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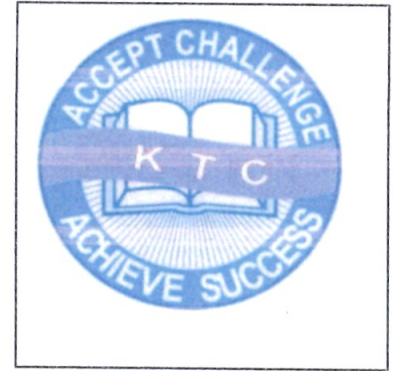
ON

KITUI TEACHERS TRAINING COLLEGE

**FOR THE YEAR ENDED
30 JUNE, 2025**



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KITUI TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOM	Board of Management
CBC	Competence Based Curriculum
CDF	Constituency Development Fund
CSR	Corporate Social Responsibility
DOC	Dean of Curriculum
DOS	Dean of Students
FY	Financial Year
HODs	Heads of Departments
HOS	Heads of Sections/Subjects
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards
KICD	Kenya Institute of Curriculum Development
KUCCPS	Kenya Universities and Colleges Central Placement Service
MOE	Ministry of Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College

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

Kitui Teachers Training College was established in 2010 under the Education Act (REV. 1980) CAP 211; PART IV section 13. The institution is in Kitui County, in Kenya. The College is registered under the Ministry of Education. Kitui Teachers Training College is managed by a Board of Management (BOM) under the direction of the Ministry of Education.

(b) Principal Activities

The principal activity/mission/ mandate of the College is to train DPTE and DTE teachers as provided in the Basic Education Act, 2013.

Vision

The Vision of Kitui Teachers Training College is:

To be a Centre of Excellence for Primary Teacher Education, Training and Human Resource Development.

Mission

The mission of Kitui Teachers Training College is:

To provide and maintain quality Education and Training of Primary School Teachers, offer Human Resource Skills, Knowledge and Attitudes responsive to the challenges of a dynamic society.

(c) Key Management

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

- Board of Management
- Principal (Accounting Officer)
- Deputy Principal
- Dean of Curriculum
- Dean of Students
- The Finance Officer
- The Procurement Officer
- Heads of Departments
- Heads of Sections

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(d) Fiduciary Management

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

No.	Designation	Name
1	Chief Principal	Mr. Gerald Mutegi
2	Deputy Principal	Mr. Kaburu Micheni
3	Dean of Students	Ms. Martha Mbuvi
4	Dean of Curriculum	Dr. Samson Murithi
5	Finance Officer	Mr. Edward Musau
6	Procurement Officer	Mr. Martin Katuku
HEADS OF DEPARTMENTS		
8	Departments	HOD
	Professional Learning Areas	Mr. Ben Musyoka
	Languages	Ms. Zipporah Mutisya
	Mathematics	Dr. Samson Murithi
	Social Science	Ms. Harriet Songa
	Science	Ms. Joyce Mwanzia
	Creative Arts	Mr. Pall Munyao
	Guidance and counselling	Ms. Jackline Mokuua
HEADS OF SECTIONS		
9	Section	Section Head
	Finance	Mr. Edward Musau
	Procurement/Stores	Mr. Martin Katuku
	Transport	Mr. John Mbuvi
	Maintenance	Mr. Patrick Maingi
	Kitchen	Ms. Virginia Solovea
	Farm	Mr. James Munyoki
	Housekeeping	Ms. Maryeter Nyamai

Fiduciary Oversight Arrangements

S/No	Name of the Committee	Members

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1.	Finance, Procurement and General -purpose Committee	1	Mr. Maurice M. Kilonzo - Chairman
		2	Mr. Emmanuel M. Kalunda
		3	Mr. Gerald Mutegi - Chief Principal/secretary
		4	Mr. Julam M. Kiema
		5	Mr. Harrison Nyumu - Chairperson
2	Audit Committee	1	Mr. Michael N. Mihang'o - Chairman
		2	Mr. Kiema Mwandia
		3	Mr. Gerald Mutegi - Chief Principal/ Secretary
		4	Mr. Michael Syuki - Member
3	Academic Standards, Quality and Environment committee	1	Mr. Emmanuel Kalunda - Chairman
		2	Ms. Pauline Mwalari
		3	Ms. Martha Mbuvi
		4	Mr. Gerald Mutegi
4	School Infrastructure committee	1	Mr. Kiema Mwandia – Chairman
		2	Mr. Harrison Nyumu
		3	Mr. Gerald Mutegi
		4	Mr. Frederick Kaburu
		5	Ms. Mary Shano
		6	Rev. Joseph Wambua
		7	Mr. Michael Mihang'o
5	Human Rights and student welfare Committee	1	Rev. Joseph Wambua - Chairperson
		2	Mr. Gerald Mutegi
		3	Mr. Julam M. Kiema
		4	Ms. Betty Kiema
6	Discipline, Ethics and Integrity Committee	1	Mr. Adv. Morris Kimuli
		2	Mr. Abdikhadil A. Ibrahim
		3	Ms. Betty Kiema
		4	Ms. Martha Mbuvi

Key fiduciary oversight activities are outlined here below;

(e) **Fiduciary Oversight Arrangements**

Outlined here below are the key fiduciary oversight arrangements:

1. Audit and risk committee activities.

This committee oversaw financial reporting, risk management, and internal controls. The committee monitored the integrity of financial statements, ensured compliance with regulations, and assessed the effectiveness of risk management frameworks within the Financial year. The committee also reviewed internal and external audit reports and recommended improvements to internal controls.

• **Reviewing Financial Statements:**

The committee reviewed financial statements by examining the accuracy, transparency, and compliance of financial statements with relevant standards and regulations during the financial year.

□ **Monitoring accounting and Reporting Systems:**

The committee oversaw the systems used for financial reporting to ensure they were robust and reliable during the FY.

□ **Reviewing Disclosure:**

The committee ensured that financial information disclosed to stakeholders was complete, accurate and timely during the FY.

□ **Liaising with External Auditors:**

The committee interacted with external auditors, reviewed their reports and recommendations.

2. Finance and operations committee activities

The Finance and Operations Committee did financial oversight and scrutiny, ensuring Trust compliance with its policies and procedures, and with a focus on financial planning and risks, reporting, and monitoring. It supported the Board in maintaining the Trust as a going concern.

3. Academic committee activities

The Key activities of the academic committee during the FY were:

- Student intake was done by the Ministry of Education through KUCCPS, ensuring transparency and fairness in student selection.
- Curriculum implementation:

Academic committee was involved in the implementation of the curriculum developed by KICD by ensuring curriculum designs were followed and covered in time.

□ The committee ensured that the academic calendar as stipulated by the Ministry of Education is adhered to and deadlines met.

□ The committee monitored student attendance using the lesson attendance monitoring tool. It also ensured each student's performance was monitored; Identifying those who needed additional support and supporting them.

□ During the financial year, the committee encouraged members of teaching staff to adopt new and effective pedagogical approaches. In particular, it encouraged them to fully embrace CBC and utilize the ICT facilities already in place. Capacity building was done to ensure that teaching staff members were kept abreast with technology.

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The committee facilitated student feedback and evaluation by gathering input from students to improve academic programs and services.

- Organizing guest lectures and workshops: To expose students to diverse perspectives and enhance their learning experiences.
- The committee conducted an academic award ceremony during the ninth graduation ceremony celebrated in March 2025 to recognize and celebrate student achievements.

Academic Policies and Procedures:

During the FY, the academic policies and procedures Committee initiated the formulation of an academic policy related to academic standards, grading, student conduct, and other relevant areas. The policy will be ready by 30th June of the 2025/26 Financial Year.

Quality Assurance:

The Committee played a vital role in monitoring and evaluating the effectiveness of academic programs and identifying areas for improvement.

Student Support:

Academic committee was involved in student advising/guidance, tutoring, and counselling services to enhance student success. A mentor mentee program was promptly adhered to throughout the FY. Capacity building of peer counsellors was done and they were able to assist fellow students.

Research and Innovation:

The academic committee encouraged members of the teaching staff to be conducting action research so as to foster a culture of inquiry and discovery and informed problem solving.

Communication and Collaboration:

During the FY, the academic committee served as a communication channel between departments, students, and administration, ensuring transparency and collaboration.

Strategic Planning:

Academic committee contributed to the college's overall strategic planning process, aligning academic goals with institutional objectives in the 2024/2028 strategic plan.

4. Development partner oversight activities

Development partners such as the MOE and CDF monitored and evaluated the performance of projects they funded so as to ensure achievement of intended goals and using resources effectively and efficiently. This included assessing financial management, compliance with agreements, and the overall impact of the projects on the intended beneficiaries.

Key aspects of development partner oversight included:

Financial oversight: which involved reviewing financial reports, audits, and expenditure tracking to ensure funds were used as intended and in compliance with agreed-upon terms.

Programmatic oversight: They focused on the progress of project implementation, including whether activities were on track and the desired outputs being achieved. The MOE and the CDF committees tracked the implementation of the projects they sponsored during the FY.

Compliance oversight:

This ensures that projects adhere to relevant laws, regulations, and contractual obligations.

Risk management:

This involves identifying potential risks to project implementation and developing mitigation strategies.

□ Performance monitoring and evaluation:

Development partners had set performance indicators, collecting data, and conducting regular reviews to assess progress and identify areas for improvement.

□ Capacity building:

The MOE also provided capacity building to strengthen the ability of tutors to utilize the I -hub and to manage and implement the projects effectively.

Key Entity Information and Management (Continued)

(a) KITUI TEACHERS COLLEGE

P O Box 1427 - 90200

Kitui.

Kitui - Mbusyani road

Kitui County,

Kenya.

