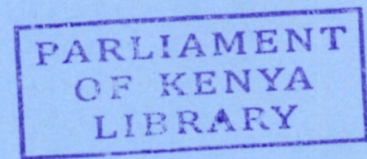


REPUBLIC OF KENYA



**REPORT**




**OF**

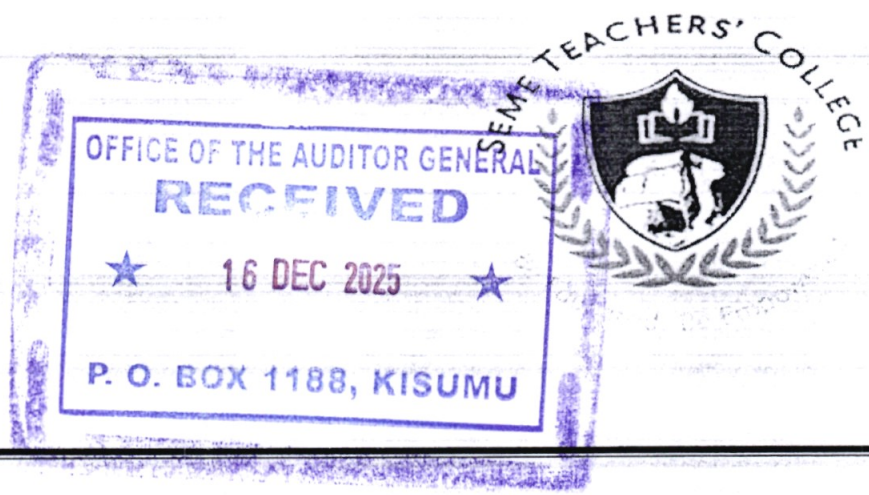
**THE AUDITOR-GENERAL**

**ON**

**SEME TEACHERS TRAINING COLLEGE**

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

 NATIONAL ASSEMBLY PAPERS LAID	
DAY.	
DATE: 07 APR 2025 Tuesday	
TABLED BY:	Hon Samuel Chepkong, MP
CLERK-AT THE-TABLE:	A. Shabuka



*SEME TEACHERS TRAINING COLLEGE*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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

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Seme Teachers Training College  
Annual Report and Financial Statements for the year ended 30th June 2024

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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
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
KPEEL	Kenya Primary Equity in Learning
NG-CDF	National Government Constituency Development Fund
SBA	School Based Assessment
MOE	Ministry of Education

**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 Entity Information and Management

(a) Background information

Seme Teachers College was incorporated/ established under the Basic Education Act 2015 Act in the year 2019. The College is domiciled in Kenya and is located in Seme Sub-County of Kisumu County. The college is under the Ministry of Education.

(b) Principal Activities

i. The principal Activity

of the College is to offer training in Diploma in Primary Teacher Education (DPTE), Diploma in Early Childhood Education (DECTE) and Upgrade to Diploma in Primary Teacher Education and Early Childhood Education (UDECTE)

ii. Mission

To provide quality teacher education and training that produces patriotic, competent, innovative and self-directing teachers

iii. Vision:

An Institution of all round teacher education and training

iv. Core Values

Professionalism, Integrity, Accountability and Team Work

(c) Key Management

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

- Board of Management
- Chief Principal and the Administrative staff

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Chief Principal	Lorraine Mukoya
2.	Deputy Principal	Sarah Muteti
4	Dean of Curriculum	Mr. Paul Maina
5	Dean of Students	Dr. Joseph Kiptoo
6	Bursar	Christopher Oriyo
7	Assistant Dean of Students	Rosemary Achila

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**Annual Report and Financial Statements for the year ended 30th June 2024**

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

**(e) Fiduciary Oversight Arrangements**

The Members of the Board of Management of the college were appointed by the Cabinet Secretary Ministry of Education on 18<sup>th</sup> July 2019. This Board expired on 22<sup>nd</sup> February 2024. A new Board was appointed on 19<sup>th</sup> June 2024 and was inaugurated on .....

The Board has the following committees

- i. Executive Board
- ii. Finance, Procurement and General Purpose Committee
- iii. Audit and Risk Committee
- iv. Academic Standards, Quality and Environment Committee

**(f) Entity Headquarters**

P.O. Box 125-40102  
Kombewa  
Kenya

**(g) Entity Contacts**

Telephone: (254)0112075087  
E-mail: semeteachcol@gmail.com  
Website: Not yet developed

**(h) Entity Bankers**

Kenya Commercial Bank (KCB)  
Kisumu Airport Branch

Equity Bank  
Kisumu Angawa Branch (NG-CDF Project)

**(i) Independent Auditors**

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

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




**(j) Principal Legal Adviser**

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





Seme Teachers Training College

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3.The Board of Management

SN.	Member/ Director	Details
1.	 <p><i>Dr. Samwel Okuro</i> <b>BOM Chairman</b></p>	<p>Date of Birth :16th January 1974</p> <p>-Qualification: PhD in Economic History, MA in History Bachelors of Education Arts</p> <p>Work Experience Senior Lecturer school of Humanities Jaramogi Odinga University of Science and Technology</p>
2.	 <p><i>Lorraine Mukoya</i> <b>Chief Principal/Secretary BOM</b></p>	<p>Date of birth: 25th /12/1970</p> <p>Qualifications- .M.Ed in Education Planning and Management (EPM)</p> <p>Work Experience Chief Principal Seme Teachers College</p>
3.	 <p><i>Godfrey Agwera Ndubi</i> <b>Member</b></p>	<p>Date of birth: 10th May 1962</p> <p>Qualifications: Bachelor of Commerce</p> <p>Work Experience -Contractor;</p>



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4.	 <i>Dr. Esha Faki Mwinyihaji</i> <i>Member</i>	<p><b>Date of birth: 1971</b></p> <p>Qualification PhD Religion</p> <p>Work Experience She is currently the Chairperson of the Department of Religion, Theology and Philosophy at Maseno University.</p> <p>She is a 2012-2013 post-doctoral fellow with Foundation for Inter-religious and Intercultural Dialogue, University of Geneva. She received her MPhil in Islamic Studies from Moi University in 2001.</p>
5.	 <i>Moline Otieno- Member</i>	<p>Date of birth : 1983</p> <p>Qualification: MBA Finance</p> <p>Work Experience KCB Bank Manager Kisumu</p>
6.	 <i>Mr. Joseph J. Owuor- Member</i>	<p>Date of birth: 1952</p> <p>Qualification Bachelor of Education (Arts)</p> <p>Work Experience Retired Principal Asumbi Teachers College Members BoM St. Barnabas Girls and Diemo secondary schools</p>
7.		<p>Date of Birth: 23rd /12/1971</p> <p>Qualification: PhD Kiswahili</p> <p>Work Experience Head of department languages Literacy and Communication Studies in Jamamogi Odinga University</p>

**Seme Teachers Training College  
Annual Report and Financial Statements for the year ended 30th June 2024**



	<i>Dr. Juliet Jagero- Vice Chair</i>	Chairperson BoM - Ratta and Sinyolo Girls Secondary Schools
8.	 <i>Mr. Maurice Olwe- Member</i>	<p>Date of birth: 6th April 1965</p> <p>Qualifications: Bed. in Early Childhood Education and primary Option</p> <p>Work Experience Deputy Director Protocol Kisumu County</p>
9.	 <i>Mr. Edwin Gor – Member</i>	<p>Date of birth: 23rd May 1967</p> <p>Qualification: Bed Arts</p> <p>Work Experience BoM member Chulaimbo Boys Secondary PTA Chair Kit Mikayi Mixed Secondary Lecturer Jaralam Academy</p>
10.	 <i>Mr. Tom Migot Member</i>	<p>Date of birth: 1960</p> <p>Qualification: Banking</p> <p>Work Experience Farming</p>
11.	 <i>Mr. Fredrick Osewe Member</i>	<p>Date of birth: 1963</p> <p>Qualification: MED (Leadership and Management)</p> <p>Work Experience Chief Officer Education- County Government of Kisumu</p>



Seme Teachers Training College  
 Annual Report and Financial Statements for the year ended 30th June 2024

12.	<p><i>Mr. George Okongo</i>  <i>Member</i></p>	<p>Date of birth: 1979</p> <p>Qualification:          Masters of Arts (Governance and Development)</p> <p>Work Experience          CEC Finance – Kisumu County</p>
13.	 <p><i>Mrs. Grace Jowi Jobita</i>  <i>Member</i></p>	<p>Date of birth: 1972</p> <p>Qualification:          Masters in Community Health and Development</p> <p>Work Experience          Plan International (South Sudan)</p>
14.	<p><i>Mr. John Mark Nangabo</i>  <i>Tutors Rep</i></p>	<p>Date of birth: 1970</p> <p>Qualification:          Bed Arts</p> <p>Work Experience          Tutor (Seme Teachers College)</p>
15.	 <p><i>Geoffrey Alph Otieno</i>  <i>Student Rep</i></p>	<p>Date of birth: 2003</p> <p>Qualification:          KCSE (Pursuing Diploma in Primary Teacher Education)</p> <p>Work Experience          Student</p>



Seme Teachers Training College  
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4. Key Management Team

