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REPORT

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THE NATIONAL ASSEMBLY PAPERS LAID	
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THE AUDITOR-GENERAL

ON

TEACHERS SERVICE COMMISSION

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

OFFICE OF THE AUDITOR GENERAL
P.O. Box 30584, 00100, NAIROBI
KENYA
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TEACHERS SERVICE COMMISSION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2024

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

Teachers Service Commission

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

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1. Acronyms and Glossary of Terms

AC	Audit Committee
AIE	Authority to Incur Expenditure
BETA	Bottom up Economic Transformation Agenda
CFO	Chief Finance Officer
HAU	Head of Accounting Unit
ICP	International Confederation of Principals
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards
KPEELP	Kenya Primary Education Equity in Learning Program
LAN	Local Area Network
LL&IR	Legal Labour & Industrial Relations
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
PC	Performance Contract
PFM	Public Finance Management
RLM	Remote Learning Methodology
SBTSS	School Based Teacher Support System
SEQIP	Secondary Education Quality Improvement Project
TIMEC	Teacher Induction Mentorship and Coaching
TPAD	Teacher Performance Appraisal and Development
TPD	Teacher Professional Development
TPM	Teacher Discipline Management
TSC	Teachers Service Commission
VLAN	Virtual Local Area Network

2. Key Entity Information and Management

(a) Background information

Teachers Service Commission is established under Article 237 of the Constitution of Kenya and performs its mandate as stipulated in the TSC Act 2012.

Vision

A motivated, ethical and globally competitive teacher

Mission

To regulate, maintain and manage the teaching service through sound policies and operational excellence for quality teaching and lifelong learning

Core Values

- Professionalism
- Customer focus
- Integrity
- Innovativeness
- Team spirit

Functions and Mandate

The Commission is mandated to perform the following functions:

- a) Register trained teachers
- b) Recruit and employ registered teachers
- c) Assign teachers employed by the Commission for service in any public school or institution
- d) Promote and transfer teachers
- e) Exercise disciplinary control over teachers
- f) Terminate the employment of teachers
- g) Review the standards of education and training of persons entering the teaching service
- h) Review the demand for and supply of teachers
- i) Advise the national government on matters relating to the teaching profession

MEMBERS OF THE COMMISSION



**Dr. Jamleck Muturi John, EBS
Chairman**



**ACCA, CPA Leila Abdi Ali, MBS
Vice Chairperson**



**Mbage Njuguna Ng'ang'a, MBS
Commissioner**



**Annceta G. Wafukho, MBS
Commissioner**



**Timon Oyuchio, MBS
Commissioner**



**Salesa Adano Abudo, MBS
Commissioner**



**Christine K. Kahindi, MBS
Commissioner**



**Dr. Nicodemus O. Anyang, MBS
Commissioner**



**CS Sharon Jelagat Kisire, MBS
Commissioner**



**Dr. Nancy Njeri Macharia, CBS
Commission Secretary/CEO**

Duties of the Commissioners

The Commissioners provide strategic directions; objectives and values that ensure policies and practices are in place to implement governance and effective control over the Commission's assets and operations. The Commissioners meet regularly to continually review and monitor the Commission's progress with respect to strategic direction and operational effectiveness.

In accordance with the powers conferred on the Commission under Article 252(d) of the Constitution and Section 13 of TSC Act 2012, the Commission has established four (4) Committees to support the Board in proper execution of its mandate as follows:

Field Services Committee

The function of this committee is to recommend to the Board formulation and/or review of policies and to enhance Teacher professionalism, conduct and performance and decentralized functions.

Finance Committee

The Finance Committee provides a critical advisory role on all matters related to financial management in the Commission. The Committee recommends to the Board financial management policies, procedures and strategies aimed at maintaining the financial accountability and integrity of the Commission and oversight procurement and budget implementation.

Human Resources Committee

To consider and recommend to the Board formulation and/or review of Human Resource Policies, appropriate organization structure, staff establishment and terms and conditions of service for employees.