(b) KITUI TEACHERS COLLEGE

Contacts

Telephone: (254)97243549

E-mail:kituicollege@yahoo.com/kituicollege@gmail.com

(c) College Bankers

Kenya Commercial Bank

P.O Box 683 - 90200 - Kitui

Kitui branch

National Bank

P.O Box 166 - 90200 - Kitui

Kitui Branch

Family Bank

P.O Box 74145 - 00100 - Nairobi

Kitui Branch

Equity Bank

P.O Box 1453 - 90200 - Kitui

Kitui Branch

Equity Bank (TVET Account)

P.O Box 1453-90200 Kitui

Kitui Branch





(d) Independent Auditors

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

(e) Principal Legal Adviser

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






3. The Board of Management

SN.	Member	Details
1.	 Mr. Harrison Nyumu. Educationist. Holder of Bachelor of Education.	Date of birth: 23 rd August 1960 Key qualifications: Bachelor of Education Work experience: Educator CSO -retired Chairman, Board of Management. An executive member of the Board.
2.	 Mr. Joseph Wambua Religious leader. Holder of MBA Strategic Management	Date of birth: 23 rd July 1958 Vice chairman of the Board of management. Key Qualifications: MBA Strategic Management Work Experience: Pastor Chairman, Human Resource Committee.
3.	 Mr. Michael Syuki BOM Member	Date of Birth: 30 th November 1956 Qualifications: Diploma in Physiotherapy Work Experience: Clinical officer. Consultant.
4.	 Mr. Kiema Mwandia. MSc. Project Planning and Management. Board Member	Date of birth: 23 rd April 1973 Qualifications: Masters in project planning and Management

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5.	 Martha Mbuvi M.ed, Education	Date of birth: 3 rd October 1972 Qualifications: M. Arts – Linguistics and African Languages Work Experience: Educator Dean of Students
6.	 Morris Kimuli	Date of birth: 1979 Qualifications: LLB Lawyer/Advocate
7.	 Brenda Betty Kiema	Date of birth: 1963 Qualifications: MA Human Resource Kitui County Education Board Member
8.	 Pauline Mwalali	Date of birth: 1967 Qualifications: M.Ed Educator Chief Officer. Kitui County
9.	 Joram Kiema	Date of birth: 1970 Qualifications: Diploma ICT ICT Consultant





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10.	 Emmanuel Kalunda	Date of birth: 1965 Qualifications: Executive Master of Education (Leadership & Policy Education) Assistant Director, Basic Education
11.	 Michael Mihang'o	Date of birth: 1984 Qualifications: CPA Accountant
12.	 Nicholas Mulila	Date of birth: Qualifications: MBA (Strategy)
13.	 Abdikadir A. Ibrahim	Date of birth: 1956 Qualifications: Diploma Prisons Officer
14.	 Mr. Gerald Mutegi. M.ed Education	Date of birth: 1968 Qualifications: M.Ed Administration and Planning. Chairman; General Purpose committee Chief Principal/Secretary Board of Management.



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The Key management team of Kitui Teachers Training College during the reporting period were as follows;

4. Key Management Team

No.		Designation
1	 Mr. Gerald Mutegi M. ED: Education Administration and Planning.	Chief Principal/Secretary to the Board of Management
2	 Mr. Kaburu Micheni B.ed, Dip. ICT	Deputy Principal
3	 Dr. Samson Murithi Ph.d, Education	Dean of Curriculum
4	 Martha Mbuvi M.ed, Education	Dean of Students

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5	 <p>Edward Musau Bachelor of Commerce, Finance Option and CPA II</p>	Finance Officer
6	 <p>Martin Katuku Bachelor of Commerce (Procurement)</p>	Procurement Officer

5. Chairman's Statement

During the Financial year 2024/2025, the college performed well in the various spheres of operation as per its mandate.

a) Enrolment

During the Financial year, the college admitted a total of six hundred and fourteen (614) teacher trainees for the Diploma in Teacher Education (DTE). There was a slight decline compared to the previous Financial year, whereby the college had an enrolment of over eight hundred (800). Thus, as the Financial Year 2024/25 ended, the college had an enrolment of 1,400 students. The college expects to admit not less than five hundred (500) in the next Financial year.

b) Curriculum implementation

During the Financial year, the college implemented the curriculum developed by KICD as expected. Professional documents were prepared and used appropriately, and records kept as expected. Lesson attendance by both the students and lecturers was monitored, and evaluation carried out regularly, both internally and externally.

Student support through guidance and counselling was regularly done to ensure that students achieved their ultimate goal.

c) Infrastructural development

The college was able to carry out some infrastructure development during the Financial year. For instance, a female hostel construction was initiated in July 2024 and completed in May 2025.

Also, a set of classrooms construction was initiated – four by the CDF and eighteen (by the BOM) and their construction is still on – going. The BOM hopes that these projects will be completed during quarter one of the Financial year 2025/26.

d) Staffing – Teachers and non – teaching staff

During the Financial year, the college received near adequate staffing from the TSC (For teaching staff), safe for a few learning areas such as Art and Craft and Home science.

e) Income generating Projects

During the FY 2024/2025, the college started income generating projects such as poultry, pig and beef cattle rearing on top of the vegetable farm. These projects have been able to readily provide some food stuffs for the college community. The projects are just at their initial stages and it is expected that they will be in a position to do better in the preceding Financial Year.

f) Financial management

The Board of management played its role in strategic planning, organizing, directing, and controlling of financial resources to support the institution's educational mission and achieve its goals during the financial year 2024/2025. It ensured prompt budgeting, resource allocation, fundraising, financial reporting, and compliance with regulations. This was done in view that effective financial management is crucial for maintaining the institution's financial health, supporting its educational programs, and ensuring equitable access to quality education for all students.

The board of management ensured that a comprehensive financial plan and budget that aligns with the institution's strategic goals and educational objectives was developed. This included forecasting revenue, estimating expenses, and allocating resources to various programs and departments.

The BOM also determined how financial resources would be distributed among different areas of the institution, such as teaching and learning, student support, and infrastructure.

During the FY, the BOM was able to identify and secure various sources of funding, including tuition fees, government grants and donations.

The BOM maintained accurate records of all financial transactions, prepared financial statements, and ensured compliance with accounting standards and regulations during the 2024/2025 Financial year.

It also implemented internal controls to safeguard assets, monitor expenditures, and mitigate financial risks, such as unexpected costs or funding shortages although the need for additional infrastructure prompted the college to use finances from other vote heads to infrastructure funding.

With the growing urge to ensuring long-term financial viability of the college, managing resources effectively, diversifying revenue streams, and making sound financial decisions, the BOM started diversifying sources of finances by starting and enhancing income generating projects. These projects are still in the forming stage and have not generated adequate income during the FY reporting.

The college has undertaken to provide financial education and training to its staff (the Finance officer, bursar and the procurement officer) during the Financial year ended 30th June 2025. This was meant to help them improve their understanding of financial management principles and practices.

The college also ensured transparency and accountability in financial operations and being accountable to stakeholders for the use of funds during that Financial year.

On behalf of the Board of Management, Kitui Teachers Training College, I would like to reiterate that the college fiduciary management is up to the expected standards and the board of management will continue improving it.



Harrison Nyumu, (Mr)
Chairman,
Board of Management.

6. Report of the Chief Principal

Kitui Teacher Training College

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Kitui Teachers Training College hereby presents the annual report and financial statement for the year ended 30th June, 2025 as per requirements of the Public Finance Management Act of 2012 and Public Audit Act, 2015.

Non-financial information

(a) Student Population

During the 2024/2025 financial year the College had two groups of students; the Diploma in Primary Teacher Education (DPTE) – with an enrolment of eight hundred students (800) and Diploma in Teacher Education (DTE) – with an enrolment of six hundred and fourteen (614). All groups were taking a three-year course.

(b) Academic Performance

The Diploma in Primary Teacher Education took their SBA 1 – by KNEC. Consolidated results had not been released by KNEC by the end of the FY.

(c) Staffing/Human Resource

Teaching staff

In the Financial year 2024/25, Kitui Teachers College had 62 members of teaching staff. However, three of them – one for ICT, one for Art, one for PLA and one for Craft – a total of four (4) retired at the end of the Financial Year, thus remained with 58.

Non-teaching Staff (NTS)

In the Financial year 2024/2025, Kitui Teachers College had 47 members of non - teaching staff.

(d) Projects

i. Farm

- The college ran a vegetable farm that provided vegetables to the college population cheaply and conveniently. The college also reared some beef cattle, chicken and pigs.

ii. Hosting

Over the 2024/2025 FY, the College hosted training and workshops of various groups; CBC training, Music festivals and ball games.

(e) Maintenance

During the 2024/2025 Financial year, the college was able to maintain its grounds and aesthetics by doing the following: -

- Routine slashing of grass and bushes
- Maintaining of flowers and flower beds
- Cleaning and maintenance of all buildings.
- Collection of rubbish in the compound

Corporate Social Responsibility

The College embarked on the following CSR activities within the year:

- Hiring some community members on casual basis
- Management of Technical school for provision of necessary skills to members of the community.

(f) Capacity Building

During the FY 2024/2025 members of the teaching and non – teaching staff attended workshops and seminars thus enriching their skills further. Teaching staff was taken through:

- CBC interpretation and implementation by the Ministry of education and TSC staff.
- ICT integration in teaching and learning by the Ministry of education and TSC staff.
- New teaching pedagogies
- CBC assessment approaches
- Some members of the teaching staff were involved in retooling of JSS teachers.
- Some members of the NTS – Finance and accounting department, and procurement officer – attended workshops too.

(g) Financial information

During the 2024/2025 financial year, the College collected Ksh. 125,224,030 from student fees. It also received Ksh. 15,437,564 as recurrent grant from the government. In addition, the college received funding for a four-classroom block and female hostel latrines by NG-CDF to the tune of Ksh. 5,500,000.

During the 2024/2025 Financial Year, the College upheld proper financial planning and budgeting. The college was able to develop and adhere to a comprehensive financial plan and budget that aligned with the institution's strategic goals and educational objectives. This included forecasting revenue, estimating expenses, and allocating resources to various programs and departments. The college budget for the year was Ksh. 130,791,200. The budget was duly approved by the BOM and adhered to throughout the Financial year. The Board of Management determined how financial resources would be distributed among different areas of the college, such as teaching and learning, student support, and infrastructure.

