzidza Munga	None	None
	Joseph Iha Wanje	None	None
	Janet Mkang'ombe Mwadiga	None	None
Discipline, Ethics and Integrity Committee	Fr. Ambrose Muli Kilonzo-Chair	None	None
	CPA. George Mwambogo Thuva	None	None
	Benjamin Katana Kenga	None	None
	Dr. Mujahid Othman Bwana	None	None
	Maryselina Nyevu Kibamba	None	None
	Janet Mkang'ombe Mwadiga	None	None
Academic Standards, Quality and Environment Committee	Dr. Mujahid Othman Bwana-Chair	None	None
	Maryselina Nyevu Kibamba	None	None
	Benjamin Katana Kenga	None	None
	Fr. Ambrose Muli Kilonzo	None	None
	Janet Mkang'ombe Mwadiga	None	None

Appointment, Removal from office, and Succession plan

The members of the Board of Management were appointed by the Cabinet Secretary, Ministry of Education on July 08, 2022 for a term period of three (3) years after which some will vacate while other remain for will remain for succession planning. Joseph Iha Wanje, CPA George Mwambogo Thuva and Agness Waithira Bakari shall remain for succession planning.

Induction and Capacity Building for Member of the Board of Management

Since appointment of the members of the Board of Management on July 08, 2022 and inauguration of the same, no induction and capacity building of the members has be undertaken.

Roles and Functions of the College Board of Management

The Board of Management is accountable to the Government of Kenya through the Ministry of Education, State Department for Basic Education. The Board ensures that the College complies with the Basic Education Act 2013 and Public Finance Management Act 2012 and all subsequent regulations by upholding highest levels of corporate governance and ethics.

Remuneration of members of the Board of Management

In reference to Circular No. SRC/ADMIN/CIR/1/13 Vol. III/126 dated 28th April 2015, public officers are are subject accommodation and Subsistence Allowance on local travel of up to Kshs. 18,200 per day.

Section 63 of the Basic Education Act 2013, stated that BOM members shall be paid such allowances as Cabinet Secretary may provide by regulation upon the advise of Salaries and Remuneration Commission. In a board meeting held on 1st November 2022, under minute No. 5, subsection 5, the Board of Management approved that;

- a. The Chairman of the board of management shall be paid a seating allowance amounting to Kenya Shillings Seven Thousand (7,000) only per seating and
- b. All other members of the board of management shall be paid a seating allowance amounting to Kenya Shillings Five Thousand (5,000) only per seating



8. MANAGEMENT DISCUSSION AND ANALYSIS

Galana Teachers Training College continues to deliver on its key mandate of educating Diploma in Teacher Education (Pre-Primary and Primary). During the Financial 2024/2025 under review, the College reported a surplus of Ksh. 1,072,018.00 in the statement of financial performance. Depreciation amounted to Kshs. 8,613,701.00

Galana TTC remain focused on achieving its strategic goals and managing the challenges of constrained accommodation, transport and teaching resources by improvising the available resources and using the little financial resources to establish building and structures in phases to accommodate the growing student and staff population.

Operational Review

Teaching, Learning and Community Service has been the core function of Galana TTC during the Financial 2024/2025 under review. The Academics and Students welfare departments drive the operations of the College. The departments have ensured quality teaching and learning activities undertaken are in pursuit of the College Mission and Vision. The College academic calendar starts from September to August each year. In the 2024/2025 Financial Year under review, the College had the following programs;

- a. Diploma in Primary Teacher Education -126 Trainees
- b. Diploma in Teacher Education -143 Trainees

Academic staff

The College had Twenty-Two (22) Lecturers in the 2024/2025 financial year under review; among them is One (1) Principal and One (1) Deputy Principal.

Support Staff

Galana TTC had Fourteen (14) support staff, among them being;

Bursar	1Personnel
Secretary	1Personnel
Stores Clerk	1Personnel
Matron/Cateress	1Personnel
Cleaners	2Personnels
Grounds men	2Personnels
Cooks	2Personnels
Watchmen	4Personnels

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Financial Performance Review

Revenue (A)

The College relies heavily on government recurrent funds and revenue from exchange transactions. In the 2024/2025 financial year under review, the College has reported;

S/No.	Description	2024/2025	2023/2024
i.	Government recurrent grants	3,751,548.00	4,758,878
ii.	Public Contributions and Donations	3,500,000.00	1,216,842
iii.	Fee from trainees	18,752,385.00	14,588,986
iv.	Other Income	135,043.00	764,452
v.	Sale of Goods	919,800.00	
vi.	Commitment fees	827,000.00	
Total		27,885,776	21,329,158.00

Expenditure (B)

S/No.	Description	2024/2025	2023/2024
i.	Use of goods and services	14,827,168	9,224,405.50
ii.	Employee cost	4,538,814.00	3,147,109.00
iii.	Board/Council Expenses	276,500.00	533,000.00
iv.	Maintenance and Improvements	1,190,017.00	244,916.00
v.	Depreciation expense	8,596,796.00	0.00
Total		29,429,295.00	13,149,430.50

Surplus for the period (A-B) (1,543,519.99)



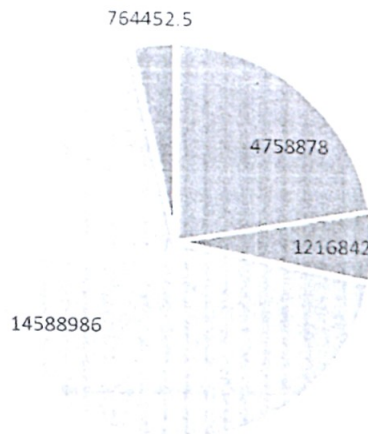
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
Graphical Representation of Revenue

Revenues -2024/2025 FY



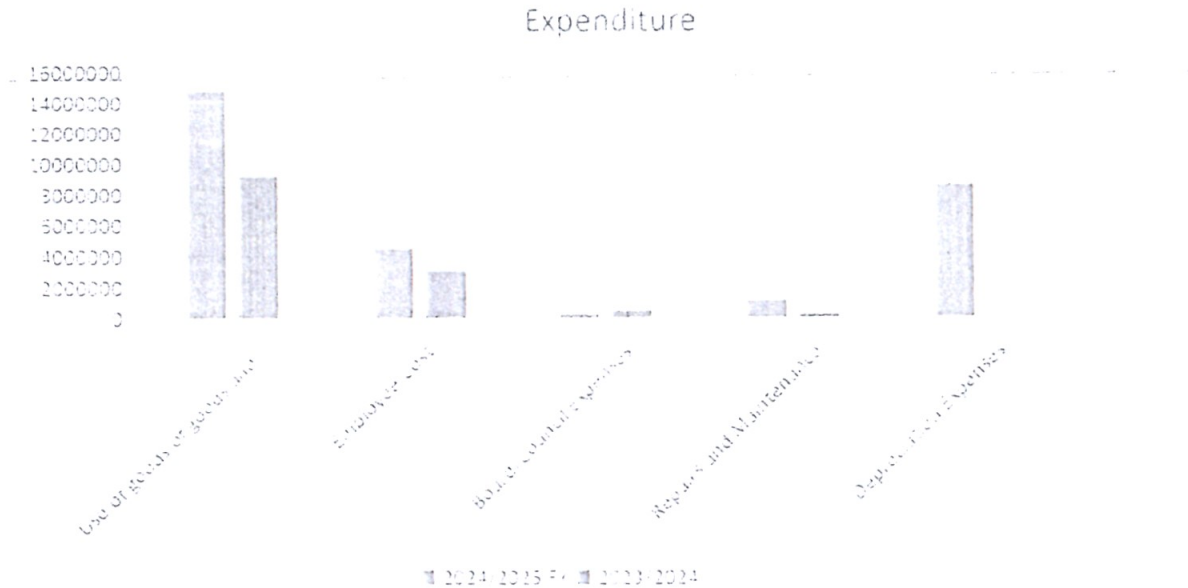
- Gov't Grants
- Public Contributions and Donations from other development partners
- Rendering of Services
- Other Income