SN.	Member/ Director	Details
1.	 Lorraine Mukoya Chief Principal	Date of birth: 25th /12/1970  Qualifications- .M.Ed in Education Planning and Management (EPM)  Duties Teaching and administering teaching functions  General administration  Human Resource Management  Financial Management and Control  Any other relevant duties
2.	 Sarah Muteti – Deputy Principal (Transferred)wef August 2024	Qualification: Master in Education Science  Duties  Responsible for the provision of the operational management to ensure service delivery in the institution.  The role further provides support to the head of the institution in the development and implementation of education plans, policies, programs and curriculum activities.  Any other delegated duties
3.	Mrs. Ann Mosenda Deputy Principal (New Deputy Principal)- wef August 2024	Qualification: Master in Education Science  Duties

		<p>Responsible for the provision of the operational management to ensure service delivery in the institution.</p> <p>The role further provides support to the head of the institution in the development and implementation of education plans, policies, programs and curriculum activities.</p> <p>Any other delegated duties</p>
<p>4.</p>	 <p><i>Name: Paul Maina Ngugi Dean of Curriculum- Transferred</i></p>	<p>Date of birth: 8th May 1971</p> <p>Qualification: Bed. (Arts)</p> <p>Duties Teaching Curriculum affairs</p> <p>Provision of administrative services and technical assistance to teaching staff in the areas of curriculum development, implementation and evaluation</p>
<p>5.</p>	 <p><i>Christopher Oriyo Bursar</i></p>	<p>Date of birth 23<sup>rd</sup> June 1978</p> <p>Qualification: CPA PART II</p> <p>Duties</p> <ul style="list-style-type: none"> <li>- Custody and maintenance of books of accounts and accountable documents</li> <li>- Ensuring a proper record for each transaction is kept</li> <li>- Developing management mechanism of schools resources and statutory compliance</li> <li>- Working with auditors in ensuring accountability preparation</li> </ul> <p>Preparing regular financial report</p>

**Seme Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

6.	 <p>Dr. Joseph Kiptoo  Dean of Students – <b>Transferred</b></p>	<p>Date of birth: 15/11/1969</p> <p>Qualification: Doctor of Philosophy in Curriculum Studies and Educational Media</p> <p><b>Duties</b></p> <ul style="list-style-type: none"> <li>- Teaching</li> <li>- Deals with Learners welfare including sharing information with learners, colleagues and other interested parties to promote learners success and development</li> </ul> <p>Other delegated duties</p>
7.	 <p>Mrs. Rosemary Achila  <b>Ag. Dean of Stdents</b></p>	<p>Date of birth 9th July 1967</p> <p>Qualification: Masters in Education – Kiswahili</p> <p><b>Duties</b></p> <p>Teaching</p> <p>Deals with Learners welfare including sharing information with learners, colleagues and other interested parties to promote learners success and development</p> <p>Other delegated duties</p>

8.	 <b>Mr. Caleb Asunda</b> <b>Ag. Dean of Curriculum</b>	Date of birth: 24 <sup>th</sup> August 1974 Qualification: Bed. (Arts) Duties Teaching Curriculum affairs Provision of administrative services and technical assistance to teaching staff in the areas of curriculum development, implementation and evaluation
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**Seme Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**5. Chairman's Statement**

The term of the inaugural Board of Management that was appointed in 2019 came to an end on 22<sup>nd</sup> February 2024. The Ministry of Education appointed a new Board on 19<sup>th</sup> June 2024. The Board was inaugurated on 3<sup>rd</sup> July 2024. A number of members who served in the previous Board were re-elected. I was privileged to be re-elected as the BOM Chair for another term. I want to thank the members for showing a lot of confidence in me.

I want to sincerely thank the previous Board for the commitment showed during their term, being the first board.

A number of projects were done during the year under review. Some of the projects were funded by the NG-CDF Seme constituency while some were done by the college.

Some of these projects included;

- Construction of a two door mabati structure for use as a makeshift classroom
- Construction of a five door pit latrine by the NG-CDF Seme constituency
- Purchase of two – 100 capacity tents for use as classroom by NG-CDF Seme Constituency

The college admitted over 250 students Diploma in Primary Teacher Education in September 2024. This came with challenges of accommodation, classrooms, furniture and basic infrastructure but by God's Grace we were able to sail through.

I want to thank Teachers Service Commission for posting a number of tutors to bridge the gap that existed.

I also want to thank the NG-CDF Seme and the Member of Parliament, – Seme Constituency – Hon Dr. James Nyikal for starting two mega projects in the college. CDF is currently putting up a 520 capacity female hostel and eight classrooms. Once these are completed the challenge of accommodation and classrooms will be sorted.

Moving forward, the Board has put as a priority the purchase of a van to facilitate transport, put up a dining hall, install a bio digester among other projects.

We still appeal to the National Government to support the college with infrastructure funds for development.

  
Dr. Samwel Okuro  
BOM Chairman

## **6. Report of the Chief Principal**

### **Preamble**

The Financial Year 2023/2024 started on a good note. I reported to the college as the new Principal on 5<sup>th</sup> June 2023 and the official handing over was done on 12<sup>th</sup> June 2023, It's important to reflect on our accomplishments and challenges over the past year. This document provides a comprehensive overview of our college's financial health and operational effectiveness, emphasizing our commitment to educational excellence and community engagement.

### **Student Enrollment**

This year, we saw an increase in student enrollment. A number of students were admitted for the Diploma in Primary Teacher Education being the first intake of that nature since the college was established. Previously the college only admitted students for an upgrade course in Diploma in Primary Teacher Education and Early Childhood Education. Demand for the Diploma in Primary Teacher Education Increased when the Ministry revised the entry requirements. We still look forward to a higher enrolment in the subsequent intakes.

### **Academics**

#### **Administration of the SBA Examinations**

The KNEC administers SBA's on a regular basis which are administered online. It has become mandatory for all the students to have laptops with specific features as outlined by KNEC. The college is also required to invest in an active internet that can be used during the examination. A lot of investments were made in internet/wifi connectivity in order to comply with the KNEC requirements

#### **Extra Curriculum Activities**

We are proud to report during the year under review, the college presented a number of students in the Regional and National championships. These included, music, debate, drama, athletics and ball games. The performance was encouraging and we hope the trend will continue.

The good performance in the extracurricular activities came with a lot of cost of accommodation, transport, subscriptions, participation fee, per diem for trainers and related cost. Over Ksh. Three million was used to facilitate all the activities. The college relied on the activity funds paid by the students which is far much below what was spent. The expenses were un avoided as sports forms an integral part of the students training

#### **Staffing Level**

- **Teaching Staff:** We have maintained a dedicated teaching staff, committed to fostering an engaging learning environment. The college teaching staff is about 17 tutors who

## **Seme Teachers Training College**

### **Annual Report and Financial Statements for the year ended 30th June 2024**

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handle different learning areas. The number is relatively low considering the curriculum based establishment. We want to thank TSC for adding the college more teachers during the year. I still want to appeal to TSC to add more tutors to the college. Recently three tutors were transferred and their replacements is yet to be done.

- **Non-Teaching Staff:** Our non-teaching staff have been instrumental in supporting the operational aspects of the college, ensuring that our educational mission is achieved smoothly and efficiently. Only four members of staff are on permanent terms while the rest (over 10) are still casuals on contract. The college has engaged the services of a security firm (Pride Kings Services) to guard the college.
- The number of employees is still below the approved staff establishment. The Board has commenced recruiting more staff where there is serious need

### **State of Infrastructure**

Investments in basic infrastructure was our priority in the year just ended. Improvements in classroom facilities, hostels, kitchen, and technology has been at the centre stage of the board. The area Member of parliament and the NG-CDF Seme Constituency has been instrumental in the growth of the college infrastructure. The construction of a 520 capacity storey building and eight classrooms are in progress of Ng-CDF Seme Constituency

The little resources received from the teacher trainee has also helped in improving the college infrastructure. We are still short of a dining hall, ICT Lab, Library and a spacious administrative block

### **Board of Management**

The Board of Management has provided invaluable oversight and strategic direction. Their guidance in financial planning and policy development has been pivotal in navigating challenges and seizing opportunities. The inaugural board expired in February 2024 and a new one was appointed in June 2024. The BOM inauguration was done on 3<sup>rd</sup> July 2024. I want to thank the previous Board for the commitment and dedication to the service of Seme Teachers College. Because of their good work, a number of them were reappointed

### **Land Matters**

Discussions regarding land acquisition and utilization are crucial for our expansion plans. We appreciate the community members who donated land for the establishment of the college. Although we have issues with some parcels of land some of which are in court, we are committed to resolving these matters expeditiously to ensure future growth.

### **Environment**

We continue to prioritize sustainability in our operations. We thank our friends and partners for donating tree seedlings to the college. These include; the Ministry of Education, Kenya Commercial Bank –Kisumu Airport and Kenya Medical Training College (Kombewa Campus)

## Water

Access to clean water remains a challenge. We are exploring different options and solutions to ensure reliable water supply for our college. The existing borehole has proved to be inadequate and many a times students go without water. We are currently investing in overhead tanks and roof catchment to supplement the borehole. We are also considering the options of getting experts to assess the productivity levels of the borehole. As a long term measure, we may consider (funds being available) to tap water from the nearby Awach River.