The college management ensured spending per vote head, monitored expenditures, and mitigate financial risks, such as unexpected costs or funding shortages. However, in some areas such as co – curricular activities spending went slightly overboard because of the minimal resources allocated that vote head by the Ministry of Education.

Financial Sustainability:

During the 2024/25 Financial year, the college ensured an adequate number of trainees so as to ensure a long-term financial viability of the college. An institution such as Kitui teachers training college can only attain and maintain sustainability if it has the right enrolment at all times. The college also embarked on managing resources effectively by procuring only what was required and controlling usage/expenditure. The college diversified revenue streams, and making sound financial decisions, the BOM started diversifying sources of finances by starting and enhancing income generating projects. These projects are still in the forming stage and did not generated adequate income during the FY reporting.

Financial Literacy and Training:

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During the Financial Year ended 30th June 2025, the college provided financial education and training to its staff (the Finance officer, bursar and the procurement officer). This was meant to help them improve their understanding of financial management principles and practices.

□ Transparency and Accountability:

The management of the college ensured transparency in financial operations and being accountable to stakeholders for the use of funds. This was achieved by doing the following;

- a) Ensuring an open and transparent tendering system.
- b) Open and transparent procurement procedures.
- c) Open and transparent financial operations entailing income sources and expenditure.
- d) Operationalizing a tendering committee at the college.
- e) Operationalizing an acceptance of goods committee.
- f) Keeping proper financial records.
- g) Monitoring and control of financial propriety including auditing.

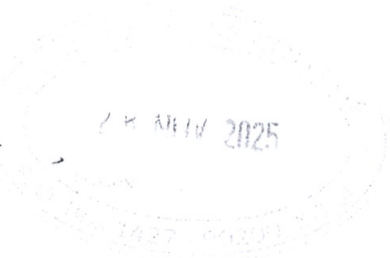
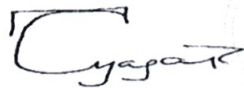
The college commits to ensure transparent and corruption free financial management always.

Challenges

The College experienced some challenges during the financial year. Quarterly grants by the government were remitted late contrary to expectations especially in Q4. This led to delay in paying workers' salaries.

I appreciate the support from the Ministry of Education and TSC throughout the year under review though we appeal for more support especially for infrastructure development and staffing required in enabling the college to be a College of choice to both trainers and trainees in Kenya and beyond.

I thank all the staff and trainees of the College for their continued cooperation in this challenging but noble task of building the College and ensuring the achievement of its core mandate.



Gerald Mutegi, (Mr)
Chief Principal.

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7. Statement of Performance against Predetermined Objectives

Kitui Teachers Training College has Five (5) strategic pillars/objectives within the current Strategic Plan for the FY 2024 - FY 2029. These strategic pillars are as follows:

1. To provide quality and relevant Teacher Education and Training.
2. To mobilize resources for execution of the college mandate.
3. To strengthen and integrate ICT in management and training programs.
4. To improve Customer Service Delivery.
5. To mainstream crosscutting, pertinent and contemporary issues.

The College develops its annual work plans based on the above 5 strategic objectives. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. A comprehensive report is provided for at the end of the Financial year, being the annual financial report. The College performed as follows for the period ended 30th June 2025 for the five (5) strategic objectives, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Quality and relevance	To provide quality and relevant Teacher Education and Training.	<ul style="list-style-type: none"> • Availability of Curriculum designs developed by KICD • Class attendance registers • Examination results 	<p>Timely interpretation and coverage of Curriculum designs.</p> <p>Enhance Home Science, Arts and Craft and Fine Art teaching to improve competences and skills for industrial development after CBC training.</p> <p>Monitor class attendance by both lecturers and students.</p> <p>Conduct regular evaluation for students.</p> <p>Establish and operationalize a college library</p>	<ul style="list-style-type: none"> •Covered Designs •Attendance registers •Benchmarking carried out

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			Hold academic talks for motivation of students. Computerize and introduce e-learning work stations in the college. Collaborate with other Colleges and organizations.	
Resource mobilization and infrastructure development.	To mobilize resources for execution of the college mandate.	<ul style="list-style-type: none"> Financial plan Income generating projects Funding proposals	Develop a financial plan. Create an enabling environment through provision of uniform and adequate working tools.	Enhanced fee collection. Write funding proposals Approach partners for financial support.
ICT infrastructure and integration.	To strengthen and integrate ICT in management and training programs.	<ul style="list-style-type: none"> Number of computers Computer lab Internet connectivity	Provide the required ICT infrastructure. Capacity build members of teaching, and non – teaching staff on ICT. Integrate ICT in lesson delivery.	Enhanced ICT infrastructure ICT empowered staff ICT integrated into content delivery
Service Delivery.	To improve Customer Service Delivery.	Availability of a service delivery charter	Reviewed the service delivery charter. Sensitize service providers on service delivery	Service delivery charter reviewed
Crosscutting, pertinent and contemporary issues.	To mainstream crosscutting, pertinent and contemporary issues.	Issues affecting College operations, retention, quality, completion outlined.	Issues affecting college operations, retention, quality and completion mainstreamed during lessons.	ICT mainstreamed in teaching and learning. Climate change mainstreamed in teaching and learning

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5. Emmanuel Kalunda	P	1
Total attendance		4

The Finance, Procurement and General-Purpose Committee is composed of five members. There was one scheduled meeting during the reporting period. The meeting attained 80% attendance.

ACADEMIC STANDARDS, QUALITY AND ENVIRONMENT COMMITTEE

NAME/DESIGNATION	Date: 13/2/25	TOTAL PRESENT
1. Gerald Mutegi	P	1
2. Pauline Mwalali	P	1
3. Emmanuel Kalunda	A	0
4. Martha Mbuvi	P	1
Total attendance		3

The Academic Standards, Quality and Environment Committee has four (4) members. There was one scheduled meeting, which attained seventy-five (75%) attendance.

In total, the meetings accounted for 73% attendance by members. This implies that the members of the board accord total support to all college plans and projects.

Various Board committees were also able to attend meetings as scheduled, thus showing commitment in running College affairs. In total, there were 3 full board and 2 executive board meetings held during the reporting period. Other committees were also able to meet and deliberate on College important matters.

At least three quarters of the board members were able to participate in decisions required to implement actions to progress towards meeting the mandate of Kitui Teachers Training College. The Board is replaced every 3 years and it is not remunerated.

The Board Chairperson's primary role is to ensure the effective running of the Board and that the Board as a whole plays a full and constructive part in the development and determination of the College's strategy and overall objectives while the Principal's primary role is to deal with the day to day running of the College. He advises the Board and reports directly to the Chair on College Governance matters. He also advises the Board on legal matters, helping to ensure that Board procedures and applicable rules and regulations are observed.

The Board of Management strives to provide the highest quality of training to our students by;

- i) Ensuring they get value for their money.
- ii) Being positive and helpful.
- iii) Responding to enquiries or requests accurately and in a timely manner.
- iv) Treating our staff, Contractors and Suppliers honestly and with respect.
- v) Keeping the Institution clean, tidy and free from any damage.
- vi) Resolving any conflicts in record time to uphold dignity and trust in the running of the College.

The College has a management team which is well constituted with the Principal being the team leader, Deputy Principal, the Dean of Curriculum (DOC), Dean of Students (DOS), Head of Department (HODs) and Heads of Sections (HOSs). The College has a robust team of professional non-academic staff with a qualified Finance Officer and Procurement Officer among others. During the financial year, the management had endeavored to satisfy both legal and regulatory requirement as per the jurisdiction in its mandate under the Basic Education Act 2013, PFM Act 2012 and its regulations among others.

The College management team is also well constituted with the Principal being the team leader, Deputy Principal, the Dean of Curriculum (DOC), Dean of Students (DOS), Head of Department (HODs) and Heads of Sections (HOSs). The College has a robust team of professional non-academic staff with a qualified Finance Officer and Procurement Officer among others. During the financial year, the management had endeavoured to satisfy both legal and regulatory requirement as per the jurisdiction in its mandate under the Basic Education Act 2013, PFM Act 2012 and its regulations among others.

However, the College was fully able to comply with all statutory requirements and partially did the project below: -

9. Management Discussion and Analysis

The Board of Management (BOM) of the College has been very supportive to the fiduciary management and has fully performed its oversight role in whole and through the BOM committees. The management team is also well constituted with the Principal being the team leader, Deputy Principal, the Dean of Curriculum (DOC), Dean of Students (DOS), Head of Department (HODs) and Heads of Sections (HOSs).

The College has a robust team of professional non-academic staff with a qualified Finance Officer and Procurement Officer among others. During the Financial Year, the management tried to satisfy both legal and regulatory requirement as per the jurisdiction in its mandate under the Basic Education Act 2010, PFM Act 2012 and its regulations among others. College enrolment has steadily increased to 1,446 students.

The College’s Operational and Financial Performance:

During the year ended 30th June 2025, the College had 1,446 students compared to 859 in year 2023/2024. Increased number of students translated to higher government grants.

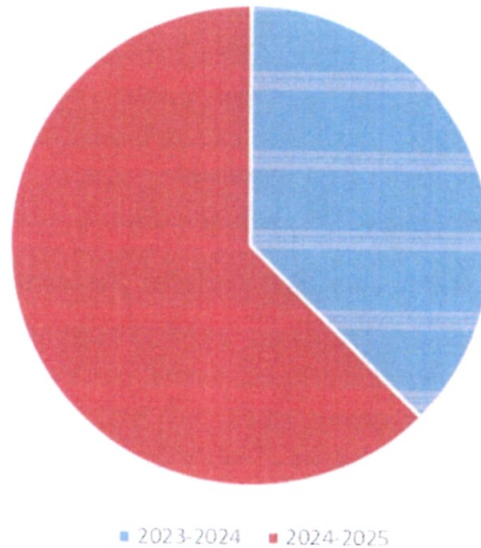
Chart I Demonstrate grants from Government in year 2024/2025 as compared to year 2023/2024.