Revenues-2023/2024 FY



- Gov't Grants
- Public Contributions and Donations
- Rendering of Services
- Other Income

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
Graphical Representation of Expenditure



Financial Health

Liquidity is a key factor in assessing the College financial health. Liquidity is the amount of cash and cash equivalent as at the end of the financial period.

Compliance with Statutory Requirements

The College complies with statutory requirements as follows

i. PAYE

Income Tax Act, 1973, Laws of Kenya, places on employers an obligation to deduct and remit monthly income tax for employee and be remitted to the pay master general on or before the ninth of the following month. The College has complied with the deadline for remission

ii. NSSF

The NSSF Act, 2013 and subsequent regulations requires employers to deduct and remit NSSF deductions on a monthly basis. The statutory deadline is on or before ninth of the following month. Galana TTC has complied with the set deadline.

iii. NHIF/SHA

The NHIF Act 1998, Laws of Kenya requires employers to deduct and NHIF/SHIF on a monthly basis and remit the same on or before the ninth of the following month. Galana TTC has complied with this statutory requirement.



Galana Teachers Training College
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iv. **Housing and NITA Levies**

Galana TTC has complied with the statutory deadline for submission of affordable housing levy and NITA levies

9. Report of the Council/Board of Governors/Board of Management

The Board of Management submit these reports and financial statements for the 2024/2025 FY. The financial statements have been prepared in conformity with the Accrual Method under the International Public Sector Accounting Standards (IPSAS). The financial statements have been prepared on a comparative basis. The comparative period to this these financial statement is the 2023/2024 FY which ended 30th June 2024. The board has ensured adherence to policies, requirements and internal controls in matters financial management of the college. It is in view of this that the Board of Management gives a judgement and opinion that the reports and financial statements for the 2024/2025 FY show a true and fair view of the College affairs.

Principal activities

The principal activities of Galana TTC continue to be Training of Diploma In Teacher Education Teachers

Results

The results of the entity for the year ended June 30 2025 are set out on page one of these financial statements.

Council/Board of Governors/Management

Members of the Board of Management who served during the year are shown on page vii to x

Auditors

The Auditor General is responsible for the statutory audit of the Galana TTC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended 30th June 2025

By Order of the Board

Name: Janet M. Mwadiga



Signature

Date 4th December 2025

Secretary to the Board



Galana Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

10. Statement of Board of Management's Responsibilities

The Public Finance Management Act, 2012, Section 81, and the Basic Education Act, 2013, section 87 requires the Board of Management to prepare financial statements in respect of Galana TTC, which give a true and fair view of the state of affairs of Galana TTC for the year. The Board members are also required to ensure that Galana TTC keeps proper accounting records, which disclose with reasonable accuracy the financial position of the C. The Board of management is also responsible for safeguarding the assets of the College.

The Board of Management of Galana TTC is responsible for the preparation and presentation of the College financial statements, which give a true and fair view of the state of affairs of the College for and as at the end of the financial period, ended 30th June 2025.

This responsibility includes:

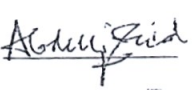

- i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the College.
- iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.
- iv) Safeguarding the assets of the College.
- v) Selecting and applying appropriate accounting policies; and
- vi) Making accounting estimates that are reasonable in the circumstances.

The Board of Management accepts responsibility for the College financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates in conformity with the International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Basic Education Act 2013. The Board of Management is of the opinion that the College financial statements give a true and fair view of the state of its transactions during the financial period ended 30th June 2025 and the financial position as at 30th June 2025. The Board of Management further confirms the completeness of the accounting records maintained, which have been relied up on in the preparation of the financial statements as well as the adequacy and adherence to the internal control systems.

Nothing has come to the attention of the Board to indicate that the 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 Board of Management on 26th August 2025 approved these financial statements and signed on its behalf by:

 Signature	 Signature
Name: Prof. Abdullah Naji Said.	Name: Janet Mwang'ombe Mwadiga
Chairperson of the Board of Management	Accounting Officer/Principal



REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON GALANA TEACHERS TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Galana Teachers Training College set out on pages 1 to 31, which comprise of the statement of financial position as

at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Galana Teachers Training College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training (TVET) Act No. 29 of 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit review contained inaccuracies as detailed below:

1.1 Variances Between the Financial Statement and the Supporting Schedule Amounts

The statement of financial performance reflects Kshs.14,827,168 in respect to use of goods and services as disclosed in Note 12 to the financial statements. Included in the amount was Kshs.366,577 in respect to teaching equipment & stores expenditure, which varied with Kshs.232,335 reflected in the schedules, resulting in an unreconciled variance of Kshs.134,242.

1.2. Inaccuracy in Employee Costs

The statement of financial performance reflects Kshs.4,538,814 in respect to employee costs as disclosed in Note 13 to the financial statements. However, payrolls provided for audit show gross employee costs of Kshs.4,366,040, resulting in an unreconciled variance of Kshs.172,774.

1.3. Inaccuracy in Statement of Financial Performance

The statement of financial performance indicates comparative total revenue of Kshs.21,329,159. However, re-casting of the prior year figures showed Kshs.22,152,503 resulting to an unexplained variance of Kshs.823,344.

1.4. Inaccuracy in Statement of Financial Position

The statement of financial position reflects Kshs.67,152,745 in respect of accumulated fund balance which is at variance with the balance disclosed in the statement of changes in net assets of Kshs.64,757,226, resulting in an unexplained variance of Kshs.2,395,519.

Further, the statement of financial position reflects comparative balance of Kshs.1,210,313 in respect to total current liabilities, which varies with the re-computed balance of Kshs.3,142,848, resulting in an unexplained variance of Kshs.1,932,535.

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

2. Unsupported Payments of Use of Goods and Services

The statement of financial performance reflects Kshs.14,827,168 in respect to use of goods and services as disclosed in Note 12 to the financial statements. Included in the amount is Kshs.597,821 spent on ICT equipment and accessories and Kshs.6,517,895 spent on boarding equipment and stores. However, expenditure payments amounting to Kshs.597,821 relating to ICT equipment and accessories and Kshs.1,579,050 for boarding equipment and stores, lacked adequate supporting documents including; requisition, Local Purchase Orders/Local Service Orders, invoices, delivery notes and inspection and acceptance committee reports.