## Finances

- **Fees Payment:** Timely fee payments have shown improvement, reflecting our effective communication strategies with students and parents. However, we still have parents who are not able to pay the college fees in good time. This has hampered the service delivery. I want to thank various NG-CDF for supporting some of our needy students
- **Fees Arrears:** As at the close of the FY 2023/2024, over Ksh. Two million was still in areas. Efforts are still being made to recover the same from the students.
- **MOE Grants:** We are grateful for the Ministry of Education's support through grants, which have significantly contributed to our programs and initiatives. The remittances have been timely.
- **Suppliers/Creditors:** Maintaining good relationships with our suppliers and creditors has been essential for smooth operations. I appreciate our suppliers and service providers for standing with us both in good and bad economic times. We have not accumulated debts for the goods supplied and services offered
- **Implementation of the Budget:** Our budget implementation has been closely monitored, ensuring we remain aligned with our financial goals.
- **Ministry of Education Grant-** We received a total of Ksh. 3,708,836 from the Ministry of Education as grants for the four quarters. We thank the Ministry for this support

## Report of the Internal Auditors

The internal audit report by the Audit Unit of the MOE indicates that we have largely adhered to financial protocols, though there are areas for improvement. We will address these recommendations promptly.

## Enhanced Rainfall and Its Effects

This year's enhanced rainfall posed challenges, particularly regarding infrastructure and health. There were many cases of malaria and pneumonia as a result of the change in weather. Our septic tank and the pit latrines were not spared due to the runoff water and the rising underground water. The impact was not as dire in other places.

## Electricity

Power supply remains a critical concern. We are exploring sustainable energy solutions to reduce reliance on the grid and enhance our operational resilience. The Board approved in the budget for

**Seme Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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the FY 2024/2025 to purchase and install a 25 KVA standby generator for use as a backup during power failures/outage

**KPEEL Project**

The KPEEL Project has shown promise in improving our educational standards. The MOE through the KPEEL programme supplied assorted ICT equipment. This is a big step in boosting ICT

**Health and Related Issues**

Health initiatives for students and staff have been reinforced. The college has established a clinic with a qualified nurse to take care of the medical needs of the students

**Corporate Social Responsibility**

Our commitment to corporate social responsibility has seen us engage actively with the community, reinforcing our role as a responsible institution. The community continue to draw water from the college at a subsidized rate.

**Challenges Facing the College**

Despite our successes, we face challenges, including financial constraints, means of transport, land matters and inadequate infrastructure

**Projects 2024/2025**

Looking ahead, we have ambitious projects lined up for 2024/2025 aimed at enhancing our infrastructure and expanding our academic offerings. Strategic planning will be key to their successful implementation.

Among the key projects we intend to undertake are;

- i. Purchase of a Van
- ii. Purchase and installation of a 25 KVA standby generator
- iii. Installation of a bio-digester
- iv. Purchase of 10 water tanks (10, 000 litre tanks)
- v. Purchase of fire extinguishers
- vi. Completion of the hostel and the classroom (NG-CDF)
- vii. Purchase of 150 double decker beds
- viii. Purchase of 300 lecture chairs
- ix. Kitchen boilers
- x. Develop a strategic plan for the college
- xi. Acquisition of an admin software among other projects as contained in our annual estimates for the FY 2024/2025

### **Way Forward 2024/2025**

Our way forward involves a commitment to continuous improvement, stakeholder engagement, and adaptability in our strategies. We will prioritize transparency and communication as we navigate the upcoming challenges.

### **College Strategic Plan**

The strategic plan remains our roadmap for growth, emphasizing academic excellence, community engagement, and sustainable practices. The development of this important document is at the heart of the Board of Management and should be developed as soon as possible.

### **Appeals**

In closing, I appeal to all stakeholders—Board of Management, students, parents, staff, and the community—to join us in our mission of growing the college together

Thank you

Lorraine Mukoya  
Chief Principal



## 7. Statement of Performance against Predetermined Objectives

The College is yet to develop a comprehensive strategic plan that will define our strategic pillars/issues/themes and strategic objectives.

The work plan for the college will largely be based on the strategic plan/pillars

## 8. Corporate Governance Statement

- ✓ The college has an active Board of Management appointed in accordance with the Basic Education Act No. 14 of 2013 Section 56. This is the second Board of Management since the college was established. All appointments to the Board are done in line with the Basic Education Act. Where the term of the Board expires, the Executive Board is mandated to hold brief until a new board is appointed and inaugurated
- ✓ The board of management were not taken any formal training during the financial year. During the financial year 2024/2025, a provision has been made to have the board taken for induction/training.
- ✓ The board members are not paid any allowance except for a token for transport reimbursement. Such reimbursements are not subject to any tax. The reimbursement is normally given at a flat rate as approved by the Board during the budget preparation
- ✓ Some members of the board were not regular for meeting. Such members were not reappointed in the new board.
- ✓ The Board has sub committees as mentioned earlier. The BOM of Management and its committees hold regular meetings to deliberate on the issue affecting the college. A total of 21 meetings were held during the year under review

### Functions of the Board of Management

- ✓ Promote the best interests of the institution and ensure its development;
- ✓ Promote quality education for all learners following the standards set under the basic education act or any other written law;
- ✓ Ensure and assure the provision of proper and adequate physical facilities for the institution;
- ✓ Manage the institution's affairs following the rules and regulations governing occupational safety and health;
- ✓ Advise the County Education Board on the staffing needs of the institution;
- ✓ Determine cases of students' discipline and make reports to the County Education Board;
- ✓ Facilitate and ensure the provision of guidance and counselling to all learners;
- ✓ Provide for the welfare and observe human rights and ensure the safety of the students, teachers and Non-teaching staff at the institution;
- ✓ Encourage a culture of dialogue and participatory democratic governance at the institution;
- ✓ Promote the spirit of cohesion, integration, peace, tolerance, inclusion, elimination of hate speech, and elimination of tribalism at the institution;
- ✓ Allow reasonable use of the facilities of the institution for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may determine including the charging of a fee;
- ✓ Administer and manage the resources of the institution;

- ✓ Receive, collect and account for any funds accruing to the institution;
- ✓ Recruit, employ and remunerate such number of non-teaching staff as may be required by the institution under the basic education act; and
- ✓ Perform any other function to facilitate the implementation of its functions under the basic education act or any other written law.

## **9. Management Discussion and Analysis**

### **Financial and operational performance.**

The college's financial performance is based on an approved budget. The process of budget making is inclusive with all the college stakeholders being involved.

The sources of finances for funding the budget are limited to fee paid by the teacher trainees (students)

- ✓ The Ministry of Education also sends quarterly grants to supplement the little resources we receive from the trainees
- ✓ The NG-CDF Seme Constituency has been supportive in terms of the infrastructure i.e. classrooms, hostels etc
- ✓ The Ministry of Education under the KPEEL Programme supplied a number of computers, laptops and other associated accessories to facilitate e-learning

### **Ongoing Projects**

There are two ongoing projects being funded by the NG-CDF Seme, these are;

- 520 capacity female hostel (phase 1)
- 8 classrooms

When successfully completed we will be able to house over 800 students in the college comfortably

### **Projects/activities undertaken in the FY 2023/2024**

- ✓ The college managed to put up a two door mabati structure for use as a classroom
- ✓ Purchased two tents (100 seater capacity each)
- ✓ Purchased over 50 double decker beds
- ✓ Purchased close to 200 lecture chairs
- ✓ Improved the drainage to around the kitchen and the hostel area
- ✓ Installation of shelves in the offices
- ✓ Installation of notice board in the administration block
- ✓ Renovation of the old county building
- ✓ Burglar proofing the KPEEL rooms among others

### **Compliance with the statutory requirements**

- ✓ The college has complied with all the statutory requirements including deducting all the taxes, statutory deductions and dues and submitting to the relevant bodies in good time.
- ✓ We managed to pay our suppliers and service providers within the agreed timeline

### **Risks facing the organization**

- ✓ The college has not managed to acquire the title deeds for the parcel of land where it lies. One of the families that donated land to the college has threatened to get back the land. The matter is in court and we hope that an amicable solution will be found
- ✓ We still have issues of drainage in the college given the sloppy terrain and the soil structure.
- ✓ Water in the college poses a challenge with the rising number in population. The borehole is not very productive and on many occasions the students miss water. We have started

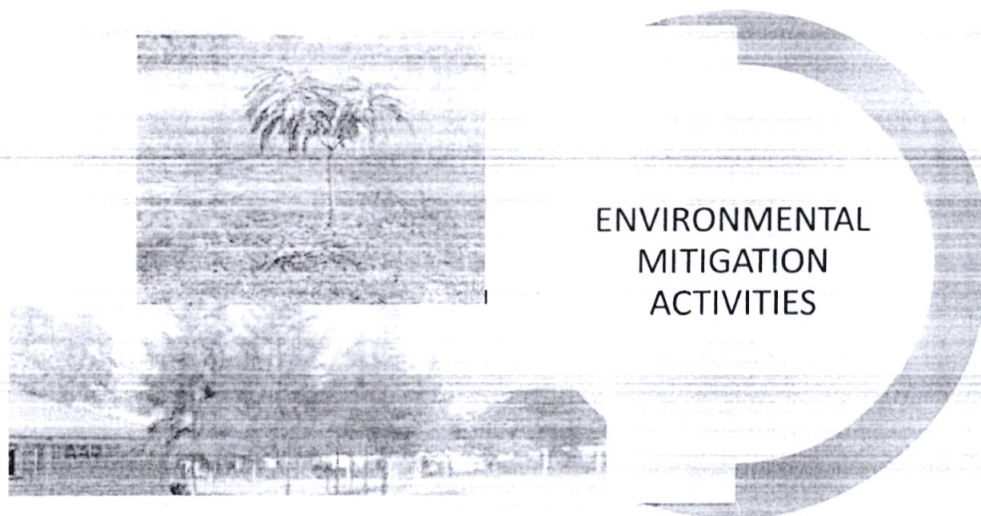
investing in roof catchment for rain water and overhead tanks for storing both borehole and rain water.