Government grants went up in the 2024-2025 Financial Year compared to the 2023-2024 Financial Year. This can be attributed to the increased number of students. However, rendering of services – fees from students also increased owing to the increased number of students enrolled in the reporting year.

This is further illustrated in Chart II.

Fees rendered



This shows that during the 2024-2025 FY, the College was able to Collect more in student fees than it was in the previous year. Again, this can be attributed to increased enrolment. Increased income to the College meant that the College became more financially sound and thus it was a bit easier to run the College operations adequately as expected.

Key projects and investment decisions the College is planning/implementing.

During the period ended 30th June 2025 the College projects were as follows;

S.no	Project/Investment	Viability/how they are facilitating the College in delivery of its mandate	Financing	Sustainability
1	Female Hostel	Accommodate 450 female students.	Student fees	To be sustained through student fees
2	A tuition block of six (6) classrooms	To house six classes of 50 students each.	Student fees	Student fees
3	A tuition block of four classrooms	For 80 teacher trainees	NG - CDF	Student fees
4	Farming – Vegetable farming, beef cattle, pig and chicken rearing	Income generating and food security.	Student fees	Self-sustaining

COMPLIANCE WITH STATUTORY REQUIREMENTS

During the period ended 30th June 2025 the College performed as follows;

S.no	Statutory Area	Compliance/non-compliance	Comments
1	NSSF	Complied	

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2	SHA	Complied	
3	PAYE	Complied	

Major risks facing the entity.

S.no.	Major risks	Specific risk	Explanation
1	Operational risks	Student safety	Accidents at the college, bullying of students by colleagues, violence among students. Possibility of external attacks.
		Inadequate resources	Inadequate investment in teacher training by the government has led to inadequate facilities, teaching materials, and qualified staff.
		Financial constraints	Inadequate funding by the government
2	Market risks	Oversupply of trained teachers	Leading to unemployment
		low enrolment	Leads to financial strain
		Challenges in attracting and retaining quality staff	Competition for qualified staff from other training institutions.
	Capital risks	Financial instability	Due to unstable student enrolment and unpredictable pattern of fee payment by students
		Inadequate infrastructure	Inadequate finances hamper infrastructural development.

Material arrears in statutory/financial obligations

S.no	Material arrears in statutory/Financial Obligations	Explanation	
	Loan default		
	Pending bills		
	Outstanding pension obligations		
	Tax default		

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

KITUI TEACHERS COLLEGE exists to train teachers for Kenyan primary schools. This is the driving force behind everything we do. In doing so we are guided by the constitution of Kenya, 2010, various Acts of parliament, policies and circulars developed by the government.

The College adheres to government policy on students' admission to teacher training colleges as well as positioning itself as a college of choice in teacher training through marketing itself to the local community.

The College has purposely and aggressively carried out farming as an income generating activities by embracing professionalism and modern farming methods. It currently has a vegetable farm, rears beef cattle, chicken and pigs.

Environmental performance

The college is located in Kitui town, in an environment that is conducive for a quiet academic work.

The College draws a lot of pride in its well-kept compound which boast of neat lawns and flower beds. The environmental consciousness of the management ensures annual tree planting programs which have led into a College well covered with various species of trees and shrubs.

Employee welfare

The College has a Human Resource Policy Manual which guides on hiring, job description, Skill development, appraisal/rewards and sanctions processes among others and appropriately followed the Government statutory requirements and gave room to implement any statutory change that may from time to time be effective.

Market place practices-

During the 2024/25 FY, Kitui Teachers College made efforts to do the following:

a) Responsible competition practice.

Kitui Teachers College ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors. The college advertises vacancies, enrolment places and tenders in an open and just way.

b) Responsible Supply chain and supplier relations- The college maintains good business practices by advertising tender, does tender opening and award in an open corrupt freeway. Every step is done as per the law, and treats its own suppliers responsibly by honouring contracts and respecting payment practices.

c) Responsible marketing and advertisement- Kitui teachers training college maintains ethical marketing practices by advertising for the supply of goods and services, thus limiting cases of discontent and increasing accountability.

Corporate Social Responsibility/Community Engagements

KITUI TEACHERS COLLEGE engages in Corporate Social Responsibility by doing the following activities: -

1. Engages members of the local community in casual work on need basis.
2. Mentors youth especially in sporting activities and particularly in athletics and ballgames and community service.
3. Offering College facilities for community activities like weddings, church functions, games and sports.
4. Sourcing of goods and services from local community during the process of procurement.
5. Environmental sustainability activities in and outside the college.

The college engaged in environmental sustainability as shown below;



11. Report of the Board of Management.

The BOM members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Kitui Teachers Training college's affairs.

Principal activities

The principal activities of the College continue to be teacher training.

The principal activities of the College are:

- a. Conduct training of teachers.
- b. Implementation of the co-curricular activities related to teacher training.
- c. Foster linkages with MOE, TSC, Local community and other institutions for promotion of quality and relevant teacher training.
- d. Promote and inculcate professionalism, responsible behavior and attitude to teacher trainees to enable them transform the communities they will serve.
- e. Undertake income generating activities through agricultural production, hosting and hiring facilities to supplement government grants and students' fees.

Kitui Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2025

Board of Management.

The members of the Board who served during the year are shown on page 14. During the year none of the members retired or resigned.

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 or private Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *College* or the year/period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Secretary of the Board/Council
Nairobi
Date:

12. Statement of Board of Management's Responsibilities.

Section 81 of the Public Finance Management Act, 2012 and the Basic Education 2013; require the Board members to prepare financial statements in respect of the College, which give a true and fair view of the state of affairs of the institution, at the end of the financial year and the operating results of the College, for that year. The Board members are also required to ensure the College keeps proper accounting records which disclose with reasonable accuracy the financial position of the institution. The Board members are also responsible for safeguarding the assets of the College. The Board members are responsible for the preparation and presentation of the College'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 (period) 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 members 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 and the Basic Education Act - 2013. The Board 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, 2025, and of the College's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the College, which have been relied upon in the preparation of the College's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

KITUI TEACHERS TRAINING COLLEGE financial statements were approved by the Board on 31st July 2025 and signed on its behalf by:

Name *HARRISON NYUMU*
Signature 

Name *Gerald Mutegei*
Signature 

Chairperson of the Board of Management

Accounting Officer/Principal

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kitui Teachers Training College set out on pages 1 to 64, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of cash flows, statement of changes in net assets and statement of comparison of budget and actual

amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kitui Teachers Training College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Property, Plant and Equipment Balance

The statement of financial position and as disclosed in Note 32 to the financial statements reflect property, plant and equipment balance of Kshs.673,311,622. However, the fixed assets register, valuation reports and ownership documents for land were not provided for audit review.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.673,311,622 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents balance of Kshs.5,793,464 as disclosed in Note 26 to the financial statements. However, the bank reconciliation statements and board of survey reports to confirm the cash balance were not provided for audit review.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.5,793,464 could not be confirmed.

3. Long Outstanding Current Portion of Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 27(a) to the financial statements reflect current portion of receivables from exchange transactions balance of Kshs.50,152,576. The balance includes receivables totalling Kshs.35,104,120 which have been outstanding for more than one (1) year. Management has not put in place measures to recover the receivables.

In the circumstances, the accuracy and recoverability of current portion of receivables from exchange transactions balance of Kshs.35,104,120 could not be confirmed.

4. Unconfirmed Rental Income from Facilities and Equipment

The statement of financial performance and as disclosed in Note 12 to the financial statements reflect rental revenue from facilities and equipment amounting to Kshs.4,218,945. However, review of documents revealed that the College did not have

policies to govern the hiring of facilities and equipment, rates are decided arbitrarily and there were no formal engagement in writing between the College and the prospective users of the facilities.

In the circumstances, the accuracy, completeness and validity of rental revenue from facilities and equipment amounting to Kshs.4,218,945 could not be confirmed

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

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects actual expenditure of Kshs.114,418,127 against actual receipts of Kshs.200,706,539 resulting to under-absorption of Kshs.86,288,412 or approximately 43% of actual receipts.

The under-absorption affected the planned activities and may have impacted negatively on service delivery to the public.

2. Long Outstanding Trade and Other Payables

The statement of financial position and as disclosed in Note 36 to the financial statements reflect trade and other payables balance of Kshs.62,581,551. Included in the balance are payables amounting to Kshs.24,119,697 which have been outstanding for more than three (3) years. Although Management indicated that the payables had been outstanding for long due to financial constraints, no measures have been put in place to clear the payables.

Failure to settle bills during the year to which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on pages iv to xxxvii which comprise of Key Entity Information and Management, The Board of Management,

Key Management Team, Chairman's Statement, Report of the Chief Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Management and Statement of Board of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Deduct and Remit Taxes on Board Allowances

Review of Board records revealed that Board members were paid a total of Kshs.3,390,000 for board meetings held during the year under review. However, Pay As You Earn (PAYE) on the allowances was not deducted and remitted to Kenya Revenue Authority (KRA). This is contrary to Section 37(1) of the Income Tax Act (Cap. 470) which stipulates that an employer paying emoluments to an employee shall deduct therefrom, and account for tax thereon, to such extent and in such manner as may be prescribed. In addition, Section 19(4) of the Employment Act, 2007 stipulates that an employer who deducts an amount from an employee's remuneration shall pay the amount so deducted in accordance with the time period and other requirements specified in the law.

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

2. Non-Compliance with Law on Ethnic Composition

During the year under review, the total number of employees of the College was forty-nine (49) out of which forty-one (41) or approximately 84% of the total number were members of the dominant ethnic community in the County. This is contrary to Section 7(1)

and (2) of the National Cohesion and Integration Act, 2008 which states that, “all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public Institution shall have more than one-third of its staff establishment from the same ethnic community”.