In addition, the use of goods and services amount includes Kshs.688,373 in respect to local transport and travelling, out of which Kshs.582,307 was not supported with requisitions and approvals of imprests, authorization of journeys travelled, evidence of travel including work-tickets and/or bus tickets, imprest warrants and back to office reports.

In the circumstances, the accuracy, completeness and value for money on use of goods and services of Kshs.14,827,168 could not be confirmed.

3. Unsupported Receivables from Exchange Transactions - Student Debtors

The statement of financial position reflects Kshs.4,344,620 in respect to receivables from exchange transactions – student debtors as disclosed in Note 17 to the financial statements. The ageing analysis show that receivables balance of Kshs.1,024,250 has been outstanding for more than two (2) years. However, Management had not reviewed its student debtor data to determine the likelihood of impairment of the receivables with a view to providing for bad and doubtful debts on the outstanding balance as at 30 June, 2025. Further, outstanding fee registers were not provided in support of the balance of Kshs.4,344,620.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.4,344,620 could not be confirmed.

4. Unsupported Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.2,187,563 as disclosed in Note 16 to the financial statements. Included in the balance was Kshs.728,541 and Kshs.1,453,083 in the KCB account and Equity account respectively. However, bank reconciliation statements were not provided for audit. Further, board of survey or cash count certificate for the cash at hand of Kshs.265 was not provided for audit.

In the circumstances the accuracy, and completeness of the cash and cash equivalents balance of Kshs.2,187,563 could not be confirmed.

5. Unsupported Inventories Balance

The statement of financial position reflects balance of Kshs.1,633,879 in respect of inventory as disclosed in note 19. However, the reported balance was not supported by a physical stock count sheet, and store ledgers.

In the circumstances the accuracy, completeness and existence of the inventories balance of Kshs.1,633,879 could not be confirmed.

6. Unsupported Property, Plant and Equipment

As previously reported, the statement of financial position and Note 20 reflect property, plant and equipment balance of Kshs.64,448,448. However, the following observations were made.

- i. Updated fixed assets register was not provided for audit review;
- ii. There were no ownership documents including title deed or allotment letter for the land on which the College is built;
- iii. The College land was not valued.

The existence, valuation, ownership, accuracy and measurement of the property, plant and equipment's could not be confirmed.

7. Lack of a Biological Asset Register

The statement of financial position reflects Kshs.150,000 in respect to biological assets as disclosed in Note 22 to the financial statements. However, the biological assets register, schedules and valuation report in support of the reported balance was not provided for audit review.

In the circumstances, the existence, valuation, ownership, accuracy and measurement of the property, plant and equipment's could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on a comparable basis of Kshs.39,745,896 and Kshs.30,383,976 respectively, resulting in underfunding of Kshs.9,167,401 or 23% of the budget. Similarly, the College spent an amount of Kshs.29,429,295 against the total revenue of Kshs.30,383,976, resulting in underutilization of Kshs.954,681 or 3% of the receipts.

Further, an amount of Kshs.8,510,000 budgeted as grants from donors and development partners which is 21% of the total budget is less than the recommended 30%, contrary to fiscal responsibility principles prescribed by Section 15 (2) (a) of the Public Finance Management Act, 2012 which provides that, 'in managing the national government's public finances, The National Treasury shall ensure that (a) over the medium term a minimum of thirty percent of the national and county governments budget is allocated to the development expenditure'.

In the circumstances, the underfunding affected planned activities and may have impacted negatively on service delivery by the College and Management was in breach of the law.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on pages v to xxv which comprise of Key Entity Information and Management, The Board of Management, Key Management Team, Chairman's Statement, Report of the Principal, Corporate Governance Statement, Management Discussion and Analysis, Report of the Board of Management and Statement of Board of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the College's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Prepare and Submit Quarterly Financial Reports

The Management of the College did not provide evidence to confirm that quarterly financial reports for the financial year 2024/2025 were prepared and submitted to the Cabinet Secretary responsible for the entity and the National Treasury, contrary to Section 83 of the Public Finance Management Act, 2012 which states that “an accounting officer for a national government entity shall prepare a report for each quarter of the financial year in respect of the entity”.

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

2. Commingling of Funds

As previously reported, the statement of financial performance and Note 9 to the financial statements reflects Kshs.18,752,385 in respect of rendering of services. Review of receipts books, bank statements, and cashbook for fee collection account (Account No: 1289235430) revealed co-mingling of tender sale receipts of Kshs.7,000 into the college fees collection account. This was contrary, to Clause 7.11 on income generating activities/projects in the Financial Management Handbook for Teacher Training Institution (2006) which provides that, where the institutions have approval to generate additional income, they must separate records for these incomes and expenditures.

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

3. Transfer of Funds to Kenya Teachers Colleges Sports Association

As previously reported, the statement of financial performance and Note 12 to the financial statements reflect Kshs.14,827,168 in respect to use of goods and services, which included Kshs.1,678,901 in respect to activity fees. Management of the Teachers College transferred an amount of Kshs.470,290 in respect to subscription for national ball game funds to Kenya Teachers Colleges Sports Association. However, the organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to Kenya Teachers Colleges Sports Association amounting to Kshs.470,290 could not be confirmed.

4. Non-Compliance with The Constitution of Kenya 2010 and Affirmative Action on Gender and Regional Balance

As previously reported, review of human resource staff lists revealed that the College had forty-three (43) staff comprising twenty-eight (28) teaching staff employed by Teachers Service Commission and fifteen (15) staff employed by the Galana TTC Board of Management. Analysis of the staff data revealed that twelve (12) or 80% of the staff under Board of Management were from one ethnic community, contrary to Section 7 (2) of the National Cohesion and Integration Act, 2008 which states that “no public establishment shall have more than one third of its staff from the same ethnic community”.

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

5. Anomalies in Presentation of the Financial Statements

Review of the financial statements submitted for audit revealed non-compliance with the reporting template issued by the Public Sector Accounting Standards Board as follows:

- i. The net cashflows from operating activities is reflected as Kshs.10,779,750 in the statement of cashflows. However, the reconciliation statement for the cash generated from operating activities was not included in the financial statements;
- ii. Institute of Public Accounting of Kenya Membership Number is not indicated for the Finance Officer;
- iii. The annual report and financial statements do not have the reports on Statement of Performance Against Predetermined Objectives and the Environmental and Sustainability Reporting;
- iv. The disclosure Note for receivables from exchange transactions is indicated as Note 18 instead of Note 17.

In the circumstances, the financial statements have not been presented in accordance with the prescribed reporting template.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Function

As previously reported, Management of Galana Teachers Training College had not established an internal audit function in the year under review. It was noted that there was no formal system for assessing the internal control system, risk management practices or operational efficiency, contrary to the requirements of Section 73 of the Public Finance Management Act, 2012 which states that “every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board”.

In the circumstances, the College did not benefit from the oversight rule and advice from the committee and the internal audit function.