## 10. Environmental and Sustainability Reporting Statement

### Sustainability strategy and profile

#### Environmental performance

- ✓ So far the college has not developed policy on environment. The waste generated from the college from the bathrooms and the ablution block are directed to the septic tank. With the rising population, the septic tank is proving to be small and an alternative means of waste management is being explored.
- ✓ The Board of Management approved the installation of a bio digester to help in waste management. The solid wastes will be managed by a proposed incinerator or waste chamber. A number of litre bins have also been put at strategic places to help in waste collection and disposal.
- ✓ During the year 2023/2024, the college planted close to 500 tree seedlings and flowers to improve on the environment.
- ✓ The Kenya Medical Training Institute, the Ministry of Education and Kenya Commercial Bank donated a number of trees to the college. Due to harsh weather conditions, some of the trees withered. A number has also survived and we look forward to planting more in future.
- ✓ We have engaged in rehabilitation of some sections of the compound for establishment of kitchen garden. In future, we proposed that we liaise with other clubs like the agricultural club who can utilise the food refuse by coming up with a piggery project. Similarly, waste papers would be collected and be sold to people/ companies who can recycle it. Our main objective is to create a micro-climate within the college conducive for learning. The local community would also be incorporated into this environmental protection programme so that the same could benefit them.
- ✓ We are putting communication strategies in place to educate the community on need to take care of the environment.



### **Employee welfare**

During the year under review, the Board of Management hired two employees for the position of the college secretary and a storekeeper. The process was competitive. It involved the public advertisement for the two positions where a number of applicants showed interest. Transparent process of shortlisting and interviews were done for the same.

The Board interviewed and hired the employees purely on merit

- So far the college has not sponsored any employee for an upgrading course in their field of specialization
- The Treasury through PSASB organized an end of year financial reporting procedures training at Naivasha where the Bursar were invited. The 5-day training was meant to improve on the financial reporting procedures
- Most of our employees are still on contract/casuals. However, the Board of Management is in the process of developing the “Terms and Conditions of Service of BOM Employees” which will guide the recruitment process of college employees
- No effective tool of appraisal has been established
- The non-teaching staff have an active welfare that helps them during financial difficulties and bereavement
- The kitchen staff have food handling certificates from the Department of public health
- All the cleaners, grounds men and the kitchen have uniforms and gears for use during their work
- Fire extinguishers have also been installed in all the buildings within the college

### **Market place practices-**

- a) Responsible competition practice.

The college does not entertain any political activity within the college. However, students are allowed to elect their leaders democratically without any coercion or interference.

## Seme Teachers Training College

### Annual Report and Financial Statements for the year ended 30th June 2024

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- b) Responsible Supply chain and supplier relations- We offer all persons and businesses willing to do business with the college fair opportunities. This involves advertising the existing tenders openly for all interested persons to bid. Persons living with disabilities and the youths are encouraged to apply for all the tenders including the ones exclusively reserved for them.  
We honour our contractual obligations by paying our suppliers in good time and where there is delay, the suppliers are reasonably engaged.
- c) Product stewardship- outline efforts to safeguard consumer rights and interests.

#### Corporate Social Responsibility / Community Engagements

- ✓ The college on two occasions allowed the community who had lost their members to hold the funeral service at the college compound. We also hosted the Kenya Union of Post Primary Teachers (KUPPET) AGM within the college compound.
- ✓ We continue to give water to the community at a very subsidized rate.
- ✓ A number of our upgrading students (1<sup>st</sup> and 2<sup>nd</sup> cohort) were posted to the nearby public primary schools to undertake teaching practice. This has gone a long way in addressing teacher shortages in some of these schools

#### 11. Report of the Board of Management

The Board of Management submit their report together with the financial statements for the year ended June 30, 2024, which show the state of the college's affairs.

##### Principal activities

The principal activity of the college is training of Diploma in Primary Teacher Education and Early Childhood Education

##### Results

The results of the entity for the year ended June 30 2024 are set out on page 1-

##### Board of Management

###### BOARD OF MANAGEMENT SUB COMMITTEES EXECUTIVE BOARD

S.NO	NAME
1	DR. SAMWEL OKURO
2	DR. JULIET JAGERO
3	MR. FREDRICK OSEWE
4	DR. ESHA FAKI
5	MRS. LORRAINE MUKOYA
6	MRS. GRACE JOWI

**FINANCE, PROCUREMENT AND GENERAL PURPOSE COMMITTEE**

S.NO	NAME
1	MRS. GRACE JOWI
2	MRS. LORRAINE MUKOYA
3	MR. GEOFFREY NDUBI
4	MRS. MOLLINE OTIENO
5	MR. EDWIN GOR

**ACADEMIC STANDARDS, QUALITY AND ENVIRONMENT COMMITTEE**

S.NO	NAME
1	MR. FREDRICK OSEWE
2	MR. JOHN NANGABO
3	MRS. LORRAINE MUKOYA
4	DR. ESHA FAKI

**AUDIT AND RISK COMMITTEE**

**HUMAN RIGHTS STUDENTS WELFARE COMMITTEE**

S.NO	NAME
1	MRS. LORRAINE MUKOYA
2	GEOFFREY ALPH OTIENO
3	DR. JULIET JAGERO
4	MR. JOHN NANGABO
5	MR. EDWIN GOR

**SCHOOL INFRASTRUCTURE COMMITTEE (SIC)**

S.NO	NAME
1	DR. SAMWEL OKURO
2	MRS. LORRAINE MUKOYA
3	MRS. ANNE MOSENDA
4	MR. GEOFFREY NDUBI
5	MR. TOM MIGOT
6	EDUCATION OFFICE

**DISCIPLINE, ETHICS AND INTEGRITY COMMITTEE**

S.NO	NAME
1	DR. ESHA FAKI
2	MR. EDWIN GOR
3	MRS. LORRAINE MUKOYA
4	MR. GEORGE OLWE

The above Board of Management served from the year 2019 to 2024. During the year the term of the Board expired and the Ministry of Education appointed a new Board as shown in pages' vi-xi

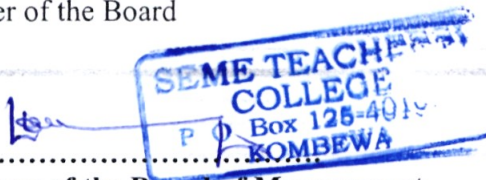
**Seme Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**Auditors**

The Auditor General is responsible for the statutory audit of the *college* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. It is important to note that the college has not been audited by the office of the Auditor General since its establishment. The Ministry of Education Schools Audit Department who are our Internal Auditors visited the college on their routine Internal Audit. We are yet to receive a detailed Audit report from them. The draft audit of the same was shared with the college and has so far been discussed by the Board of Management

By Order of the Board



.....  
Secretary of the Board of Management

Date: ..... 16/12/24 .....

**12. Statement of Board of Governors/ Council's Responsibilities**

Section 81 of the Public Finance Management Act, 2012, require the Board of Management to prepare financial statements in respect of the college, which give a true and fair view of the state of affairs of the college at the end of the financial year and the operating results of the college for the year. The Board of Management is also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The Board of Management is also responsible for safeguarding the assets of the college.

The Board of Management is responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the College for and as at the end of the financial year ended on June 30, 2024. 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 accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The council members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the financial year ended June 30, 2024, and of the college's financial position as at that date. The Board of Management further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

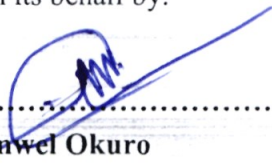
In preparing the financial statements, the Principal has assessed the college's ability to continue as a going concern. Nothing has come to the attention of the Board of Management to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.

**Seme Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2024**


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**Approval of the financial statements**

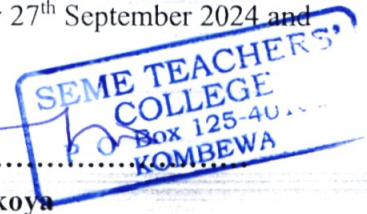
The college's financial statements were approved by the Board on Friday 27<sup>th</sup> September 2024 and signed on its behalf by:

  
.....

**Dr. Samwel Okuro**  
**Chairperson of the Board/Council**

  
.....