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

3. Irregular Charging of School Fees

The statement of financial performance and as disclosed in Note 10 to the financial statements reflect rendering of services - fees from students totalling Kshs.125,224,030. However, review of the fees structure revealed that the College charged fees totalling Kshs.11,343,800 without written approval from the Ministry of Education, as detailed in the table below;

Year of Student	No. of Students	School Fees Charged (Kshs.)	Approved GoK Rate (Kshs.)	Revenue Charged (Kshs.)	Approved Revenue (Kshs.)	Variance (Kshs.)
First -Year Student	618	82,876	71,076	51,217,368	43,924,968	7,292,400
Second Year Student	862	70,776	66,076	61,008,912	56,957,512	4,051,400
Total Number of Students	1,480	Total Amount (Kshs.)		112,226,280	100,882,480	11,343,800

This is contrary to Regulations 44 of the Basic Education Act, 2013 which stipulates that no public school or Institution shall issue alternative fees structures other than those approved by the Cabinet Secretary. Further, Section 45 states that no person or Board of Management in a public Institution of basic education and training shall alter or increase fees without written authority from the Cabinet Secretary.

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

4. Irregular Low Value Procurements

The statement of financial performance and as disclosed in Note 15 to the financial statements reflect use of goods and services totalling Kshs.83,556,305 out of which cash purchases amounted to Kshs.11,510,295. However, the purchases surpassed the threshold of Kshs.50,000 per component per financial year for low value procurement as prescribed in the second schedule of the Public Procurement and Assets Disposal Regulations, 2020. Further, recommendation by the head of the procurement function prescribing low-value procurement, market survey conducted and approved by the Accounting Officer to inform low-value procurements were not provided for audit review.

In addition, the purchases were not supported by original Kenya Revenue Authority Electronic Tax Receipt and there was no evidence that the goods were received in the stores.

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

5. Stalled Multi-Purpose Hall

As previously reported, the statement of financial position reflects a balance of Kshs.673,311,622 in respect to property, plant and equipment. Review of the contract documents revealed that the construction of the multi-purpose hall was awarded at a contract sum of Kshs.55,975,266 but subject to funding from the Ministry of Education in the financial years 2018 to 2019. Physical inspection in the month of September, 2025 revealed that the works were at the foundation level despite payment of two (2) certificates amounting to Kshs.9,104,833. In addition, the payment was not disclosed in the financial statements as work-in-progress under property, plant and equipment.

In the circumstances, value for money of Kshs.9,104,833 paid for the construction of the multi-purpose hall could not be confirmed.

6. Irregular Procurements

The statement of financial position reflects property, plant and equipment balance of Kshs.673,311,622 which as disclosed in Note 32 to the financial statements includes additions to buildings valued at Kshs.47,073,084. Included in the additions were projects valued at Kshs.16,953,620 whose completion certificates from Public Works were not provided for audit review. This is contrary to Section 48.(4)(c) and (e) of the Public Procurement and Assets Disposal Act, 2015 which stipulates that the Inspection and Acceptance Committee shall ensure that goods, works or services have been delivered or completed on time, or that any delay has been noted, and issue interim or completion certificates as appropriate and in accordance with the contract. **Appendix 1**

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

7. Delay in Project Completion

Review of records revealed that during the year under review, the College awarded a contract on 07 June, 2024 for construction of female hostel at a contract sum of Kshs.28,908,700. The contract duration was for five (5) months with a completion date of 04 October, 2024. However, the contractor was unable to complete the project within the set timelines and as at the time of physical verification of the project on 26 May, 2025, the project was still incomplete. The bathroom, toilets and front yard were incomplete and no extension of the contract had been made.

Further, audit review revealed that the hostel was commissioned on 21 March, 2025 and is being occupied by students despite being incomplete.

In the circumstances, value for money on Kshs.28,908,700 incurred on the project could not be confirmed.

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

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and 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

01 December, 2025

Appendix 1

Payments without Completion Certificates


Name	Project	Contract Sum (Kshs.)	Amount Paid (Kshs.)	Status	Balance (Kshs.)
Dellan Height Enterprises Limited	Construction of Female Hostel Block	28,908,700	15,000,000	Ongoing	13,908,700
Dynasty Value Plus Ltd	Construction of 26. No. Bathroom Block	3,410,086	0	Ongoing	3,410,086
Katulani Building Contractors Limited	Construction of eight toilet for male students	2,512,386	0	Completed	2,512,386
Sngeta General Suppliers	Construction of Female toilets	1,953,620	1,953,620	Completed	-
	Construction of Pigsty	1,024,710		Completed	-
Total		37,809,502	16,953,620		19,831,172

14. Statement of Financial Performance for The Year Ended 30 June 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	15,437,564	14,991,674
Grants from donors and development partners	7	55,500,000	141,000
Transfers from other levels of government	8	-	-
Public contributions and donations	9	-	-
		70,937,564	15,132,674
Revenue from Exchange transactions			
Rendering of services- fees from students	10	125,224,030	74,095,732
Sale of goods	11	111,800	1,485,423
Rental revenue from facilities and equipment	12	4,218,945	4,133,765
Finance income	13	-	40,000
Miscellaneous income	14	214,200	4,054,957
		129,768,975	83,809,877
Total Revenue		200,706,539	98,942,551
Expenses			
Use of goods and services	15	83,556,305	54,800,556
Employee costs	16	21,806,007	15,345,235
Board of Management Expenses	17	3,390,000	-
Depreciation and amortization expense	18	20,491,926	6,350,975
Repairs and maintenance	19	5,665,815	5,688,080
Contracted services	20	-	126,279
Grants and subsidies	21	-	-
Finance costs	22	161,799	90,554
Total Expenses		135,071,852	82,401,679
Other Gains/(Losses)			
Gain on sale of assets	23	-	-
Gain/ Loss on fair value of investments	24	-	-
Impairment loss	25	-	(139,066,498)
Total Other Gains/(Losses)		-	-
Net surplus/(deficit) for the year		65,634,687	(122,525,626)

Kitui Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2025

The Financial Statements set out on pages 1 to 9 were signed by:


.....

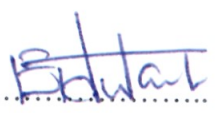
Chairman of Council/Board

Date..... 28/11/2025


.....

Principal

Date..... 28/11/2025


.....

Finance Officer

ID No 28409420

Date..... 28.11.2025



15. Statement of financial position as at 30th June 2025.

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	5,793,464	10,910,648
Current portion of receivables from exchange transactions	27(a)	50,152,576	33,156,342
Receivables from non-exchange transactions	28	-	-
Inventories	29	641,205	-
Investments in financial assets	30	-	-
Prepayments	31	-	-
Total Current Assets		56,587,245	44,066,990
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	-	-
Investments	30	-	-
Property, plant, and equipment	32	673,311,622	520,765,419
Intangible assets	33	3,400,000	-
Investment property	34	-	-
Biological Assets	35	2,461,860	-
Total Non-Current Assets		679,173,482	520,765,419
Total Assets (A)		735,760,727	564,832,409
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	36	62,581,551	12,356,557
Refundable deposits from customers	37	28,212	747,138
Current provisions	38	-	-
Finance lease obligation	39	-	-
Deferred income	40	-	-
Employee benefit obligation	41	-	-

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Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Payments received in advance	42	-	
Current portion of borrowings	43	-	
Social Benefits	46	-	
Total Current Liabilities		62,609,763	13,103,695
Non-Current Liabilities			
Finance lease obligation	39	-	
Deferred income	40	-	
Non-Current Employee Benefit Obligation	41	-	
Non- Current Borrowings	43	-	(287,563)
Non-Current Provisions	44	-	
Service Concession Liability	45	-	
Social benefits	46	-	
Total non- current liabilities		-	(287,563)
Total Liabilities (B)		62,609,763	12,816,132
Net Assets (A-B)		673,150,964	552,016,277
Represented By:			
Revaluation Reserves		-	
Accumulated Surplus		617,650,964	552,016,277
Capital Fund		55,500,000	-
Net Assets		673,150,964	552,016,277

The Financial Statements set out on pages 1 to 9 were signed by:

.....
 Chairman of Council/Board

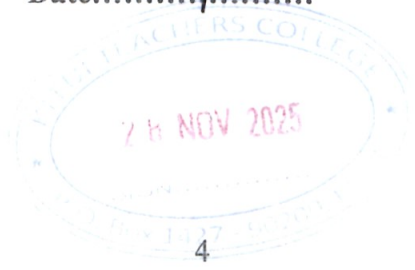
.....
 Principal

.....
 Finance Officer

Date... 28/11/2025

Date... 28/11/2025

ID No 28409420
 Date... 28/11/2025



16. Statement of changes in net asset for the year ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	-	674,541,902		674,541,902
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(122,525,626)	-	(122,525,626)
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
At June 30, 2024	-	552,016,276	-	552,016,276
At July 1, 2024	-	552,016,276		552,016,277
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	65,634,687	-	65,634,687
Capital grants received during the year	-	-	55,500,000	55,500,000
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
At June 30, 2025	-	617,650,963	55,500,000	673,150,964

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

17. Statement of cash flows for the year ended 30 June 2025

Description		2024-2025	2023-2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		15,437,564	15,132,674
Grants from donors and development partners			-
Transfers from other levels of government		-	-
Public contributions and donations		-	-
Rendering of services- fees from students		125,224,030	62,865,542
Sale of goods		111,800	1,485,423
Rental revenue from facilities and equipment		4,218,945	4,133,765
Finance income		-	40,000
Miscellaneous income		214,200	4,878,701
Total Receipts		145,206,539	88,536,105
Payments			
Use of goods and services		83,556,305	56,229,588
Employee costs		21,806,007	15,075,235
Board of Management Expenses		3,390,000	-
Repairs and maintenance		5,665,815	5,688,080
Contracted services		-	-
Grants and subsidies		-	-
Other Payments		35,905,596	2,962,694
Total Payments		150,323,723	79,955,597
Net Cash Flows from operating activities	47	(5,117,184)	8,580,508
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Proceeds from Borrowing		-	-
Repayment of Borrowings		-	-
Net cash flows used in financing activities		-	-
Net Increase/(Decrease) in Cash and Cash equivalents		(5,117,184)	8,580,508
Cash and Cash equivalents at 1 JULY	26	10,910,648	2,330,140
Cash and Cash equivalents at 30 JUNE	26	5,793,464	10,910,648