2. Lack of a Board Charter and Annual Work Plan

It was observed that the Management board of Galana TTC had not developed or adopted a Board Charter to guide its operations and governance framework and did not prepare an annual work plan to guide its activities in the year under review. Contrary to paragraph 1.11 of Mwingozo Code of Governance for state corporations that requires that the Board should develop and adopt a board charter. Further, paragraph 1.9 requires that the Board should develop an annual board workplan.

In the circumstances, the board did not have a coordinated and documented guide in its oversight role.

3. Inadequate Storage Facilities and Weak Controls on Inventory Management

As was previously reported, physical inspection done in November, 2025 at the institution’s stores, revealed lack of designated store for safe custody of stores. It was noted that stationery items were kept in a small poorly ventilated room while foodstuffs were stored in stores without shelves or proper storage facilities. Records in the store were not updated regularly, hence did not match the physical stock count.

In the circumstances, the College had not put in place internal controls to safeguard foodstuffs and stationery.

4. Lack of Memorandum Cash Book and Petty Cash Vouchers

The statement of financial performance reflects total expenses of Kshs.29,429,295. Review of cashbook and bank statements revealed cash withdrawals of Kshs.727,600. However, a memorandum cash book was not provided to confirm the expenditure and to tracking the expenditure as per the College's budget. In addition, petty cash vouchers were not supported with cash receipts, invoices, appropriate approvals and supporting documentation. Further, imprest warrants and imprests register were not provided for audit.

In the circumstances, Management had not put in place strong internal controls in the management of the standing imprest and the petty cash expenditures.

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

Responsibilities of Management and 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 governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 December, 2025

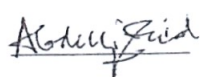
Galana Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

12. Statement of Financial Performance for the Year Ended 30 June 2025

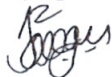
	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	3,751,548	4,758,878
Grants from donors and other development partners	7	3,500,000	0.00
Public contributions and donations	8	0.00	1,216,842
		7,251,548	5,975,720
Revenue from Exchange transactions			
Rendering of services- fees from students	9	18,752,385.00	14,588,986
Other Income	10	135,043.00	764,452.50
Sale of Goods	11	919,800.00	823,344.00
Other Receipts		827,000.00	
Revenue from Exchange transactions		20,634,228.00	15,353,438.50
Total Revenue		27,885,776.00	21,329,158.50
Expenses			
Use of goods and services	12	14,827,168	9,224,405.50
Employee costs	13	4,538,814	3,147,109
Board /Council Expenses	14	276,500	533,000
Repairs and maintenance	15	1,190,017	244,916
Depreciation and amortization expense	16	8,596,796	0.00
Total Expenses		29,429,295	13,149,430.50
Other Gains/(Losses)			
Gain on sale of assets	-	0.00	0.00
Gain/ Loss on fair value of investments	-	0.00	0.00
Impairment loss	-	0.00	0.00
Total Other Gains/(Losses)		0.00	0.00
Net surplus/(deficit) for the year		-1,543,519.00	8,179,728.00

(The notes set out on pages 7 to 30 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 6 were signed by:



Chairman of Council/Board



Principal

Bursar



ICPAK No.....

Date 4th December 4, 2025

Date 4th December 4, 2025

Date 4th December 4, 2025

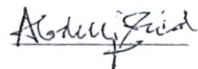


Galana Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

13. Statement of Financial Position as At 30th June 2025

Description	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	2,187,562.00	2,814,660.52
Receivables from exchange transactions	18	4,344,620.00	2,888,052.00
Inventories	19	1,633,879.00	948,149.00
Total Current Assets		8,166,061.00	6,650,861.52
Non-Current Assets			
Property, plant, and equipment	20	64,448,448.00	61,638,396.98
Intangible assets	21	463,800.00	63,800.00
Biological Assets	22	150,000.00	10,000.00
Total Non-Current Assets		65,062,248.00	61,712,196.98
Total Assets (A)		73,228,309.00	68,363,058.50
Liabilities			
Current Liabilities			
Trade and other payables	23	3,301,789.00	611,485.00
Payroll liabilities-statutory deductions	24	67,831.00	0.00
Deferred Income	25	1,751,263.00	598,828.50
KNEC Fees	26	2,279,200.00	1,768,112.00
KUCCPS	27	219,000.00	164,423.00
Total Current Liabilities		7,619,083.00	1,210,313.00
Non-Current Liabilities			
Finance lease obligation	-	0.00	0.00
Deferred income	-	0.00	0.00
Total non-current liabilities		0.00	0.00
Total Liabilities (B)		7,619,083.00	1,210,313.50
Net Assets (A-B)		65,609,226.00	67,152,745.00
Represented By:			
Surplus for the Period		(1,543,519.00)	8,179,728.00
Accumulated Fund	27	67,152,745.00	58,973,017.00
Net Assets	27	65,609,226.00	67,152,745.00

The Financial Statements set out on pages 1 to 6 were signed by:



Chairman of Council/Board



Principal

Bursar

ICPAK No.....

Date 4th December 4, 2025

Date 4th December 4, 2025

Date 4th December 4, 2025

Galana Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

14. Statement of Changes in Net Asset for the Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	0.00	58,973,017.00	0.00	58,973,017.00
Revaluation gain	0.00	0.00	0.00	0.00
Surplus/(deficit) for the year	0.00	8,179,728.00	0.00	8,179,728.00
Capital grants received during the year	0.00	0.00	0.00	0.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	0.00	0.00	0.00	0.00
At June 30, 2024	0.00	67,152,745.00	0.00	67,152,745.00
At July 1, 2024	0.00	67,152,745.00	0.00	67,152,745.00
Revaluation gain	0.00	0.00	0.00	0.00
Surplus/(deficit) for the year	0.00	(1,543,519.00)	0.00	(1,543,519.00)
Capital grants received during the year	0.00	0.00	0.00	0.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	0.00	0.00	0.00	0.00
At June 30, 2025	0.00	64,757,226.00	0.00	64,757,226.00



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15. Statement of Cash Flows for the Year Ended 30 June 2025

Description		2024/2025	2023/2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		3,751,548.00	4,758,878.00
Grants from donors and development partners		3,500,000.00	0.00
Public contributions and donations		0.00	1,216,842.00
Rendering of services- fees from students		20,324,613.00	11,700,934.00
Rent from hire of facilities and equipment		1,000.00	0.00
Payment received in advance		1,751,262.00	598,853.00
Sale of goods(Farm produce)		0.00	124,600.00
Miscellaneous/Other income		134,043.00	41,000.00
Total Receipts		29,462,466.00	18,441,107.00
Payments			
Use of goods and services		13,179,426.00	8,015,092.00
Employee costs		4,470,983.00	3,147,109.00
Board /Council Expenses		276,500.00	533,000.00
Repairs and maintenance		755,807.00	244,916.00
Total Payments		18,682,716.00	11,940,117.00
Net Cash Flows from operating activities		10,779,750.00	6,500,990.00
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-11,406,848.00	-4,847,913.00
Net cash flows used in investing activities		-11,406,848.00	-4,847,913.00
Cash flows from financing activities			
Proceeds From Borrowing		0.00	0.00
Repayment Of Borrowings		(0.00)	(0.00)
Net cash flows used in financing activities		(0.00)	(0.00)
Net Increase/(Decrease) in Cash and Cash equivalents		-627,098.00	1,646,077.00
Cash and Cash equivalents at 1 JULY	19	2,814,661.00	1,168,584.00
Cash and Cash equivalents at 30 JUNE	19	2,187,563.00	2,814,661.00

Presented in the direct method of cash-flow preparation as prescribed by PSASB.