**Lorraine Mukoya**  
**Accounting Officer/Principal**



# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON SEME TEACHERS TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024**

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### **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 Disclaimer of Opinion is issued when the Auditor-General is unable to obtain sufficient appropriate audit evidence to form an opinion on the financial statements. 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**

#### **Disclaimer of Opinion**

I have audited the accompanying financial statements of Seme Teachers Training College set out on pages 1 to 35, which comprise of the statement of financial position as at 30 June, 2024 and the statement of financial performance, 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 do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### **Basis for Disclaimer of Opinion**

#### **1. Inaccuracies in the Presentation and Disclosure of Financial Statements**

Review of the annual reports and financial statement revealed that the statement of changes in net assets was missing in the submitted financial statements.

In the circumstances, the accuracy of presentation and disclosure of the annual reports and financial statements could not be confirmed.

#### **2. Inaccuracies in the Financial Statements**

The statement of financial position reflects accumulated surplus balance of Kshs.2,827,030 which differs with the recomputed balance of Kshs.1,147,595, resulting in an unreconciled variance of Kshs.1,679,435.

Further, the statement of cash flows reflects cash and cash equivalents balance of Kshs.2,522,828 as at 30 June, 2024 which differs with the recomputed balance of Kshs.2,305,789, resulting in an unreconciled variance of Kshs.217,039.

In addition, the statement of cash flows reflects net cash flows from operating activities of negative amount of Kshs.30,223, while the statement of financial performance indicates deficit for the year of Kshs.839,718. However, the financial statements do not include a note on cash generated from operations to reconcile these two amounts as required by the prescribed reporting template.

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

#### **3. Variances Between Financial Statements and Supporting Schedules**

The statement of financial performance, and as disclosed in Note 10 to the financial statements, reflects an amount of Kshs.19,710,976 in respect of rendering of services - fees from students. However, the supporting ledger reflects an amount of Kshs.13,562,878, resulting in an unreconciled variance of Kshs.6,148,098.

Further, the statement shows transfers from other National Government entities amount of Kshs.3,708,836, while the supporting ledger reflects a corresponding amount of Kshs.3,699,836, resulting in an unreconciled variance of Kshs.9,000.

In the circumstances, the accuracy and completeness of the rendering of services - fees from students and transfers from other National Government entities amounts of Kshs.19,710,976 and Kshs.3,708,836 respectively, could not be confirmed.

#### **4. Unsupported Use of Goods and Services**

The statement of financial performance, and as disclosed in Note 15 to the financial statements, reflects an amount of Kshs.19,101,288 in respect of use of goods and services. However, no supporting schedules and general ledger were not provided for audit review.

In the circumstances, the accuracy and completeness of the use of goods and services amount of Kshs.19,101,288 could not be confirmed.

#### **5. Misclassification of Expenditure Under Employees' Costs**

The statement financial performance, and as disclosed in Note 16 to the financial statements, reflects an amount of Kshs.1,649,102 in respect of employees' cost. However, Management did not provide journal vouchers to support the movement of expenditure items amounting to Kshs.541,680 previously misclassified and categorized under employee costs.

In the circumstances, the accuracy and completeness of employee costs amounting to Kshs.1,649,102 could not be confirmed.

#### **6. Unsupported Expenditure on Employees' Cost and Board Expense**

The statement of financial performance, and as disclosed in Note 16 and Note 17 to the financial statements, reflects amounts of Kshs.1,649,102 and Kshs.586,805 in respect of employees costs and board expenses respectively. However, no schedules and ledgers were provided to support these amounts.

In the circumstances, the accuracy and completeness of the employees costs and board expenses amounts of Kshs.1,649,102 and Kshs.586,805 could not be confirmed.

#### **7. Unsupported Depreciation and Amortization Expense**

The statement of financial performance, and as disclosed in Note 18 to the financial statements, reflects an amount of Kshs.909,495 in respect of depreciation and amortization expenses for buildings and workshops, office equipment, and furniture and fittings. However, review of documentation provided for audit revealed that Management maintained a manual asset register which was incomplete and lacked relevant information such as depreciation rate, annual depreciation, accumulated depreciation and net book values. As a result, the depreciation and amortization expenses as reported could not be reconciled and agreed with the asset register. Further, no asset register for buildings and workshops was maintained or provided.

In the circumstances, the accuracy and completeness of Kshs.909,495 in respect of depreciation and amortization expense could not be confirmed.

#### **8. Unconfirmed Cash and Cash Equivalents Balance**

The statement of financial position reflects cash and cash equivalents balance of Kshs.2,522,828. Included in this balance was Kshs.812,856 held in a Kenya Commercial Bank (KCB) account. Review of the bank statements and certificate of

bank balance for the account revealed a balance of Kshs.918,114, resulting in an unexplained variance of Kshs.105,258. Further, the cash and cash balance include an amount of Kshs.297,657 held in an Equity Bank account and cash in hand balance of Kshs.638,734. However, these balances were not supported by bank statements, bank reconciliation statements, certificate of balances and board of survey report.

Further, the balance of Kshs.2,522,828 differs with the recomputed cash and cash equivalents balance in the statement of cash flows of Kshs.2,305,789, resulting in an unreconciled variance of Kshs.217,039.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.2,522,828 could not be confirmed.

### **9. Unsupported Current Portion and Long-Term Receivables from Exchange Transactions**

The statement of financial position reflects a balance of Ksh.2,500,000 in respect of current portion of receivables from exchange transactions as disclosed in Note 27(a) to the financial statements. However, no aging analysis was provided to support this balance. This represents an 82% increase from the prior year's balance of Ksh.440,501. In the absence of an aging analysis, it was not possible to assess the recoverability or verify the accuracy of the reported receivables.

In addition, Note 27(b) to the financial statements reflect a balance of Ksh.403,169 in respect of long-term receivables from exchange transactions. However, this balance was not supported by an aging analysis.

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions totalling Kshs.2,903,169 could not be confirmed.

### **10. Unsupported Property, Plant and Equipment**

The statement of financial position, and as disclosed in Note 32 to the financial statements, reflects a balance of Kshs.28,251,007 in respect of property, plant and equipment. However, review of the assets records revealed that Management maintained a manual asset register that was incomplete and lacked details such as depreciation rate, accumulated depreciation, annual depreciation, and net book values. Therefore, the net book values as indicated in the property, plant and equipment movement schedule under Note 32 of the financial statement could not be reconciled or confirmed with the asset registers. In addition, no asset register was provided or maintained for land, buildings and workshops and no ownership document or title deed was provided for the land that the College occupied. Further, review of land records and related documents revealed that the land which the College occupied was donated by four (4) property owners. However, no survey had been done to determine the sizes of land donated to the College and, therefore, the parcel number and actual size of land occupied by the College could not be determined.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.28,251,007 could not be confirmed.

## **11. Non -Compliance with Board Guidelines**

Review of the Board of Management records maintained at the College revealed that the College held meetings without sending notices to the board members, contrary to Section 6.(2) of the fourth schedule of the Basic Education Act (2013) which states that every meeting of the Board of Management shall be convened by giving at least fourteen days' notice in writing to every member unless three quarters of the total members of a Board of Management otherwise agree.

In addition, the members were issued with appointment letters on 22 February, 2021, which were effective from the same day, and required the members to give a written acceptance in seven (7) days, which was not provided for audit review.

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

## **12. Lack of Risk Management Policy**

Review of records revealed that the College lacked a risk management policy, an indication that the College did not have a framework for management of any risk and hence, it is not possible to identify, assess and control risks. As a result, it is not possible to define the College's risk appetite and set the risk tolerance levels by identifying boundaries against unacceptable exposure to risks. This was contrary to Section 165(1) of the Public Finance Management (National Government) Regulations, 2015, stipulates that the Accounting Officer of a Government entity should develop risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations

In the circumstances, the effectiveness in risk management and the College's ability to carry out risk analysis and respond to the risk identified could not be confirmed.

## **13. Lack of an Approved Salary Structure**

Review of the Human Resource records revealed that the College lacked an approved salary structure to guide in matters relating to the employees' remuneration, contrary to Section 11(a) of the Salaries and Remuneration Commission (SRC) Act, 2011, which mandates the Commission to set and regularly review the remuneration and benefits of all State officers and advise the National and county governments on the remuneration and benefits of all other public officers. In the absence of this structure, Management may not achieve the objectives of the salary structure which are to:

- i. Attract and retain key skills needed to achieve overall corporate objectives.
- ii. Achieve transparency in the remuneration package.
- iii. Provide adequate pay differentials to compensate for skill and ability, experience, performance and responsibility.
- iv. Relate pay to performance as a means of promoting positive culture and motivating employees towards higher levels of achievements.
- v. Provide adequate incentives for increased managerial efficiency, improved accountability and controls.

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

#### **14. Failure to Provide an Approved Staff Establishment**

During the year under review, it was noted that the College lacked an approved staff establishment, contrary to Section B.2 (1) of the Human Resource Policies and Procedures Manual for the Public Service (2016), which states that Every Ministry/State Department shall prepare Human Resource Plans to support achievement of goals and objectives in their Strategic plans. The plans shall be based on comprehensive job analysis and shall be reviewed every year to address emerging issues and needs.