Strategy and Innovation Committee

To advise the Board on the development and implementation of strategic initiatives, policies and innovative reforms for effective service delivery, evaluate performance reports and Monitor implementation of the TSC Strategic Plan.

The Committees meet regularly to continually review and monitor the Commission's progress with respect to strategic direction and operational effectiveness.

(b) Key Management



**Dr. Nancy Njeri Macharia, CBS
Commission Secretary/CEO**



**CPA Cheptumo Ayabei, OGW
Director (F&A)**



**Ibrahim Mumin, OGW
Director (AS)**



**Dr. Reuben Mugwuku, F. AFTRA
Director (TPM)**



**Cavin Anyuor
Director (LL&IR)**



**Gabriel Mathenge
Director (Operations)**



**CPA Benjamin Mainga
Ag. Director (IA)**



**Antonina Lentoijoni
Ag. Director (Staffing)**



**Evaleen Mitei
Ag. Director (TDM)/
Ag. Director (HRM&D)**



**Gilbert Yegon
Ag. Director (ICT)**

The Commission's operations were executed under the following Directorates during the period under review:

Staffing

The Directorate is responsible for recruitment, posting, deployment, promotion and transfer of teachers in basic public learning institutions. The Directorate has the responsibility to ensure equitable distribution and optimal utilisation of teachers.

Administrative Services (AS)

The Directorate offers an overarching support services to the service areas of the Commission for effective implementation of the Commission's mandate. The support is in the areas of facility management and logistical services. To this end, the Directorate manages the physical infrastructure, employee welfare and safety, and records.

Finance and Accounts (F&A)

The Directorate is responsible for prudent financial management as required under the Public Finance Management Act through application of sound principles, systems and techniques in accounting. It is also in charge of budgetary control as well as preparation of the Commission's financial statements. To mitigate the risks on insufficient budgetary allocation, the Directorate is also responsible for growing the TSC's financial resource base and enhancing efficiency in the mobilisation and utilisation of resources for sustainable teaching service.

Information Communication and Technology (ICT)

The Directorate is responsible for the creation of an appropriate technological environment to support the effective and efficient execution of the Commission's mandate. It develops and implements ICT related policies, guidelines, standards and procedures as well as advise the Commission on new technologies and innovations.

Teacher Professional Management (TPM)

The Directorate is responsible for enhancing compliance of quality assurance and standards in the teaching service and teacher performance evaluation to improve quality of teaching services in basic education learning institutions. It is also responsible for programmes that promote continuous teacher professional development and appraisal

Human Resource Management and Development (HRM&D)

The Directorate has the responsibility to effectively manage the human resources of the Commission through implementation of appropriate Policy guidelines. Among other initiatives, the Directorate implements strategies for optimal utilization of the human resource to enhance productivity at all levels of the Commission. The strategies employed in this regard include; effective human resource planning, succession management, payroll management, employee motivation and the promotion of best practices in human resource management.

Internal Audit (IA)

The Internal Audit Directorate offers an independent, objective assurance and consulting services designed to enhance institutional risk management, controls and governance processes in the Commission. It is also responsible for spearheading good corporate governance practices within the Commission. Further, the Directorate contributes to the enhancement of the internal control systems that promote efficiency and effective service delivery.

Legal, Labour and Industrial Relations (LL&IR)

The Directorate is responsible for offering legal support services including labour and industrial relations to the Commission. This includes representation of the Commission in court and in tribunals, rendering legal advisory, drafting and /or vetting of legal instruments including contracts, agreements and developing subsidiary legislations. The Directorate also ensures proper development and interpretation of the laws and regulations governing the operations of the Commission. Further, the Directorate is responsible for the strategies that enhance industrial harmony in the teaching sector.

Teacher Discipline Management (TDM)

The Directorate is responsible for coordinating the teacher conduct and professionalism function of the Commission and implementing strategies to improve professionalism and compliance with regulations governing the teaching service.

Operations

The Directorate is responsible for coordinating the activities between Board and management on behalf of the Commission Secretary. The Directorate offers support to the Commission Secretary by ensuring effective planning, coordinating decentralised functions, monitoring and evaluation and timely reporting. In addition, the Directorate ensures responsiveness to customer and stakeholder concerns and promotes strategies for positive corporate brand.