18. Statement of comparison of budget & actual amounts for year ended 30th June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	-	-	-	-	-
Receipts						
Transfers from other National Government entities	14,900,000	-	14,900,000	15,437,564	(537,564)	104%
Grants from donors and development partners	-	-	-	55,500,000	(55,500,000)	-
Transfers from other levels of government	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- fees from students	110,441,200	-	110,441,200	125,224,030	(14,782,830)	113%
Sale of goods	450,000	-	450,000	111,800	338,200	25%
Rental revenue from facilities and equipment	5,000,000	-	5,000,000	4,218,945	781,055	84%
Finance income	-	-	-	-	-	-
Miscellaneous Income	-	-	-	214,200	(214,200)	-
Total Receipts	130,791,200	-	130,791,200	200,706,539	(69,915,339)	153%
Payments						
Use of goods and services	108,544,200	-	108,544,200	83,556,305	24,987,895	77%
Employee costs	15,827,000	-	15,827,000	21,806,007	(5,979,007)	138%
Board of Management Expenses	1,920,000	-	1,920,000	3,390,000	(1,470,000)	177%
Repairs and maintenance	4,500,000	-	4,500,000	5,665,815	(1,165,815)	126%
Contracted services	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	-
Total Expenditure Payments	130,791,200	-	130,791,200	114,418,127	(33,602,717)	87%
Capital Expenditure Payments	-	-	-	-	-	-

Surplus	-	-	-	86,288,412	(36,312,622)	%
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(Budget carryovers This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the Exchequer. Budget carryovers should not include third-party funds such as contractors' retention.)*

Budget notes

- 1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14*
- 2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)*

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	
2	Reason for differences	
3	Reason for differences	
4	Reason for differences	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	

19. Notes to the Financial Statements

1. General Information

Kitui Teachers Training College is established by and derives its authority and accountability from The Basic Education Act. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is to train diploma in Teacher Education teachers.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the College's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Kitui Teachers Training College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Kitui Teacher Training College
Annual Report and Financial Statements for the year ended 30th June 2025

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 20xx, it is applicable in Kenya from 1st July 20xx)

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> 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.
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> 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.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> 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.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i>

		<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue		<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses		<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans		<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources		<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.

Kitui Teacher Training College

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	iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.
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iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board of Management in 25th July 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 in order to conclude the final budget.

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 a 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 actual as per the statement of financial performance has been presented under section 14 of these financial statements.

c) Taxes

Current income tax

The College is exempt from paying taxes as per first schedule of the *Income Tax Act* (Cap 470).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Taxes (continued)

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 a period ofyears.

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 of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the College recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the College. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The College also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as 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 College will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the College. 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

h) Research and development costs

- The College expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the College can demonstrate:
 - The technical feasibility of completing the asset so that the asset will be available for use or sale
 - Its intention to complete and its ability to use or sell the asset
 - How the asset will generate future economic benefits or service potential
 - The availability of resources to complete the asset
 - The ability to measure reliably the expenditure during development.
- Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized

Kitui Teacher Training College

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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.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments

• *Financial assets*

• *Initial recognition and measurement*

• Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The College determines the classification of its financial assets at initial recognition.

• *Loans and receivables*

• Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

• *Held-to-maturity*

• Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the College has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

• *Impairment of financial assets*

• The College assesses at each reporting date whether there is objective evidence that a financial asset or an College of financial assets is impaired. A financial asset or an College of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the College of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

• i) Financial instruments (Continued)

• *Financial assets (Continued)*

• *Impairment of financial assets (Continued)*

- The debtors or an College of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

• *Initial recognition and measurement*

• Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The College determines the classification of its financial liabilities at initial recognition.

• All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

• *Loans and borrowing*

• After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are DE-recognized as well as through the effective interest method amortization process.

• Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

i) **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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Inventories (Continued)

- 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.
- 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 College.

j) Provisions

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

Contingent liabilities

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

Contingent assets

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Nature and purpose of reserves

- The College creates and maintains reserves in terms of specific requirements.

l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

- The College provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which a college pays fixed contributions into a separate College (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 actuarial 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.

n) 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.

o) 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) **Related parties**

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

q) **Service concession arrangements**

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

r) **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 authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

s) **Comparative figures**

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

t) **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 30th, 2021.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the College's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. 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 College based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the College. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

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6. Transfers from other National Government entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	15,437,564	14,991,674
Operational Grant	-	-
Development grants	-	-
Other Grants	-	-
Total unconditional Grants	15,437,564	14,991,674
Conditional Grants amortised/ recognised in revenue	-	-
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	15,437,564	14,991,674

(a) Transfers from other Government entities (Categorized)

Name of the Entity	Amount recognized to	Amount deferred	Amount recognised	Total grant	Comparative
Sending The Grant	Statement of Financial performance *	under deferred income	in capital fund.	income during the year	FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	15,437,564	-	-	15,437,564	14,991,674
Total	15,437,564	-	-	15,437,564	14,991,674

(Ensure that the amount recorded above as having been received from the Ministry fully reconciles to the amount recorded by the sending Ministry. An acknowledgement note/receipt should be raised in favour of the sending Ministry.)

*Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached.

(NB: Total of column 1 should tie to the first part of note 6 on unconditional grants)

The details of the reconciliation have been included under appendix

7. Grants from Donors and Development Partners

Description	2024-2025	2023-2024
	Kshs	Kshs
CDF-Female Latrines	500,000	-
CDF- Four Classroom Block	5,000,000	
World Bank Grants- ICT lab	50,000,000	-
In-Kind Donations	-	-
Donations transferred to revenue-conditions met	-	-
Transfer from Technical School account	-	141,000
Total Grants from Development Partners	55,500,000	141,000

(a) Reconciliations of grants from donors and development partners

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions Met - Transferred to Revenue	-	-
Conditions Yet To Be Met - Remain Liabilities	-	-

(Provide brief explanation for this revenue)

8. Transfers from Other Levels of Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfer from County	-	-
Transfer from University	-	-
Transfer from Institute	-	-
Total Transfers	-	-

9. Public Contributions and Donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Public Donations	-	-
Donations from Local Leadership	-	-
Donations from Religious Institutions	-	-
Donations from Alumni	-	-
Other Donations	-	-
Total Donations and Contributions	-	-

(Provide brief explanation for this revenue)

Kitui Teacher Training College
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10. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Boarding	42,552,442	35,470,876
Tuition	3,339,424	1,619,330
Ict Equipment and Accessories	6,081,930	3,077,668
Practicum	3,266,801	1,923,536
Activity	4,159,862	1,616,330
Medical	1,513,504	677,026
RMI/Rehabilitation	4,573,281	2,441,253
Electricity, Water and Conservancy	6,228,473	3,010,961
Local Transport and Travelling	6,516,360	3,120,668
Administration costs	3,779,714	2,003,136
VRM/Replacement	8,786,555	3,477,684
PE Subsidy and Gratuity	14,622,648	4,998,837
Students Council	1,512,057	343,842
Truck suit	1,461,481	1,492,823
Clubs, societies and community	1,476,526	352,844
Tp lesson plan	508,369	692,081
KUCCPS	1,004,721	-
Exam	13,839,882	2,675,458
Student ID	-	215,320
Student Guide Book	-	305,423
Library Books	-	575,446
Tenders	-	11,000
Other Income	-	2,978,766
Admission Deposit	-	973,000
Fees in Kind	-	42,424
Total Revenue from The Rendering of Services	125,224,030	74,095,732

(Provide brief explanation for this revenue)

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11. Sale of Goods

Description	2024-2025	2023-2024
	Kshs	Kshs
Sale of Pigs	107,600	-
Sale of Farm Produce	4,200	233,960
Student ID	-	74,324
Truck Suit	-	500,711
Club & Environmental Subsidy	-	149,416
Student Guide Book	-	527,012
Total Revenue from Sale of Goods	111,800	1,485,423

(Provide brief explanation for this revenue)

12. Rental revenue from facilities and equipment

Description	2024-2025	2023-2024
	Kshs	Kshs
Hire of Facilities and Equipment	1,911,870.00	2,764,985
Bus Hire	2,118,300.00	1,133,100
Canteens rent	188,775.00	107,680
Farm		128,000
Total	4,218,945.00	4,133,765

*(Provide brief explanation for this revenue. *Contingent rentals include hire grounds, institutional facilities like halls, kitchen etc.)*

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13. Finance Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Cash investments and fixed deposits	-	40,000
Interest income from treasury bills	-	-
Interest income from treasury bonds	-	-
Interest from outstanding debtors	-	-
Total finance income	-	40,000

(Provide brief explanation for this revenue.)

14. Miscellaneous Income

Description	2024-2025	2023-2024
	Kshs	Kshs
KUCCPS	-	959,101
Prepayment	-	64,076
Medical	-	205,193
MVR	-	1,061,839
PE Subsidy	-	1,614,832
Graduation fees	214,200	-
Student Council	-	149,916
Total other income	214,200	4,054,957

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified.)