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

#### **15. Incomplete Stock Take Report**

The statement of financial position, and as disclosed in Note 29 to the financial statements, reflect nil balance in respect of inventories. However, review of the documents provided for audit revealed that there was a stock take carried out with incomplete data on values for each item of inventory. However these balances were not reported.

In the circumstances, the accuracy and completeness of the reported nil inventories balance could not be confirmed.

### **REPORT ON THE LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

#### **Conclusion**

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

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

#### **Conclusion**

I do not express a conclusion on the effectiveness of internal controls, risk management and governance as required by Section 7(1)(a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for my audit conclusion.

#### **Responsibilities of the Management and 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

15 December, 2025

Seme Teachers Training College

Annual Report and Financial Statements for the year ended 30th June 2024

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

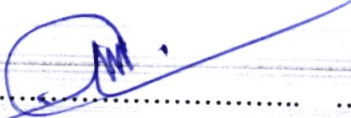
	Notes	FY 2023/2024	FY 2022/2023
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	3,708,836	3,068,137
Other Incomes		0	148,500
Grants from donors and development partners	7	0	00
Transfers from other levels of government	8	355,000	00
Public contributions and donations	9	0	00
		<b>4,063,836</b>	<b>3,216,637</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	10	19,710,976	2,419,170
Sale of goods	11	0	00
Rental revenue from facilities and equipment	12	50,000	00
Finance income	13	0	00
Miscellaneous income	14	296,000	00
<b>Revenue from Exchange transactions</b>		<b>20,056,976</b>	<b>2,419,170</b>
<b>Total Revenue</b>		<b>24,120,812</b>	<b>5,635,,807</b>
<b>Expenses</b>			
Use of goods and services	15	19,101,287.75	4,023,377
Employee costs	16	1,649,102	1,304,010
Board /Council Expenses	17	586,805	414,440
Depreciation and amortization expense	18	909,495	909,495
Repairs and maintenance	19	2,713,840	259,620
Contracted services	20	0	00
Grants and subsidies	21	0	00
Finance costs	22	0	00
<b>Total Expenses</b>		<b>24,960,529.75</b>	<b>6,910,942</b>
<b>Other Gains/(Losses)</b>			
Gain on sale of assets	23	0	00
Gain/ Loss on fair value of investments	24	0	00
Impairment loss	25	0	00
<b>Total Other Gains/(Losses)</b>		<b>0</b>	<b>00</b>
<b>Net surplus/(deficit) for the year</b>		<b>(839,717.75)</b>	<b>(1,275,135)</b>

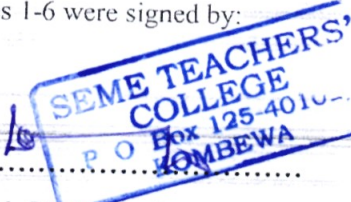
(The notes set out on pages x to xx form an integral part of the Annual Financial Statements).


**Seme Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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

  
.....  
**Chairman of Board of Management**

  
.....  
**Chief Principal**

  
.....  
**Bursar**

**Date** 16/12/21

**Date** 16/12/21

**ICPAK No/ID No.**  
**Date** 16/12/21

Seme Teachers Training College  
Annual Report and Financial Statements for the year ended 30th June 2024

15. Statement of Financial Position As At 30th June 2024

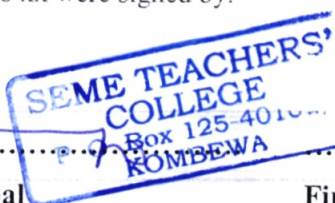
Description	Notes	2023/2024	2022/2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	2,522,827.75	1,556,723.25
Current portion of receivables from exchange transactions	27(a)	2,500,000	440,501
Receivables from non-exchange transactions	28	0	00
Inventories	29	0	00
Investments in financial assets	30	0	00
Prepayments	31	405,207	00
<b>Total Current Assets</b>		<b>5,428,034.75</b>	<b>1,997,224.25</b>
<b>Non-Current Assets</b>			
Long term receivables from exchange transactions	27(b)	403,169	00
Investments	30	0	00
Property, plant, and equipment	32	28,251,007	29,160,502
Intangible assets	33	0	00
Investment property	34	0	00
Biological Assets	35	0	00
<b>Total Non-Current Assets</b>		<b>28,654,176</b>	<b>29,160,502</b>
<b>Total Assets (A)</b>		<b>29,182,210.75</b>	<b>31,157,726.25</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	36	0	9,912
Refundable deposits from customers	37	0	00
Current provisions	38	0	00
Finance lease obligation	39	0	00
Deferred income	40	0	00
Employee benefit obligation	41	0	00
Payments received in advance	42	390,207	00
Current portion of borrowings	43	0	00
Social Benefits	46	0	00


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Description	Notes	2023/2024	2022/2023
		Kshs	Kshs
<b>Total Current Liabilities</b>		<b>390,207</b>	<b>9,912</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	39	0	00
Deferred income	40	0	00
Non-Current Employee Benefit Obligation	41	0	00
Non- Current Borrowings	43	0	00
Non-Current Provisions	44	0	00
Service Concession Liability	45	0	00
Social benefits	46	0	00
<b>Total non- current liabilities</b>		<b>0</b>	<b>9,912</b>
<b>Total Liabilities (B)</b>		<b>309,207</b>	<b>9,912</b>
<b>Net Assets (A-B)</b>		<b>28,792,003.75</b>	<b>31,147,814.25</b>
<b>Represented By:</b>			
Accumulated Surplus		2,827,030	1,987,312.25
Capital Fund		25,964,973.75	29,160,502
<b>Net Assets</b>		<b>28,792,003.75</b>	<b>31,147,814.25</b>

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

  
 .....  
 Chairman of Council/Board

   
 .....  
 Principal

  
 .....  
 Finance Officer

Date 

Date 

ICPAK No  
 Date 

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 20XX (previous year)</b>	xxx	xxx	xxx	xxx
Revaluation gain	xxx	-	-	xxx
Surplus/(deficit) for the year	-	xxx	-	xxx
Capital grants received during the year	-	-	xxx	xxx
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	xxx	(xxx)	-
<b>At June 30, 20XX</b>	xxx	xxx	xxx	xxx
<b>At July 1, 20XX (current year)</b>	xxx	xxx	xxx	xxx
Revaluation gain	xxx	-	-	xxx
Surplus/(deficit) for the year	-	xxx	-	xxx
Capital grants received during the year	-	-	xxx	xxx
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	xxx	(xxx)	-
<b>At June 30, 20XX</b>	xxx	xxx	xxx	xxx

*Note:*

1. For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).

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

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		3,708,836	3,068,137
Grants from donors and development partners		0	00
Transfers from other levels of government		355,000	00
Public contributions and donations		0	00
Rendering of services- fees from students		19,710,976	2,419,170
Sale of goods		0	00
Rental revenue from facilities and equipment		50,000	148,500
Finance income		0	00
Miscellaneous income		296,000	52,105
<b>Total Receipts</b>		<b>24,120,812</b>	<b>5,687,912</b>
<b>Payments</b>			
Use of goods and services		19,101,287.25	4,023,377
Employee costs		1,649,102	1,304,010
Board /Council Expenses		686,805	414,440
Repairs and maintenance		2,713,840	259,620
Net bursary		0	6,000
Grants and subsidies		0	00
<b>Total Payments</b>		<b>24,151,034.25</b>	<b>6,007,447</b>
<b>Net Cash Flows from operating activities</b>	47		<b>(319,535)</b>
<b>Cash flows from investing activities</b>		<b>(30,223.25)</b>	
Purchase of property, plant, equipment and intangible assets		0	00
Proceeds from sale of property, plant and equipment		0	00
<b>Net cash flows used in investing activities</b>		<b>0</b>	<b>00</b>
<b>Cash flows from financing activities</b>			
Proceeds From Borrowing		0	00
Repayment Of Borrowings		0	00
<b>Net cash flows used in financing activities</b>		<b>0</b>	<b>00</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>(30,223.25)</b>	<b>464,980</b>
Cash and Cash equivalents at 1 JULY	26	2,336,011	1,871,031
<b>Cash and Cash equivalents at 30 JUNE</b>	26	<b>2,522,827.5</b>	<b>2,336,011</b>

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

	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Performance Difference	Utilization Difference	Explanations of material variance
Revenue	Kshs			Kshs	Kshs	%	-
Transfers from National Gov't Entities	3,724,196	1,511,546	2,212,650	3,068,137			
Transfers from other Government levels				355,000			Not budgeted
Rendering of services - fee from students	9,859,426	7,970,960	1,888,466	19,710,976			
Miscellaneous IGA incomes	-	-	-	50,000			Not budgeted
<b>Total Revenue</b>	<b>13,583,622</b>	<b>9,482,506</b>	<b>4,101,116</b>	<b>23,184,113</b>			
<b>Expenses</b>							
Employee costs	1,682,348	(104,552)	1,786,900	1,649,102			
BOG/Council Expenses	523,448	212,500	310,948	686,805			
Repairs Maintenance & Improvements	1,130,400	901,248	229,152	2,713,840			
Use of Goods and Services	8,615,600	6,958,260	1,657,340	19,101,287.75			
Payment of staff advances		-					Not budgeted
Miscellaneous IGA Expenses		-					Not budgeted
Teaching Practicum	370,000	314,500	55,500	0			
Other Restricted Funds	780,000	664,800	115,200	0			Funds not used
<b>Total Expenses</b>	<b>13,101,796</b>	<b>8,946,756</b>	<b>4,155,040</b>	<b>0</b>			
<b>Surplus/(deficit) for the year</b>	<b>481,826</b>	<b>535,750</b>	<b>(53,924)</b>				
Capital Expenditures	481,826	535,750	(53,924)				
<b>Budget Surplus/(deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>				