Galana Teachers Training College
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16. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025

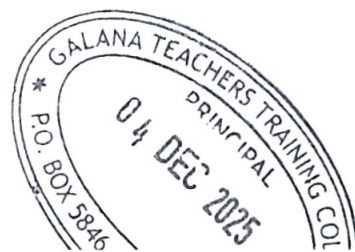
Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Balances Brought Forward	2,814,660	0.00	2,814,660		0.00	
Fee debtors	2,888,052	0.00	2,888,052		0.00	
Receipts						
Transfers from other National Government entities	13,011,900	-9,667,388	3,344,512	3,751,548	407,036	112.2%
Grants from donors and development partners	11,000,000	-2,490,000	8,510,000	3,500,000	5,010,000	41.1%
Rendering of services- fees from students	26,030,000	-3,841,328	22,188,672	21,316,165	1,864,059.50	91.2%
Other Income	0.00	-0.00	0.00	1,816,263	134,043	100%
Total Receipts	55,744,612	-15,998,716	39,745,896	30,383,976	9,167,401	74.1%
Payments						
Use of goods and services	23,315,877	-5,729,078	17,586,799	14,827,168	-2,759,631	84.3%
Employee costs	6,041,700	-697,189	5,344,511	4,538,814	-805,697	84.9%
Board /Council Expenses	680,000	-251,000	429,000	276,500	-152,500	64.5%
Repairs and maintenance	2,139,200	-1,639,200	500,000	1,190,017	103,307	151.2%
Depreciation expense	-	-	-	8,596,796	8,596,796	
Total Payments	-	-	-	29,429,295	4,982,275	
Surplus for the period				954,681.00		

Budget notes

1. Performance differences

a. Transfers from other National Government entities

The budgeted amount due to recurrent government grants was arrived based on previous history (2023/2024 FY). However, the grants varied from quarter to quarter leading to Kshs. **407,036.00, (12.2%)** higher than the approved amounts.



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b. Grants from donors and development partners

The College had planned to follow up with various donors and development partners for funding. Among them being

- i. The Ministry -Kshs. 2,000,000.00
- ii. The County Government of Kilifi -Kshs. 1,000,000.00
- iii. NG-CDF Magarini Constituency -Kshs. 3,500,000.00
- iv. Shanzu Teachers Training College -Kshs. 10,000.00
- v. The Bohra Community, Malindi -Kshs. 2,000,000.00

Total -Kshs. 8,510,000.00

Out of the projected donor funding, the College received Kshs. 3,500,000.00 from;

- i. The Bohra Community, Malindi -Kshs. 2,000,000.00
- ii. Shanzu Teachers Training College -Kshs. 10,000.00
- iii. NG-CDF, Magarini Constituency -Kshs. 1,490,000.00

The NG-CDF funding was in-kind (Construction of 1No. 5door toilet
This led to the performance difference of Kshs. 5,010,000.00 (41.1%)

c. Repairs and Maintenance

In March/April 2025, it was discovered that the very old 1No. 3Classroom block which house the ICT Hub and DLP room was leaking, to avoid losing the computers under the KPEEL Project, the block was rehabilitated hence the difference of 51.2% above threshold

2. Changes between the original and final budget

The approved original budget was prepared based on 350 trainees. However, the actual number realized by December 2024 was 272 trainees. The Board reviewed the budget downwards leading the differences between the original and final budget

17. Notes to the Financial Statements

1. General Information

Galana TTC is a public established under the Basic Education Act 2013. It derives accountability from Public Finance Management Act 2012. The Government of Kenya, through the Ministry of Education, owns the College. The College domiciles in Kenya, Kilifi County and Magarini Sub-County. The College's principal activity is to Train Diploma in Teacher Education Course. Mrs. Janet M'kang'ombe M'wadiga is the Principal of the College.

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 judgment in the process of applying the College's accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Galana TTC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, 2012, Regulations 2015 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.



3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025)

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There are no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Not relevant
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. Not relevant
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. Heritage and infrastructure asset shall be disclose if any
IPSAS 46: Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current

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	operational value. <i>The standard shall have cost implications due to valuations by certified valuers</i>
IPSAS 47:	<i>Applicable 1st January 2026</i>
Revenue	This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. <i>The standard shall have not no impact on figures since all revenues shall be consolidated</i>
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. <i>Not relevant</i>
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>Not relevant</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <i>Not relevant</i>

iii. Early adoption of standards

Galana TTC did not early – adopt any new or amended standards in the financial year.



4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board of Management on 26th September 2024. The original budget amounted to Kshs. 55,744,612.00. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of Kshs. -15,998,716 on the FY 2024/2025 budget following the Council/ Board's approval. Galana TTC's budget is prepared on cash basis whereas financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance. A statement of comparison of budget and actual amounts, has been prepared on a comparable basis to 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 Cash flows has been presented.

c) Taxes

Current income tax

The College is exempt from paying taxes since it exists to advance educational services.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Galana TTC did not have investment property in the financial year under review. However, 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.



e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

f) Leases

In the 2024/2025 financial year under review, the College did not report neither finance or operating leases. However, Finance charges are recognized as finance costs in surplus or deficit. On the other hand, Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

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 payment. The Entity also recognizes the associated lease liability at the inception of the lease at present value. Lease payment shall be reported under finance charges.

g) Intangible assets

In the 2024/2025 financial year under review, the intangible assets procured amounted to Kshs. 400,000.00 (An ERP software procured from Optimum Computer Solutions Ltd) Balance B/Fwd. amounted to Kshs. 63,800.00 (A website developed by Global Hub Computers Ltd) No internal developments have been done. Further, impairment for the intangible assets has been disregarded.

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

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

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

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

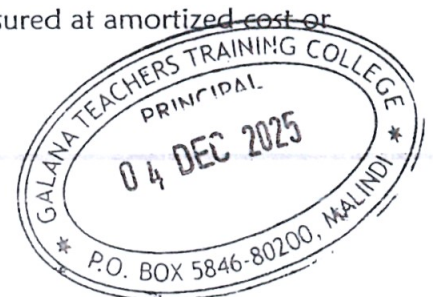
j) Financial instruments

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

Financial assets

Classification

The 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 the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash-flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or



fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

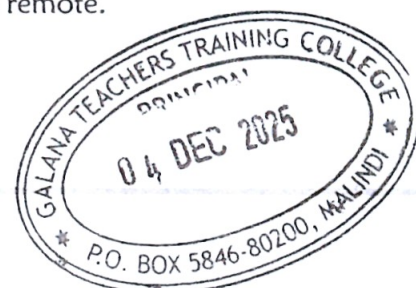
l) Provisions

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

Contingent liabilities

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

Contingent assets



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Galana TTC does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *Entity* in the notes to the financial statements. There were no contingent assets in the financial year under review

m) 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.