(c) Fiduciary Management

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

Designation

1. Secretary/CEO
2. Director – Administrative Services
3. Director - Finance and Accounts
4. Director – Teacher Professional Management
5. Director - Legal, Labour and Industrial Relations
6. Director - Operations
7. Ag. Director – Teacher Discipline Management
8. Ag. Director - Internal Audit
9. Ag. Director - Staffing
10. Ag. Director – Human Resource & Development
11. Ag. Director – Information Communication Technology

Name

Dr. Nancy Njeri Macharia, CBS
Mr. Ibrahim Mumin Gedi, OGW
CPA. Cheptumo Ayabei, OGW
Dr. Reuben Nthamburi
Mr. Cavin Anyuor
Mr. Gabriel Mathenge
M/s. Evaleen Mitei
CPA. Benjamin Mainga
M/s Antonina Lentoijoni
M/s. Evaleen Mitei
Mr. Gilbert Yegon

(d) Fiduciary Oversight Arrangements

The board is vested with overall the Fiduciary oversight responsibility in the Commission. This is executed through committees of the board and audit committee.

(i) Board committees

These are Strategy and innovation Committee, Human Resource Committee, Field Services Committee, Finance Committee.

(ii) Audit Committee

The Committee offers assurance to the Board that all financial and non-financial internal control and risk management functions are operating effectively and reliably. It also offers independent review of the Commission's reporting functions to assure the integrity of its financial reports in compliance with legislative and regulatory requirements.

(e) Headquarters

TEACHERS SERVICE COMMISSION
TSC House,
Kilimanjaro Road,
Upper Hill,
Nairobi, Kenya

(f) Contacts

Private Bag -00100
Nairobi.
Telephone: (254) 020 289 2000
E-mail: info@tsc.go.ke
Website: www.tsc.go.ke

(g) Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
Box 60000 – 00200
Nairobi, Kenya
2. National Bank of Kenya
National Bank of Kenya Building
Harambee Avenue
P. O. Box 41862 – 00200
Nairobi, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

The Attorney General
State Law Office and Department for Justice
Harambee Avenue
P. O. Box 40112
City Square – 00200
Nairobi, Kenya

3. Statement of Governance

(i) Key Leadership

The Commission consists of a Chairperson and eight members appointed in accordance with the TSC Act 2012. In addition, the Commission has established committees under four thematic areas namely: Strategy and Innovation, Finance, Field Services and Human Resource. The Board provides overall leadership on the implementation of the Strategic Plan.

Commission Secretary

The Commission Secretary is the Chief Executive, head of secretariat, the accounting officer and the link between the Board and management.

Management operations

The Commission is structured into Directorates, Divisions and Sections/Units or as directed by the Board. Commissions' operations are carried out through directorates and each director signs performance contract instruments aligned to Strategic plan with the Commission Secretary. To ensure successful implementation of the set targets, every directorate is expected to submit quarterly performance reports to the Commission Secretary.

On financial management functions, every director is assigned the responsibility of being an AIE holder for the directorate. This essentially assigns each director financial responsibility over the expenditure of their directorate. Further, Strategic Programmes objective and targets are also delivered through directorates which makes them the nerve centres for Commissions' operations.

(ii) Board committees

In accordance with the powers conferred on the Commission under Article 252(d) of the constitution and section 13 of the TSC Act, the Commission has constituted four Committees for the proper execution of its mandate; Strategy and innovation Committee, Human Resource Committee, Field Services Committee and Finance Committee.

The committees play a critical advisory role on all matters relating to the Commission by making recommendations in key strategic areas to the Board.

(iii) Audit Committee

The Public Finance Management Act, 2012 and Public Finance Management Regulation, 2015 requires that each public entity shall establish an Audit Committee (AC). The Commission's AC forms a key element in the governance process through providing an independent expert assessment of the activities of management, quality of the risk management strategies, financial

management and reporting. The AC reports to the Board and is the functional supervisory unit of the Internal Audit Directorate.