- 1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14*
- 2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)*
- 3. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) provide a reconciliation.*

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**19. Notes to the Financial Statements**

**1. General Information**

Seme Teachers College entity is established by and derives its authority and accountability from Basic Education Act. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is training of Diploma in Primary Teachers Education

**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 *college*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act and the International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

There are no new standards in the year ended 30th June 2024

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

Standard	Effective date and impact:
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 46: Measurement	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The objective of this standard was to improve measurement guidance across IPSAS by:

**Seme Teachers Training College**

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	<p>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</p> <p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47: Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48: Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

**iii. Early adoption of standards**

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

4. Summary of Significant Accounting Policies

- a) Revenue recognition
  - i) Revenue from non-exchange transactions

**Transfers from other government entities**

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

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**b) Budget information**

The original budget for FY 2023/2024 was approved by the Board on *8<sup>th</sup> August 2024*. 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 college upon receiving the respective approvals to conclude the final budget. Accordingly, the college recorded additional appropriations of **Ksh. 10,857,600** on the FY 2023/2024 budget following the Board's approval. The college's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page *xx* under section *xxx* of these financial statements.

**c) Taxes**

***Current income tax***

The entity is exempt from paying taxes save for the remittance of PAYE withheld from the employees

***Sales tax/ Value Added Tax***

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

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

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

**d) Investment property**

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

**e) Property, plant and equipment**

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

**f) Leases**

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

**g) Intangible assets**

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

**h) Research and development costs**

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

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

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

**i) Financial instruments**

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

## *Financial assets*

### *Classification*

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows 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 uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

**Impairment**

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

**Financial liabilities**

**Classification**

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

**j) Inventories**

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

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

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

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

### **Inventories (Continued)**

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

#### **k) Provisions**

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

#### ***Contingent liabilities***

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

#### ***Contingent assets***

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

#### **l) Social Benefits**

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

**m) Nature and purpose of reserves**

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

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

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

**o) Employee benefits**

**Retirement benefit plans**

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**p) Foreign currency transactions**

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

**q) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**r) Related parties**

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

**s) Service concession arrangements**

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

**t) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short-term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**u) Comparative figures**

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

**v) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

## 5. Significant Judgments and Sources of Estimation Uncertainty

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

### Estimates and assumptions.

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

### Useful lives and residual values

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

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

### Provisions

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

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

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

6. Transfers from National Government entities

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	00	6,068,137
<b>Total unconditional Grants</b>	<b>00</b>	<b>00</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Library Grant	00	00
<b>Total Government Grants and Subsidies</b>	<b>00</b>	<b>6,068,137</b>

7. Grants from Donors and Development Partners

Description	2023/2024	2022/2023
	Kshs	Kshs
JICA- Research Grant	00	00
World Bank Grants	00	00
<b>Total Grants from Development Partners</b>	<b>00</b>	<b>00</b>

(a) Reconciliations of grants from donors and development partners

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Balance unspent at beginning of year</b>	<b>00</b>	<b>00</b>
Current year receipts	00	00
Conditions Met - Transferred to Revenue	00	00
<b>Conditions Yet To Be Met - Remain Liabilities</b>	<b>00</b>	<b>00</b>

8. Transfers from Other Levels of Government

Description	2023/2024	2022/2023
	Kshs	Kshs
Transfer from NG-CDF Seme Constituency	355,000	00
<b>Total Transfers</b>	<b>355,000</b>	<b>00</b>

9. Public Contributions and Donations

Description	2023/2024	2022/2023
	Kshs	Kshs
Public Donations	00	00
Donations from Local Leadership	00	00
Other Donations	00	00
<b>Total Donations and Contributions</b>	<b>00</b>	<b>00</b>

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**10. Rendering of Services**

Description	2023/2024	2022/2023
	Kshs	Kshs
BES	7,803,288	816,044
Tuition Fees	518,211	107,400
Lt & T	1,010,286	96,500
Medical	275,750	25,000
Activity	516,945	50,000
RMI/Rehabilitation	757,799	75,000
VRM/Replacement	1,416,514	128,000
Contingency/Admin Cost	612,602	55,600
EWSC	934,659	86,076
Students Council	163,394	9,000
P/Emoluments	1,835,866	171,412
ICT	917,447	83,848
Track Suit	664,020	50,924
Hockey Stick	732,540	34,460
KNEC	331,030	358,759
Practicum	589,337	28,568
Students ID	79,100	4,500
ICT	0	60,292
Clubs And Environment	161,230	9,000
Lesson plan	0	14,156
Ass Book	312,748	1,800
Straw Board	78,210	00
Others – fee arrears		257,835
<b>Total Revenue from The Rendering of Services</b>	<b>19,710,976</b>	<b>2,419,170</b>

**11. Sale of Goods**

Description	2023/2024	2022/2023
	Kshs	Kshs
Sale of Books	00	00
<b>Total Revenue from Sale of Goods</b>	<b>00</b>	<b>00</b>

**12. Rental revenue from facilities and equipment**

Description	2023/2024	2022/2023
	Kshs	Kshs
Hire of Facilities and Equipment	50,000	148,500

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Total	50,000	148,500
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- Hosting of the KUPPET AGM within the college compound

### 13. Finance Income

Description	FY	FY
	2023/2024	2022/2023
	Kshs	Kshs
Cash investments and fixed deposits	00	00
Interest income from treasury bills	00	00
Interest income from treasury bonds	00	00
Interest from outstanding debtors	00	00
Others ( <i>specify</i> )	00	00
<b>Total finance income</b>	<b>00</b>	<b>00</b>

### 14. Miscellaneous Income

Description	FY	FY
	2023/2024	2022/2023
	Kshs	Kshs
Income from sale of tender	103,000	00
RECOVERIES	0	
NSSF	120,650	
PAYE	8,408	
NHIF	35,520	
Housing Levy	11,952	
Fee arrears recovered	16,470	
<b>Total other income</b>	<b>296,000</b>	<b>00</b>

### 15. Use of Goods and Services

Description	2023/2024	2022/2023
	Kshs	Kshs
Boarding and Consumable Supplies	8,551,521	1,062,275
Teaching and learning materials	1,603,545	403,910
KNEC Examination Expenses	2,700	482,600
TRACK Suit	608,900	00
Medical	107,600	1,890
Activity	3,018,196	60,785
Admin cost	1,237,758.75	695,368
Electricity and water	472,596	136,274
Contracted services/security	632,160	588,120
VRM	4,000	0
Local Traveling and Lunch expenses	1,601,360	131,514
Ict	595,446	47,371

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Hire of facility	54,350	155,510
Teaching practice/practicum	166,170	242,960
Clubs	70,030	14,800
NITA	4,200	
NG CDF Expenses	270,000	
Ass book	1,200	
Hockey stick	3000	
Students council	95,655	
Students id	900	
<b>Total Use of Goods and Services</b>	<b>19,101,287.75</b>	<b>4,023,377</b>

16. Employee Costs

Description	2023/2024	2022/2023
	Kshs	Kshs
Salaries and wages	1,649,102	1,205,890
<b>Employee Costs</b>	<b>1,649,102</b>	<b>1,304,010</b>

17. Board/Council Expenses

Description	2023/2024	2022/2023
	Kshs	Kshs
Chairman's Honoraria	00	00
Other Board/Council Expenses	686,805	414,440
<b>Total</b>	<b>686,805</b>	<b>414,440</b>

18. Depreciation and Amortization expense

Description	2023/2024	2022/2023
	Kshs	Kshs
Property, plant and equipment	909,495	909,495
<b>Total depreciation and amortization</b>	<b>909,495</b>	<b>909,495</b>

19. Repairs and Maintenance

Description	2023/2024	2022/2023
	Kshs	Kshs
Furniture and fittings and improvements of existing assets and construction of temporary/makeshift structures	2,713,840	259,620
<b>Total Repairs and Maintenance</b>	<b>2,713,840</b>	<b>259,620</b>

20. Contracted Services

Description	2023/2024	2022/2023
	Kshs	Kshs

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Actuarial valuations	00	00
Other (specify)	00	00
<b>Total contracted services</b>	<b>00</b>	<b>00</b>

**21. Grants and Subsidies**

Description	2023/2024	2022/2023
	Kshs	Kshs
Community Development	00	00
Social Development	00	00
<b>Total Grants and Subsidies</b>	<b>00</b>	<b>00</b>

**22. Finance Costs**

Description	2023/2024	2022/2023
	Kshs	Kshs
Borrowings (Amortized Cost)*	00	00
Finance Leases (Amortized Cost)	00	00
Unwinding of Discount from lease liabilities	00	00
<b>Total Finance Costs</b>	<b>00</b>	<b>00</b>