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15. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Boarding	32,172,616	20,153,599
Tuition	3,797,697	820,886
ICT	3,329,847	742,790
Practicum	150,000	-
Activity	14,909,138	7,934,672
Medical	304,350	369,335
E.W&C	3,946,244	2,081,685
LT &T	5,602,769	6,545,846
Adm. Cost	3,818,020	2,335,727
Students Council	50,010	401,867
Student ID	178,470	235,980
Truck Suit	2,164,100	-
Clubs , Societies	362,650	147,000
Graduation	789,154	-
Tender	68,290	-
Exam	11,553,700	39,620
Students/ Staff welfare	359,250	-
Bus Hire	-	1,043,743
Bursary	-	2,785,402
Hire of facility	-	2,208,400
Fees in kind	-	42,424
Contigencies	-	350
Graduation	-	190,000
Infrastructure	-	130,000
Uniforms	-	915,470
Staff/student welfare	-	82,800
Student guide book	-	13,900
farm	-	321,830
MV/R	-	5,192,730
Other	-	64,500
Total goods and services	83,556,305	54,800,556

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16. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Personal emoluments	12,766,565	7,615,684
Personal emoluments subsidy	8,940,603	6,405,073
Gratuity	98,839	-
Statutory deductions	-	1,324,478
Employee Costs	21,806,007	15,345,235

17. Board of Management Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
BOM Members sitting and Transport Allowances	3,390,000	-
Total	3,390,000	-

18. Depreciation and Amortization expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	20,491,926	6,350,975
Total depreciation and amortization	20,491,926	6,350,975

(Depreciation in Buildings Kshs 1,403,774 for prior year was omitted)

19. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Club and Environmental subsidy	-	-
Repairs maintenance and improvement	4,437,278	5,688,080
Vehicle repairs and maintenance	1,228,537	-
Total Repairs and Maintenance	5,665,815	5,688,080

(Repairs maintenance and improvement for prior year was undervalued by kshs. 1,599,861)

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20. Contracted Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Actuarial valuations	-	-
Investment valuations	-	-
Property valuations	-	-
Security services	-	126,279
Total contracted services	-	126,279

21. Grants and Subsidies

Description	2024-2025	2023-2024
	Kshs	Kshs
Community Development	-	-
Education Initiatives and Programs	-	-
Social Development	-	-
Social benefits expenses	-	-
Community Trust	-	-
Sporting Bodies	-	-
Others (<i>specify</i>)	-	-
Total Grants and Subsidies	-	-

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42.

22. Finance Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Charges	161,799	90,554
Total Finance Costs	161,799	90,554

23. Gain On Sale of Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Other Assets not capitalised	-	-
Total Gain On Sale of Assets	-	-

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24. Gain/(loss) on Fair Value Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Fair value on equity investments	-	-
Fair value arising from investment property	-	-
Fair value arising from biological assets	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

25. Impairment Loss

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

26. Cash and Cash Equivalentents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	5,774,889	10,889,639
Cash in Hand	18,575	21,009
Total Cash and Cash Equivalentents	5,793,464	10,910,648

(The bank balance for prior year was erroneously recorded as Kshs 789,208 instead of kshs 10,889,639. The cash at hand was erroneously recorded as kshs 283,923 instead of kshs 21,009 thus creating a variance of kshs 9,837,518.)

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1183161018	553,184	1,375,276
Equity Bank Limited	0720296088578	445,778	77,835
National Bank of Kenya	01021053123600	2,509,763	7,754,617
Family Bank	072000024308	1,761,482	1,681,920
Equity Bank Bank (TVET A/C)	0720280246652	504,682	
Sub- Total		5,774,889	10,889,648
b) Cash in Hand			
Kenya Commercial Bank	1183161018	5,308	1,160
Equity Bank Limited	0720296088578	3,331	18,119
National Bank of Kenya	01021053123600	729	9
Family Bank	072000024308	5,721	1,721
Equity Bank Bank (TVET A/C)	0720280246652	3,486	
Sub- Total		18,575	21,009
Grand Total		5,793,464	10,910,648

(Transfer of funds kshs 2,048,312 from Equity account to KCB account for prior year was erroneously recorded as finance cost)

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27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	50,152,576	33,156,342
Total Current Receivables	50,152,576	33,156,342

(Student debtors for prior year was erroneously recorded as Kshs 33,970,884 instead of kshs 33,156,342 thus creating a variance of kshs 814,542)

27 (b) Long- term Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	-	-
Advance Payments	-	-
Public Organizations	-	-
Less: Impairment Allowance	-	-
Total	-	-
Current Portion Transferred To Current Receivables	-	-
Total Non-Current Receivables	-	-
Total Receivables	-	-

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Current	% of total	Comparative FY	% of total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

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

Description	2024-2025	2023-2024
	Kshs	Kshs
At the beginning of the year	-	-
Provisions during the year	-	-
Recovered during the year	-	-
Write offs during the year	-	-
At the end of the year	-	-

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

28. Receivables from Non-Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	-	-
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	-	-
Total Current Receivables	-	-

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

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

Description	2024-2025		2023-2024	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

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

Description	2024-2025	2023-2024
	Kshs	Kshs
At the beginning of the year	-	-
Additional provisions during the year	-	-
Recovered during the year	-	-
Written off during the year	-	-
At the end of the year	-	-

29. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Consumable stores	445,980	-
Maintenance stores	8,925	-
Health Unit stores	45,200	-
Electrical stores	18,300	-
Cleaning Materials stores	21,460	-
Catering stores	101,340	-
Less: Impairment allowance	-	-
Total Inventories at lower of Cost and Net Realizable Value	641,205	-

(Provide brief explanation on inventories)

Detailed disclosure on inventories

	2024-2025	2023-2024
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

30. Investments in financial assets

Description	2024-2025	2023-2024
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Financial Institution		
CBK	-	-
CBK	-	-
Sub- Total	-	-
b) Investment with Financial Institutions/ Banks		
Bank	-	-
Bank	-	-
Sub- Total	-	-
c) Equity Investments (Specify)		
Equity/ Shares in Company	-	-
Sub- Total	-	-
Grand Total	-	-

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

d) Shareholding in other entities

For investments in equity 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	Insert Current FY	Insert Comparative FY
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-

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31. Prepayments

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Insurance	-	-
Rent	-	-
Water	-	-
Internet	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

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32. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Text Books	Capital Work progress	in	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs		Kshs
Depreciation Rate		0.50%	25%	10%	30%	0.50%	20%			
At 1 July 2023	400,000,000	97,512,089	14,110,000	12,672,414	480,500	309,720	2,031,670	-		527,116,393
Additions	-	-	-	-	-	-	-	-		-
Disposals	-	-	-	-	-	-	-	-		-
Transfers/Adjustments	-	-	-	-	-	-	-	-		-
Revaluation	-	-	-	-	-	-	-	-		-
At 30th June 2024	400,000,000	97,512,089	14,110,000	12,672,414	480,500	309,720	2,031,670	-		527,116,393
Additions	-	47,073,084	-	3,538,105	50,000,000	183,000	-	69,622,966		170,417,155
Disposals	-	-	-	-	-	-	-	-		-
Transfer/Adjustments	-	-	-	-	-	-	-	-		-
Revaluation	-	-	(3,730,000)	-	-	-	-	-		(3,730,000)
At 30th June 2025	400,000,000	144,585,173	10,380,000	16,210,519	50,480,500	492,720	2,031,670	69,622,966		693,803,548
Depreciation And Impairment										
At 1 July 2024	400,000,000	97,512,089	14,110,000	12,672,414	480,500	309,720	2,031,670	-		527,116,393
Depreciation	-	(1,403,774)	(2,822,000)	(1,584,052)	(96,100)	(38,715)	(406,334)	-		(6,350,975)
Disposals	-	-	-	-	-	-	-	-		-
Impairment	-	-	-	-	-	-	-	-		-
At 30 Jun 2025	400,000,000	144,585,173	10,380,000	16,210,519	50,480,500	492,720	2,031,670	69,622,966		693,803,548
Depreciation	-	(722,926)	(2,595,000)	(1,621,052)	(15,144,150)	(2,464)	(406,334)	-		(20,491,926)
Disposals	-	-	-	-	-	-	-	-		-
Impairment	-	-	-	-	-	-	-	-		-
Transfer/Adjustment	-	-	-	-	-	-	-	-		-
At 30th Jun 2025							-			

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Net Book Values									
At 30 th Jun 2024	400,000,000	96,108,315	11,288,000	11,088,362	384,400	271,005	1,625,336	-	520,765,419
At 30 th Jun 2025	400,000,000	143,862,247	7,785,000	14,589,467	35,336,350	490,256	1,625,336	69,622,966	673,311,622

[WIP i. Multi-purpose Hall- 55,975,266 ii. Six classrooms block- 13,647,700. Buildings for prior year was overvalued by kshs 137,730,710. The value recorded for buildings was kshs 235,242,799 instead of kshs 97,512,089. The revaluation loss on motor vehicles is kshs 3,730,000. This is after the valuation exercise was carried out by Britam Insurance Company. Depreciation on buildings for prior year kshs 1,403,774 was not recorded]

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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	400,000,000	-	400,000,000
Buildings	144,585,173	722,926	143,862,247
Plant And Machinery	492,720	2,464	490,256
Motor Vehicles including Motorcycles	10,380,000	2,595,000	7,785,000
Computers and Related Equipment	50,480,500	15,144,150	35,336,350
Office Equipment, Furniture, And Fittings	16,210,519	1,621,052	14,589,467
Text Books	2,031,670	406,334	1,625,336
Capital work in progress	69,622,966	-	69,622,966
Total	693,803,548	20,491,926	673,311,622

33. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Additions—internal development	3,400,000	-
At end of the year	3,400,000	-
Amortization and impairment		
At beginning of the year	3,400,000	-

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Amortization	-	-
At end of the year	3,400,000	-
Impairment loss	-	-
At end of the year	3,400,000	-
NBV	3,400,000	-

(There is no impairment loss and amortization recorded on intangible assets because it is in its initial stages of installation)

34. Investment Property

Description	2024-2025	2023-2024
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain or loss on fair value- if fair value is elected	-	-
At end of the year	-	-

(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

	2024-2025	2023-2024
	Kshs	Kshs
Cows	440,000	-
Pigs	340,000	-
Piglets	135,000	-
Chicken	38,400	-
Kales	1,508,460	-
Total	2,461,860	-

(Provide the necessary disclosures)