Composition

The Audit Committee is constituted in conformance to the Public Finance Management Regulation, 2015 with a composition of 4 members as follows;

- Two (2) independent audit committee members sourced competitively, one of whom is the Chair.
- One (1) Commissioner.
- A representative of the National Treasury.

Terms of office of members (including Chairs)

The term of the Audit Committee is 3 years' renewable once as provided for in the PFM Guidelines on Audit Committee for National Government. The Commission appointed its first Independent Audit Committee in February, 2017. The Chair and independent member's term were renewed for a final term of 3 years which ended on 10th February, 2023 after which a competitive recruitment was initiated for their replacement. A new Audit Committee was fully constituted within the financial year 2023-2024 as provided by the PFM regulations, 2015.

Activities and Meetings of the Audit Committee

Audit Committee members undergo regular training and education to enable them fulfil their responsibilities. All Members receive an induction upon joining. This provides an overview of the commission, new developments in the environment in which the Commission operates, accounting and financial reporting developments, as well as any regulatory changes.

In line with good Corporate Governance practice as well as the PFM Audit Committee Guidelines for National Government Entities, the Commission organized a 2-day induction programme for the Audit Committee members from 26th to 27th February 2024. The main objective of the induction was to assist the Audit Committee members in familiarization with the Commission's functions and processes, hence enabling them to perform their oversight role effectively. This was achieved through presentations by Management on the operations of their respective directorate in the Commission.

The Audit Committee held a total of 6 meetings between 1st July 2023 and 30th June 2024.

Role of the Audit Committee

The Audit Committee plays a key role with respect to the integrity of the Commission's financial information, its system of governance, risk and internal controls, and the legal and ethical conduct

of management and employees. The roles undertaken by the Audit Committee generally encompass the following areas:

- Evaluating whether processes are in place to address key roles and responsibilities in relation to risk management.
- Evaluating the adequacy of the control environment to provide reasonable assurance that the systems of internal controls are of a high standard and functioning as intended.
- Performing an independent review of the financial statements to ensure the integrity and transparency of the financial reporting process.
- Review the effectiveness of the Commission's performance information and compliance with the performance management framework and performance reporting requirements.
- Approving Internal Audit Annual Workplan.
- Evaluating the quality of the Internal Audit function, particularly in the areas of planning, monitoring and reporting.
- Engaging with external audit and assessing the adequacy of management responses to issues identified by audit.
- Reviewing the effectiveness of how the Commission monitors compliance with relevant legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.

(iv) Risk Management, compliance and conflict of interest

a) Risk Management

In pursuit of the Commission's mandate, the Commission has established governance structures, risk management processes and systems of internal control. The Board recognizes that effective risk management is fundamental to achieving strategic objectives, maintaining operational resilience, and safeguarding stakeholders' interests. During the reporting period, the Commission adopted the 2023-2027 risk-based strategic plan setting the appropriate tone at the top with respect to risk culture.

Further, the Commission reviewed the Risk Management Policy and Framework, reaffirming commitment to managing its risks effectively to minimize effects of uncertainties and maximize opportunities in achieving its mandate. By taking a proactive approach to risk, the Commission has continuously put in place robust mechanisms to identify and mitigate risks in all processes, projects, and programmes. This enterprise-wide approach has impacted on the risk culture with recognition of risk management as an integral part of the Commission's Corporate Governance

arrangement and continuous integration into management processes as part of the overall framework to deliver continuous improvement.

To further support its risk management processes, the Commission reviewed its risk appetite statement which articulates the aggregate level and types of risks the Commission is willing to accept, to exploit or to avoid, in order to achieve its constitutional mandate and strategic objectives. The Commission's approach is to minimize its exposure to risks relating to its Strategic, Operational, Financial, Reputational, Compliance, Political, Environmental, Technological, Human Capital and Project-related objectives.

b) Management of Conflict of Interest

The Commission is committed to eradicating all forms of corruption, mainstreaming national values and upholding professionalism in order to promote good governance, transparency and accountability in the execution of its constitutional mandate. To this end, it has developed the TSC integrity policy meant to instil honesty, transparency and accountability in the Commission. The policy provides guidance in identifying and managing potential and actual conflicts of interest in the Commission, including principles and guidelines on handling matters relating to conflict of interest as well as maintenance and updating of Conflict of Interest Registers. This underscores the Commission's commitment to exercise its mandate in accordance with the constitutional principles and values on integrity.