**23. Gain On Sale of Assets**

Description	2023/2024	2022/2023
	Kshs	Kshs
Property, Plant and Equipment	00	00
Other Assets not capitalised	00	00
<b>Total Gain On Sale of Assets</b>	<b>00</b>	<b>00</b>

**24. Gain/(loss) on Fair Value Investments**

Description	2023/2024	2022/2023
	Kshs	Kshs
Fair value on equity investments	00	00
Fair value arising from investment property	00	00
Fair value arising from biological assets	00	00
Fair value- other financial assets (specify)	00	00
<b>Total Gain</b>	<b>00</b>	<b>00</b>

**25. Impairment Loss**

Description	2023/2024	2022/2023
	Kshs	Kshs
Property, Plant and Equipment	00	00

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Total Impairment Loss	00	00
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26. Cash and Cash Equivalents

Description	2023/2024	2022/2023
	Kshs	Kshs
Current Account	1,884,093.5	1,482,553.25
Others – Cash in hand	638,734	74,170
<b>Total Cash and Cash Equivalents</b>	<b>2,522,827.5</b>	<b>2,336,011</b>

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

Financial Institution	Account number	FY 2023/2024	FY 2022/2023
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1286979056	575,580.50	37,226
Kenya Commercial Bank	1286957184	812,856	1,445,327.25
Kenya Commercial Bank	1319611478	198,000	00
Equity Bank, etc.	1260279479091	297,657	0
<b>Sub- Total</b>		<b>1,884,093.5</b>	<b>1,482,553.25</b>
<b>b) Others(Specify)</b>			
Cash in Hand		638,734	74,170
<b>Sub- Total</b>		<b>638,734</b>	
<b>Grand Total</b>		<b>2,522,827.5</b>	<b>1,556,723.25</b>

27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	2,500,000	440,501
<b>Total Current Receivables</b>	<b>2,500,000</b>	<b>440,501</b>

27 (b) Long- term Receivables from Exchange transactions

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
<b>Non-Current Receivables</b>		
FEE ARREARS	403,169	00
<b>Total Receivables</b>	<b>403,169</b>	<b>00</b>

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2023/2024		FY 2022/2023	
	Kshs		Kshs	
	Current	% of total	Comparative FY	% of total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total (a+b)</b>	<b>0</b>	<b>%</b>	<b>0</b>	<b>%</b>

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

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
At the beginning of the year	0	0
Provisions during the year	0	0
Recovered during the year	0	0
Write offs during the year	0	0
At the end of the year	<b>0</b>	<b>0</b>

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

28. Receivables from Non-Exchange transactions

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
<b>Current Receivables</b>		
Capitation Grants*	xxx	0
Transfers from Other Govt. entities	xxx	0
Undisbursed Donor Funds	xxx	0
Other Debtors (Non-Exchange Transactions)	xxx	0
Less: Impairment Allowance	(xxx)	0
<b>Total Current Receivables</b>	<b>xxx</b>	<b>0</b>

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

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

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs

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	Current FY	% of the total	Comparat ive FY	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total</b>	<b>0</b>	<b>%</b>	<b>0</b>	<b>%</b>

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

Description	2023/2024	2022/2023
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	0	0
Written off during the year	0	0
At the end of the year	<b>0</b>	<b>0</b>

**29. Inventories**

Description	2023/2024	2022/2023
	Kshs	Kshs
Consumable stores	0	0
Maintenance stores	0	0
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>0</b>	<b>0</b>

**30. Investments in financial assets**

Description	23/24	22/23
	Kshs	Kshs
<b>a) Investment in Treasury Bills and Bonds</b>		
<b>Financial Institution</b>		
CBK	0	0
CBK	0	0
<b>Sub- Total</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>	<b>0</b>	<b>00</b>

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

**d) Shareholding in other entities**

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

Name of Entity where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	2023/2024	2022/2023
	%	%	%	Kshs	Kshs	Kshs
Entity A	0	0	0	0	0	0
Entity B	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

31. Prepayments

Description	2023/2024	2022/2023
	Kshs.	Kshs.
PREPAID FEES	405,207	9912
<b>Total</b>	<b>405,207</b>	<b>9912</b>

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32. Property, Plant and Equipment

Description	Freehold Land	Buildings and Workshops	Office Equipments	Furniture & Fittings	Total Assets
Cost/Valuation	Kshs	Kshs	Kshs	Kshs	Kshs
As at 01.07.2022	5,000,000	23,247,022	117,200	2,615,270	30,979,492
Additions	-	-	-	-	-
<b>At end of Year 1</b>	<b>5,000,000</b>	<b>23,247,022</b>	<b>117,200</b>	<b>2,615,270</b>	<b>30,979,492</b>
Additions	-	-	-	-	-
<b>At end of Year 2</b>	<b>5,000,000</b>	<b>23,247,022</b>	<b>117,200</b>	<b>2,615,270</b>	<b>30,979,492</b>
Additions	-	-	-	-	-
<b>Depreciation</b>					
As at 01.07.2022	-	581,176	35,160	293,159	909,495
Charge for Year 1	-	-	-	-	-
<b>At end of Year 1</b>	<b>-</b>	<b>581,176</b>	<b>35,160</b>	<b>293,159</b>	<b>909,495</b>
Charge for Year 2	-	581,176	35,160	293,159	909,495
<b>At end of Year 2</b>	<b>-</b>	<b>1,162,352</b>	<b>70,320</b>	<b>586,318</b>	<b>1,818,990</b>
<b>Net Book Values</b>					
<b>At end of Year 1</b>	<b>5,000,000</b>	<b>22,665,846</b>	<b>82,040</b>	<b>2,322,111</b>	<b>30,069,997</b>
<b>At end of Year 2</b>	<b>5,000,000</b>	<b>22,084,670</b>	<b>46,880</b>	<b>2,028,952</b>	<b>29,160,502</b>
<b>As at 30 June 2023</b>	<b>5,000,000</b>	<b>22,084,670</b>	<b>46,880</b>	<b>2,028,952</b>	<b>29,160,502</b>
<b>Depreciation</b>	<b>0</b>	<b>581,176</b>	<b>35,160</b>	<b>293,159</b>	<b>909,495</b>
<b>NBV</b>	<b>5,000,000</b>	<b>21,503,494</b>	<b>11,720</b>	<b>1,735,793</b>	<b>28,251,007</b>
Depreciation rates	0%	2.5%	30.0%	12.5%	

[Include Brief Description Of WIP As A Footer]

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Notes to the Financial Statements (Continued)

Valuation

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

32 (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	5,000,000	00	5,000,000
Buildings	23,247,022	xxx	xxx
Computers and Related Equipment	117,200	xxx	xxx
Office Equipment, Furniture, And Fittings	2,615,270	xxx	xxx
<b>Total</b>	<b>30,979,492</b>	<b>xxx</b>	<b>xxx</b>

33. Intangible Assets

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Cost</b>		
<b>At beginning of the year</b>	0	0
Additions	0	0
<b>At end of the year</b>	00	00
Additions—internal development	00	0
<b>At end of the year</b>	00	0
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	0	0
Amortization	0	0
<b>At end of the year</b>	0	0
Impairment loss	0	0
<b>At end of the year</b>	0	0
<b>NBV</b>	0	0

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34. Investment Property

Description	2023/2024	2022/2023
	Kshs	Kshs
At beginning of the year	0	0
Additions	0	0
Disposal during the year	0	0
Depreciation	0	0
Impairment	0	0
Gain or loss on fair value- if fair value is elected	0	0
<b>At end of the year</b>	<b>0</b>	<b>0</b>

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

35. Biological Assets

2	2023/2024	2022/2023
	Kshs	Kshs
Cattle	0	0
Trees	0	0
Others (Specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

36. Trade and Other Payables

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
Trade payables	0		0	
Fees paid in advance	0		0	
Salary deductions	0		0	
Third-Party Payments	0		0	
Other Payables	0		0	
<b>Total Trade and Other Payables</b>	<b>0</b>		<b>0</b>	
<b>Ageing analysis:</b>	<b>2023/2024</b>	<b>% of the Total</b>	<b>2022/2023</b>	<b>% of the Total</b>
Under one year	0	%	0	0
1-2 years	0	%	0	xxx

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2-3 years	xxx	%	xxx	xxx
Over 3 years	xxx	%	xxx	xxx
<b>Total (to tie to totals above)</b>	<b>xxx</b>	<b>%</b>	<b>xxx</b>	<b>xxx</b>

**37. Events After The Reporting Period**

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

**38. Ultimate And Holding Entity**

The entity is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of xxx. Its ultimate parent is the Government of Kenya.

**39. Currency**

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

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

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for 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.

.....

**Name**  
**Accounting Officer**  
**(Enter title of Head of entity)**  
**Date**

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

**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						

**Status of Projects completion**

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

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

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

Name of transferring entity.....

Name of beneficiary entity.....

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

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

**Head of Accounts Department - Disbursing Entity:**  
 Name ..... Sign ..... Date .....

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

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Appendix IV: Reporting of Climate Relevant Expenditures

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

**Appendix V: Reporting on Disaster Management Expenditure**

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