There were no social benefits in the financial year under review. However, the College shall recognise a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the College will incur in fulfilling the present obligations represented by the liability.

n) Nature and purpose of reserves

The College creates and maintains reserves in terms of cash and cash equivalents for the purpose meeting expenses in subsequent financial periods

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

The College does not have a defined retirement benefit scheme for employee. Plans are underway to consider employees for gratuities upon meeting the set laws guiding service gratuities.

q) Foreign currency transactions

There were no foreign transactions in the 2024/2025 financial year under review. However, all foreign transactions shall be reported at spot rate.

r) 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.

s) Related parties

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

t) Service concession arrangements

The 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, the 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, the College also recognizes a corresponding liability, adjusted by a cash consideration paid or received. However, there were no service concession arrangements in the 2024/2025 financial year under review

u) 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.

v) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation. For the 2024/2025 financial year under review, the comparative figures are extracted from the 2023/2024 financial.

w) 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, 2025.



5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the College financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the 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

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. No provisions have been made so far.

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6. Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
1 st Quarter Operational Grants	832,193.00	1,235,843.00
2 nd Quarter Operational Grants	839,958.00	822,843.00
3 rd Quarter Operational Grants	1,239,439.00	1,354,126.00
4 th Quarter Operational Grants	839,958.00	1,346,066.00
Total Government Grants and Subsidies	3,751,548.00	4,758,878.00

Breakdown of Transfer from other National Government entities

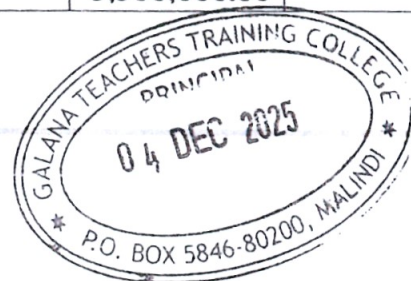
Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional/Capitation/Operational Grants		
Capitation Grants for Tuition	364,256.20	914,470.20
Capitation Grants for Activities	212,228.20	533,084.80
Operational Grants for Maintenance and Improvements	399,481.00	398,399.00
Operational Grants for Administrative Costs	340,952.00	367,016.00
Operational Grants for Personnel Emoluments	1,027,603.60	1,106,160.00
Operational Grants for Local Transport and Travelling	1,407,027.00	1,439,748.00
Total Government Grants and Subsidies	3,751,548.00	4,758,878.00

Categorized Transfers from other Government entities

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department For Basic Education	3,751,548.00	0.00	0.00	3,751,548.00	4,758,878.00
Total	3,751,548.00	0.00	0.00	3,751,548.00	4,758,878.00

7. Grants from Donors and other Development Partners

Description	2024/2025	2023/2024
	Kshs	Kshs
In-Kind Donations-NG-CDF Toilet Project	1,490,000.00	0.00
Grant receive from the Bohra Community	2,000,000.00	0.00
Shanzu Teachers Training College	10,000.00	0.00
Total Grants from Development Partners	3,500,000.00	0.00



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8. Public Contributions and Donations

Description	2024/2025	2023/2024
	Kshs	Kshs
Public Donations-Fundraiser event held on 21/06/2024	0.00	1,216,842.00
Total Donations and Contributions	0.00	1,216,842.00

9. Rendering of Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Boarding Equipment and Stores	8,145,000.00	3,800,216.00
Teaching Equipment and Stores	543,000.00	278,164.00
Local Transport and Travelling	1,088,450.00	519,459.00
Medical Drugs and Equipment	271,500.00	137,000.00
Activity Fees	543,000.00	257,324.00
Repairs, Maintenance and Improvement	814,500.00	402,388.00
Administrative Costs	678,750.00	344,749.00
Electricity, Water and Conservancy	1,074,155.00	507,355.00
Personnel Emoluments Subsidies and Gratuities	2,340,330.00	1,136,913.00
ICT Equipment and Accessories	1,086,000.00	520,847.00
Teaching Practice/Practicum	363,500.00	302,119.00
Student Council/Governance	87,600.00	81,100.00
Clubs, Societies and Community Learning	87,600.00	81,265.00
Library Books	0.00	1,000.00
Vehicle Repairs and Maintenance/Replacement	1,629,000.00	673,481.00
Covid-19 Response	0.00	3,790.00
Bank Charges	0.00	535.00
Fee Debtors	0.00	2,979,352.00
Total Revenue from The Rendering of Services	18,752,385.00	14,063,983.50

Rendering of services relate to fees levied to trainees

10. Other Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Tender Processing Fees	64,000.00	41,000.00
Hire of facilities-grounds	1,000.00	0.00
Stationery Recovered	70,043.00	0.00
Graduation Fees	00.00	4,500.00
Total	135,043.00	45,500.00

The College charged Kshs. One Thousand (1,000.00) only per month per for persons selling snack to trainees at the College. The charges took effect on 1st June 2025 in which only one (1) agreed to pay to continue selling snacks.

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11. Sale of Goods

Description	2024/2025	2023/2024
	Kshs	Kshs
Track Suits	438,000.00	318,250.00
Students' Identification Cards	43,800.0	23,065.00
Student Guide Books	0.00	200.00
Practicum Assessment Books	0.00	4,800.00
Hockey Sticks	365,000.00	352,429.00
Farm Tools	73,000.00	0.00
Sale of farm produce	0.00	124,600.00
Total	919,800.00	823,344.00

12. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Boarding Equipment and Stores	6,517,895.00	3,936,235.00
Teaching Equipment and Stores	366,577.00	74,000.00
Local Transport and Travelling	688,373.00	467,190.00
Medical Drugs and Equipment	41,190.00	18,909.00
Activity Fees	1,678,901.00	1,319,388.00
Administrative Costs	1,484,173.00	1,211,527.00
Electricity, Water and Conservancy	844,402.00	582,300.00
ICT Equipment and Accessories	597,821.00	252,258.00
Teaching Practice/Practicum	0.00	40,950.00
Student Council/Governance	65,060.00	74,900.00
Track Suits	405,880.00	320,000.00
Clubs, Societies and Community Learning	1,800.00	0.00
Students' Identification Cards	16,890.00	17,450.00
Bank Charges	21,329.00	14,619.00
Hockey Sticks	0.00	3,000.00
Tender Processing Expenses	21,000.00	3,000.00
Farm Tools Expense	32,640.00	0.00
Conveyance fees	717.00	0.00
Green Galana Initiative-GGI	59,700.00	0.00
Income Generating Activities	4,440.00	65,851.00
Farming Expenses	66,940.00	0.00
Transfer to KNEC	1,911,440	0.00
Total Use of Goods and Services	14,827,168.00	8,401,577.00



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13. Employee Costs/Salaries and Wages

Description	2024/2025	2023/2024
	Kshs	Kshs
Net Salaries and wages	3,890,602.00	2,716,184.00
Affordable Housing Levy	111,180.00	59,828.00
NHIF/SHIF	106,555.00	86,500.00
NITA	7,500.00	5,400.00
NSSF	375,886.00	238,569.00
PAYE	47,091.00	40,628.00
Employee Costs	4,538,814.00	3,147,109.00