36. Trade and Other Payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	55,934,102		12,356,557	
Fees paid in advance	6,647,449		-	
Total Trade and Other Payables	62,581,551		12,356,557	
Ageing analysis:	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	38,461,854	61%	-	-
Over 3 years	24,119,697	39%	12,356,557	100%
Total (to tie to totals above)	62,581,551	100%		

(Trade and Other payables for prior year was overvalued by kshs 1,536,495. The value recorded is kshs. 13,893,052 instead of kshs 12,356,557)

37. Refundable Deposits from Customers/Students

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Consumer deposits	28,212		747,138	
Caution money	-		-	
Other refundable deposits	-		-	
Total Deposits	28,212		747,138	
Ageing analysis:	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	28,212	100%	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	747,138	100%
Total (to tie to totals deposits above)	28,212	100%	747,138	100%

(Provide brief explanation)

38. Current Provisions

Description	Leave provision	Bonus provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at The Beginning of The Year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision Utilised	-	-	-	-	-

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Change Due To Discount And Time Value For Money	-	-	-	-	-
Transfers From Non -Current Provisions	-	-	-	-	-
Total Provisions	-	-	-	-	-

39. Finance Lease Obligation

Description	2024-2025	2023-2024
	Kshs	Kshs
At the start of the year	-	-
Discount interest on Lease Liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

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

Analysed as:

Description	Amount
	Kshs
Current	-
Non- Current	-
Total	-

40. Deferred Income

Description	2024-2025	2023-2024
	Kshs	Kshs
National Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

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The deferred income movement is as follows:

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

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

Analysed as:

Description	Amount
	Kshs
Current	-
Non- Current	-
Total	-

41. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2024-2025	2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-

Retirement benefit Asset/ Liability

The entity operates a defined benefit scheme for all full-time employees from July 1, 20xx. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial valuers on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

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Description	2024-2025	2023-2024
	Kshs	Kshs
Discount Rates	-	-
Future Salary Increases	-	-
Future Pension Increases	-	-
Mortality (Pre- Retirement)	-	-
Mortality (Post- Retirement)	-	-
Withdrawals	-	-
Ill Health	-	-
Retirement	-	-

Recognition of Retirement Benefit Asset/ Liability

- a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

Description	2024-2025	2023-2024
	Kshs	Kshs
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (<i>specify</i>)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Remeasurement of the net defined benefit liability (asset)	-	-

- b) Amounts recognised in the Statement of Financial Position

Description	2024-2025	2023-2024
	Kshs	Kshs
Present value of defined benefit obligations(a)	-	-
Fair value of plan assets(b)	-	-
Funded status(=a-b)	-	-
Restrictions on asset recognised	-	-
Others (<i>specify</i>)	-	-
Net asset or liability arising from defined benefit obligation	-	-

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The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 4320 per employee per month. The college does not have any Other defined contribution scheme.

42. Payments received in advance.

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Fees received in advance	-		-	
Total	-		-	
Ageing analysis:	2024-	% of the	2023-	% of the
Under one year	2025	Total	2024	Total
1-2 years	-	%	-	-
2-3 years				
Over 3 years				
Total	-	%	-	-

43. Borrowings

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Balance at beginning of the year	-		2,485,835	
External borrowings during the year	-		-	
Domestic borrowings during the year	-		-	
Repayments of external borrowings during the year	-		-	
Repayments of domestic borrowings during the year	-		2,773,398	
Balance at end of the year	-		(287,563)	

43 a) Analysis of External and Domestic Borrowings

Description	2024-2025	2023-2024
	Kshs	Kshs
External borrowings		
Dollar denominated loan from 'xx organization'	-	-
Sterling pound denominated loan from organization'	-	-
Euro denominated loan from organization'	-	-
Domestic borrowings		
Kenya shilling loan	-	2,485,835
Total balance at end of the year	-	(287,563)

43 b) Breakdown of Long and Short-Term Borrowings

Description	2024-2025	2023-2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	2,485,835
Long Term Borrowings	-	-
Total	-	2,485,835

(NB: the total of this statement should tie to note 44 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

44. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision utilised	-	-	-	-	-
Change due to discount and time value for money	-	-	-	-	-
Less: Current portion	-	-	-	-	-

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Total deferred income	-		-	-	-
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(NB: The current portion deducted in this note should tie to line on current portion transferred from non- current provisions under note 38)

45. Service Concession Arrangements

Description	2024-2025	2023-2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	-	-
Net carrying amount	=	=
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	-	-
Service concession liability at end of the year	=	=

46. Social Benefit Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	=	=
People Living with disabilities benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	=	=
Current social benefits	-	-
Non- current social benefits	-	-
Total (tie to totals above)	-	-

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.

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47. Cash generated from operations.

Surplus for the year before tax	2024-2025	2023-2024
	Kshs 65,634,687	Kshs (122,525,626)
Adjusted for:		
Depreciation	20,491,926	6,350,975
Non-Cash grants received	(55,500,000)	141,000
Contributed assets	-	-
Impairment	-	-
Gains and Losses on Disposal of Assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance Income	-	40,000
Finance Cost	(161,799)	(90,554)
Working Capital Adjustments		
Increase in Inventory	(641,205)	-
Increase in Receivables	(20,996,082)	-
Increase in Deferred Income	-	-
Increase in Payables	(20,592,160)	-
Increase in Payments received in advance	6,647,449	-
Net Cash Flow from Operating Activities	(5,117,184)	8,580,508

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

48. Financial Risk Management

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

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

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions				
Receivables from non-exchange transactions				
Bank balances				
Total				
At 30 June 2025				
Receivables from exchange transactions				
Receivables from non-exchange transactions				
Bank balances				
Total				

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

Financial risk management (continued)

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

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

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables			12,356,557	12,356,557
Current Portion Of Borrowings			(287,563)	(287,563)
Provisions				
Deferred Income				
Employee Benefit Obligation				
Total			12,068,994	12,068,994
At 30 June 2025				
Trade Payables			50,512,557	50,512,557
Current Portion Of Borrowings			-	-
Provisions			-	-
Deferred Income			-	-
Employee Benefit Obligation			-	-
Total			62,581,551	62,581,551

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(iii) Market risk

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

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

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

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

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Financial Assets (Investments, Cash, Debtors)			
Liabilities			
Trade and Other Payables			
Borrowings			
Net Foreign Currency Asset/(Liability)			

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

U	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
20xx			
Euro	10%		
Usd	10%		
20xx			
Euro	10%		
Usd	10%		

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs (20XX: Kshs). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20XX – Kshs xxx)

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iv) Capital Risk Management

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve		
Retained Earnings		
Capital Reserve		
Total Funds		
Total Borrowings		
Less: Cash and Bank Balances		
Net Debt/(Excess Cash and Cash Equivalents)		
Gearing		

49. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) XXX

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
B) Purchases from related parties		
Purchases of electricity from kplc	3,946,244	-
Purchase of water from govt service providers		-
Rent expenses paid to govt agencies		-
Training and conference fees paid to govt. agencies		-
Others (<i>specify</i>)		-
Total	3,946,244	-
b) Grants /Transfers from the Government		
Grants from National Govt	15,437,564	14,991,674
Grants from County Government	-	-
Donations in Kind	-	-
Total	15,437,564	14,991,674
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for Employees	21,806,007	15,345,235
Payments for Goods and Services for XX	-	-

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Description	2024-2025	2023-2024
	Kshs	Kshs
Total	21,806,007	15,345,235
d) Key Management Compensation		
Directors' emoluments	3,390,000	-
Compensation to Key Management	-	-
Total	3,390,000	-

50. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)

51. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets arising from determination of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

Contingent Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case Xxx against (<i>The Entity</i>)	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

(Give details)

52. Capital Commitments

Capital Commitments	2024-2025	2023-2024
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

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

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53. Events after the Reporting Period

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

54. Ultimate And Holding Entity

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

55. Currency

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

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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)
OAG/MRO/KTTC/2024/2025	Unsupported track suit expenditure	Purchase requisitions attached	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Unsupported fuel and oil payments	Fuel register attached	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Payment of suppliers without ETR invoices	The ETR receipts provided	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Unsupported expenditures	Supporting Documents attached	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Internal control weakness in revenue managements	Quarterly reports provided	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Unauthorized procurement opinions	Professional opinions attached	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Procurement plan non-disclosure of % or amount allocated for the reserved groups (youth, women and persons with disability)	Disclosure of % or amount allocated for the reserved groups (youth, women and persons with disability disclosed	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Non-compliance with mandatory reporting	Procurement reporting by the procuring entity provided	Resolved	N/A

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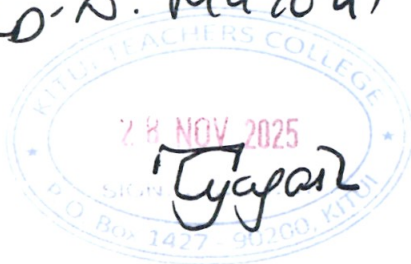
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	requirements by procuring entities			
OAG/MRO/KTTC/2024/2025	Procurement outside the budget	Revised budget attached	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Poor internal controls for inventory management criteria	Stores ledgers attached	Resolved	N/A
OAG/MRO/KTTC/2024/2025	Unregistered procurement personnel	Procurement officer KISM license attached	Resolved	N/A

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
 Chief principal
 Date

GERALD N. MATHAI



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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 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							

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity: Ministry of Education

Name of beneficiary entity: Kitui Teachers Training College

Confirmation of amounts received by Kitui Teachers Training College as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	23 rd September 2024	3,822,366	-	3,822,366	
	24 th December 2024	3,738,933	-	3,738,933	
	26 th June 2025	4,137,332	-	4,137,332	
	3 rd July 2025	3,738,933	-	3,738,933	
Total		15,437,564		15,437,564	


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

Head of Accounts Department - Disbursing Entity:

Name Gerald N. Mufesi Sign [Signature] Date 28/11/2025

Head of Accounts Department - Beneficiary Entity:

Name [Signature] Sign [Signature] Date 28/11/2025



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Appendix IV: Reporting of Climate Relevant Expenditures

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

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