In this regard, all employees have an obligation to avoid and disclose interests, activities, relationships and influences that can compromise their objectivity and impartiality in the performance of their duties, declare gifts received in the line of duty as guided by the policy, as well as comply to Declaration of Income, Assets and Liabilities (DIALs) requirement.

In reaffirmation of the commitment to upholding the highest standards of ethics and governance, declaration of conflict of interest is a standing agenda item in every Board, Management and Departmental meetings at the Commission, declared and documented at the commencement of the meeting.

b) Compliance

The Commission complied with statutory requirements. In regard to compliance with the internal policies and controls, there was no material violation of policies, guidelines or controls that were reported during the period under review.

(v) Report on recent training and development in governance for those in key leadership.

Good governance underpins effective leadership of the Commission. Governance provides the systems through which the Commission is managed, controlled and held accountable.

Training and Development Programs

The 2023-2027 Strategic plan identifies three main strategic goals aligned to the Commission's mandate, vision, mission, and core values. Strategic goal number 3 is Institutional Capacity and Corporate Governance. This goal entails the enhancement of Human Resource in terms of relevant skills, competencies and employee welfare. It also includes corporate governance, which focuses on compliance with policies and legal framework to support board oversight.

In the face of a rapidly changing work environment, the need for continuous learning and professional development among the leadership is crucial in achieving sustainable development and lifelong learning.

During the FY 2023/2024, the Commission trained a total of 1612 staff of whom 802 were male and 810 were female. Further, the Commission facilitated trainings for the Board Members and the Management team on leadership skills to enhance governance competencies. The training programmes were aimed at deepening understanding and anchoring good governance in the organization culture and ensure best corporate practice.

The Commission facilitated officers to participate in their professional bodies' seminars and workshops on good governance in the following key thematic areas.

S/No	Programme	Content
1	11th Annual Women in Leadership Conference	"Unlocking the powerhouse: Harnessing Leadership for Impact"
2	Deib & Sustainability Workshop 2 nd Edition	Catalysing Sustainability and Cohesive Teams.
3	21 st Internal Audit Annual Seminar	New Horizons: Securing the future
4	41 st Institute of Certified Public Accountants of Kenya (ICPAK) Annual Seminar - Edition 1	Accountancy Profession's Contribution to National Growth and Development
5	Induction for Sub County Directors	Ethics, Integrity and Mental Health
6	Information Systems Audit and Control Association (ISACA) Conference on Governance, Risk and compliance	Effective Governance, Risk and Compliance in lean times
7	Association of Women Accountants of Kenya (AWAK) 9 th Annual Leadership and Accountability Conference, 2024	Foster Corporate Leadership that enhances accountability and societal values

(vi) Public Participation Activities

The Commission engages various stakeholders in its endeavour to achieve its mandate and national education goals. The stakeholders played diverse roles in complementing the Commission's efforts in resource mobilization and utilization. During the period under review, the Commission engaged with various stakeholders in the following forums:

a) Mid-term review of teachers CBA 2021-2025

The Commission engaged the teachers' unions the Kenya National Union of Teachers (KNUT), Kenya Union of Post Primary Education Teachers (KUPPET), and Kenya Union of Special Needs Education Teachers (KUSNET) and reviewed the Collective Bargaining Agreement (2021-2025 CBA) in August 2023. The reviewed CBA granted teachers an increase of their salaries and harmonized their house allowances.



Commission Chairman, Dr. Muturi, John (2nd left) with Commission Secretary, Dr. Nancy Njeri Macharia (2nd right) present a copy of the amended Collective Bargaining Agreement (CBA) Kenya Union of Post Primary Education Teachers (KUPPET) National Chairman, Omboko Milemba (right) and Secretary General, Akelo Misori(right).