14. Board/Council Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Board of Management Allowances during official Meetings	276,500.00	533,000.00
Directors Emoluments	0.00	0.00
Other Allowances	0.00	0.00
Other Board/Council Expenses	0.00	0.00
Total	276,500.00	533,000.00

15. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Lighting/Improvement of footpath	104,135.00	0.00
Maintenance/Improvement of College Fence	156,010.00	0.00
Rehabilitation of Classrooms	396,110.00	0.00
General Repairs and Improvement	533,762.00	244,916.00
Total Repairs and Maintenance	1,190,017.00	244,916.00

16. Depreciation and Amortization expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Building and Structures	1,128,921.00	0.00
Furniture and Fittings	531,563	0.00
Computers and Related Equipment	6,435,573.00	0.00
Plant and General Equipment	308,919.00	0.00
Mattresses	191,820.00	0.00
Total depreciation and amortization	8,596,796.00	0.00

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17. Cash and Cash Equivalents

	2024/2025	2023/2024
	Kshs	Kshs
Current Account	2,187,298.00	2,808,308.00
Others –Cash at hand	265.00	6,353.00
Total Cash and Cash Equivalents	2,187,563.00	2,814,661.00

(a) Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank -Fee Collection Account	1289235430	728,541.00	1,183,738.00
Kenya Commercial Bank -Development Account	1239572999	5,674.00	60.00
Equity Bank -Operations Account	0450267920494	1,453,083.00	1,624,510.00
Sub- Total		2,187,298.00	2,808,308.00
b) Others (Specify)			
Cash in Hand		265.00	6,353.00
Sub- Total		265.00	6,353.00
Grand Total		2,187,563.00	2,814,661.00

No. Balance for KCB Development Account is as at 4th April 2025

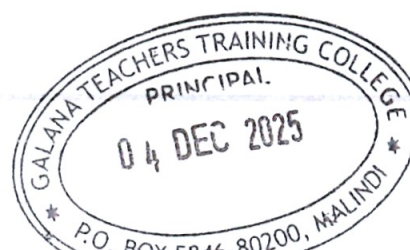
18. Receivables from Exchange transactions

(a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors-List Attached	4,344,620.00	2,888,052.00
Rent Debtors	0.00	0.00
Total Current Receivables	4,344,620.00	2,888,052.00

(b) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Prior FY	% of the total
Less than 1 year	3,320,370.00	76.4%	1,507,777.00	52.0%
Between 1- 2 years	693,890.00	16%	924,170.00	32.0%
Between 2-3 years	330,360.00	7.6%	460,105.00	16.0%
Total (a+b)	4,344,620.00	100%	2,892,052.00	100%



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19. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Tuition Stores	1,087,434.00	809,190.00
Sports and Physical Health Stores	407,229.00	114,729.00
Catering Stores	110,066.00	24,230.00
House-Keeping Stores	29,150.00	0.00
Total Inventories at lower of Cost and Net Realizable Value	1,633,879.00	948,149.00

Detailed disclosure on inventories

	2024/2025	2023/2024
Opening balance	948,149.00	0.00
Additional Inventory in the year	685,730.00	948,149.00
Inventory expensed in the year	0.00	0.00
Write-downs in the year	0.00	0.00
Others specify	0.00	0.00
Closing balance	1,633,879.00	948,149.00

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20. Property, Plant and Equipment

Cost	Land	Buildings & Structures	Motor vehicles	Furniture and fittings	Computers & related equipment	Plant and equipment	Mattresses	Capital Work In progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2023	-	9,214,535.00	0.00	2,351,877	440,199.00	891,340	0.00	0.00	12,897,951.00
Additions	-	27,237,063.00	-	669,843	20,035,000	338,540	460,000	-	48,740,446.00
Disposals	-	-	-	0.00	-	-	-	-	-
Transfers/Adjustments	-	-	-	0.00	-	-	-	-	-
Revaluation	-	-	-	0.00	-	-	-	-	-
At 30 th June 2024	-	36,451,598.00	-	3,021,720	20,475,199	1,229,880	460,000	0.00	61,638,397.00
Additions	-	8,705,235	0.00	1,230,785	976,711	314,717	179,400	0.00	11,406,848.00
Disposals	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer/Adjustments	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revaluation	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30 th June 2025	-	45,156,833.00	0.00	4,252,505	21,451,910	1,544,597	639,400	0.00	73,045,245.00
Depreciation And Impairment									
Depreciation Rate		2.5%	25%	12.5%	30%	20%	30%		
At 1 Jun 2023	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 30 Jun 2024	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 30 th Jun 2025	-	-1,128,921.00	0.00	-531,563.00	-6,435,573	-308,919.00	-191,820	0.00	-8,596,796.00
Net Book Values									
At 30 th Jun 2024	-	36,451,598.00	-	3,021,720	20,475,199	1,229,880	460,000	0.00	61,638,397.00
At 30 th Jun 2025	0.00	44,027,912.00	0.00	3,720,942.00	15,016,337	1,235,677.60	447,580	0.00	64,448,449.00



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Notes to the Financial Statements (Continued)

Valuation

The College did engage professional valuers to carry out valuation of the College Land and building due to financial constraints. However, when funds are available the College will adhere to the National Liabilities and Management Policy and guidelines (Issued June 2020). Land and buildings are reported on historical cost.

20(b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings and Structures	45,156,833.00	-1,128,921.00	44,027,912.00
Office/Kitchen and general equipment	1,544,597.00	-308,919.00	1,235,678.00
Computers and Related Equipment	21,451,910.00	-6,435,573.00	15,016,337.00
Furniture and Fittings	4,252,505.00	-531,563.00	3,720,942.00
Mattresses	639,400.00	-191,820.00	447,580.00
Total	73,045,245.00	-8,596,796.00	64,448,449.00

21. Intangible Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost		
At beginning of the year	63,800.00	63,800.00
Additions	400,000.00	0.00
At end of the year	463,800.00	63,800.00
Additions—internal development	0.00	0.00
At end of the year	463,800.00	63,800.00
Amortization and impairment		
At beginning of the year	0.00	0.00
Amortization	0.00	0.00
At end of the year	0.00	0.00
Impairment loss	0.00	0.00
At end of the year	0.00	0.00
NBV	463,800.00	63,800.00

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22. Biological Assets

	2024/2025	2023/2024
	Kshs	Kshs
Goats (50No)	150,000.00	0.00
Chicken	0.00	10,000.00
Total	150,000.00	10,000.00

NB.

- i. The goats were purchased to fulfil requirements of the Kenya National Examinations Council SBA 2 Agriculture Project Examinations.
- ii. Kshs. 10,000.00 reported in the 2023/2024 financial year was expensed during Board Meetings. The Chicken rearing project was abandoned since the project was not viable

23. Trade and Other Payables from Exchange Transactions

S/No	Name	Nature of Good/Services Supplied	2024/2025	2023/2024
1.	Gramima General Supplies	Dry Maize, Beans, Rice, Sugar, Tea leaves, Cooking oil, Table	496,550.00	234,800.00
2.	Haluwa Masha Enterprises	Fresh Vegetables and Fruits	128,885.00	100,695.00
3.	Riverside Butchery & General Supplies	Fresh Meat and Meat Products	118,500.00	72,500.00
4.	Jumaan & Sons	Fresh Bread	178,290.00	85,410.00
5.	Magarini Dairy Farmers	Fresh Milk	59,220.00	38,080.00
6.	Zeplin Investments Ltd	Internet	0.00	80,000.00
7.	A.S Kassamjee Ltd	Hardware, Building and Construction Materials	875,850.00	0.00
8.	Axim Paints & Hardware	Hardware, Building and Construction Materials	71,520.00	0.00
9.	Lesanetv Systems	Internet	49,000.00	0.00
10.	Optimum Computer Systems Ltd	Altimate Academic ERP	300,000.00	0.00
11.	Edward Masha Gonah	Labour Cost for Construction Works	94,700.00	0.00
12.	Patsam Stationers Ltd	Books and Stationery	230,894.00	0.00
13.	Nairobi Sport House Ltd	Sport items and Track Suits	698,380.00	0.00
Total			3,301,789.00	611,485.00

24. Payroll Liabilities/Statutory deductions

	2024/2025	2023/2024
	Kshs	Kshs
NSSF Liabilities	42,050.00	0.00
PAYE Liabilities	4,934.00	0.00
SHIF Liability	9,633.00	0.00
Affordable Housing levy	10,514.00	0.00
NITA	700.00	0.00
Total	67,831.00	0.00

This relates to statutory deductions for June 2025 which is due on 9th July 2025



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25. Deferred Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Commitment Fees-September 2025 Intake	852,000.00	0.00
Prepaid Fees	924,263.00	599,853.00
Total	1,776,263.00	599,853.00

26. Agency Collections

Description	2024/2025	2023/2024
	Kshs	Kshs
KNEC Fees Invoiced during the year	2,279,200.00	1,768,112.00
KUCCPS Invoiced	219,000.00	192,000.00
Balance reported in statement of financial position	2,498,200.00	1,960,112.00

27. Accumulated Fund

	2024/2025	2023/2024
Opening balance	67,152,745.00	58,973,017.00
Surplus/(Deficit) for the Period	-1,543,519.00	8,179,728.00
Closing balance	65,609,226.00	67,152,745.00

28. Current Provisions

No provisions were provided for in the 2024/2025 financial year under review

29. Employee Benefit Obligations

Retirement benefit Asset/ Liability

The College contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act, 2013. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at; Tier 1: Both employer and employee contribute 6% of the gross salary, tied to a maximum salary of Kshs. 7,000.00

Tier II: Both employer and employee contribute 6% of the gross salary, tied to a maximum salary of Kshs. 29,000.00 above the lower limit.

30. Borrowings

The College neither had internal nor external borrowings in the financial year under review

31. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management

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programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

The College's credit risk arises from receivables due to fee debtors. In the financial year under review, total fees debtors amounted to Kshs. 4,344,620.00 out of which;

- a. 2021/2022 Cohort Kshs. 330,360.00
- b. 2022/2023 Cohort Kshs. 693,890.00
- c. 2023/2026 Cohort Kshs. 1,789,170.00
- d. 2024/2027 Cohort Kshs. 1,531,200.00

The BoM set a policy that trainees shall not proceed to other academic terms if previous terms fees are not cleared. For trainees who completed their course, transcripts and certificates shall not be cleared unless fee arrears are paid in full.

(ii) Liquidity risk management

The BoM is responsible for managing liquidity risk in the College. The management put in place clearing all consumable supplies within a span of 30days. Projects are as well carried out when there is certainty that funds shall be available for finance them. Management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

(iii) Market risk

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. Galana TTC was not exposed to market risk in the 2024/2025 financial year under review

a) Foreign currency risk

In the 2024/2025 financial year under review, Galana TTC was not exposed to foreign current risk.

b) Interest rate risk

In the 2024/2025 financial year under review, Galana TTC was not exposed to interest rate risk.

32. Related Party Balances

Nature of related party relationships

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



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Government of Kenya

The Government of Kenya is the principal shareholder of Galana TTC, holding 100% of the equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the College, both domestic and external. Other related parties include:

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key Management
- iv) Board of Management

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Transactions with Related Parties		
a) Grants /Transfers from the Government		
Grants from National Government	3,751,548.00	4,758,878.00
Grants from County Government	0.00	0.00
Total	3,751,548.00	4,758,878.00
Total	0.00	0.00
b) Key Management Compensation		
Directors' emolument	0.00	0.00
Compensation to Key Management	0.00	0.00
Total	0.00	0.00

33. Events After The Reporting Period

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

34. Ultimate And Holding Entity

Galana TTC is a public teacher training College under the Ministry of Education. Its ultimate parent is the Government of Kenya.

35. Currency

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

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18. Appendices
Appendix 1: Implementation Status of Auditor-General Recommendations

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

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

Guidance Notes:

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

The Auditor-General has never audited the College; therefore, no recommendations were registered.

Signature:.....

Name : Janet Mkang'ombe Mwadiga
Accounting Officer/Principal
Mrs.

Date: 27/08/2025



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Appendix II: Projects Implemented by Galana 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)
1						
2						

The College did not implement any project financed by any development partners in the financial year under review

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity: Ministry of Education

Name of beneficiary entity: Galana Teachers Training College

Confirmation of amounts received by Galana Teachers Training College as at 30th June 2025


Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C) = (A+B)	Remarks
5417270665689267114	23/09/2024	832,193.00	0.00	832,193.00	1 st Quarter Grants
5173501821732421506	24/12/2024	839,958.00	0.00	839,958.00	2 nd Quarter Grants
5175091387074271236	26/06/2025	1,239,439.00	0.00	1,239,439.00	3 rd Quarter Grants
	03/07/2025	839,958.00	0.00	839,958.00	4 th Quarter Grants
Total		3,751,548.00	0.00	3,751,548.00	

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

Head of Accounts Department – Ministry of Education

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name Janet Mwadiga Sign  Date 27/8/2025



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Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Green Galana Initiative -GGI	The Project is aimed at restoring the vegetation cover of the college and magarini sub-county. It is anchored on the presidential directive on achieving 10% forest cover country wide, by 2030. The directorate is internally created by The college management headed by a director who is a teacher a pointed by the principal.	To restore vegetation cover of the institution To influence the community amount the college to embrace planting of tree To improve the nutrition value of the college community thru growing fruit tree. To re-introduce threatened indigenous plant species in the the are through multiplying and protecting then to ensure a clean environment conducive for the college community	Planting of trees	0.00	59,200.00	0.00	500	College Fee Donations in Kind -Tree seedlings	i. Bore Green Umbrella ii. KCB Bank (K) Ltd iii. Million trees for Kilifi iv. Kenya wildlife Service v. Kenya Forestry Services

Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Fire Safety Preparedness	Installation of Fire Extinguishers	Fire	Installation of extinguishers Servicing of Fire Extinguishers Training of staff on use of fire extinguishers	Fire extinguishers	46,632.00	Serviced