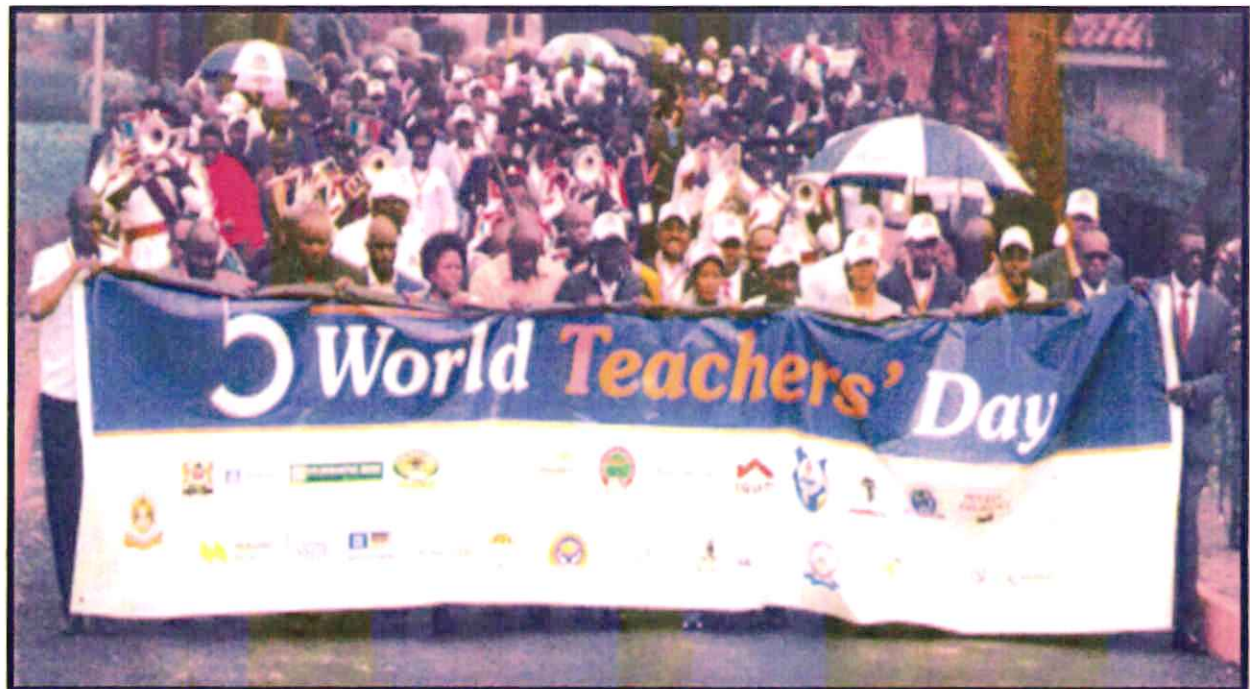
b) Annual Symposium and Exhibition on Employment & Labour Relations

TSC is the largest public employer in East and Central Africa, inevitably it is a major player in the Employment and Labour Relations Court (ELRC). At the invite of the Kenya Judiciary, the Commission participated in the Employment & Labour Relations Annual Symposium and Exhibition (ELRASE) held at the Kenyatta International Convention Centre (KICC) in Nairobi on

July 17, 2023. The forum provided a platform for the Commission to engage with key stakeholders, and contribute to discussions on current labour and employment trends.

c) World Teachers Day 2023 Celebrations

World Teachers' Day, established by UNESCO in 1994, is an annual event that seeks to recognize the remarkable achievements of Teachers worldwide. The event whose theme was "Walimu and Mazingira Bora" was held at the Kenya School of Government Lower Kabete on 5th October 2023, during which 564 teachers were awarded for their outstanding performance.



Commission Chairman, Dr. Jamleck, Muturi, John and Commission members with Commission Secretary, Dr. Nancy Njeri Macharia are joined by distinguished guests including teacher unions and association heads, in a procession to mark the beginning of the World Teachers Day 2023 celebrations.

d) Witness Protection Agency

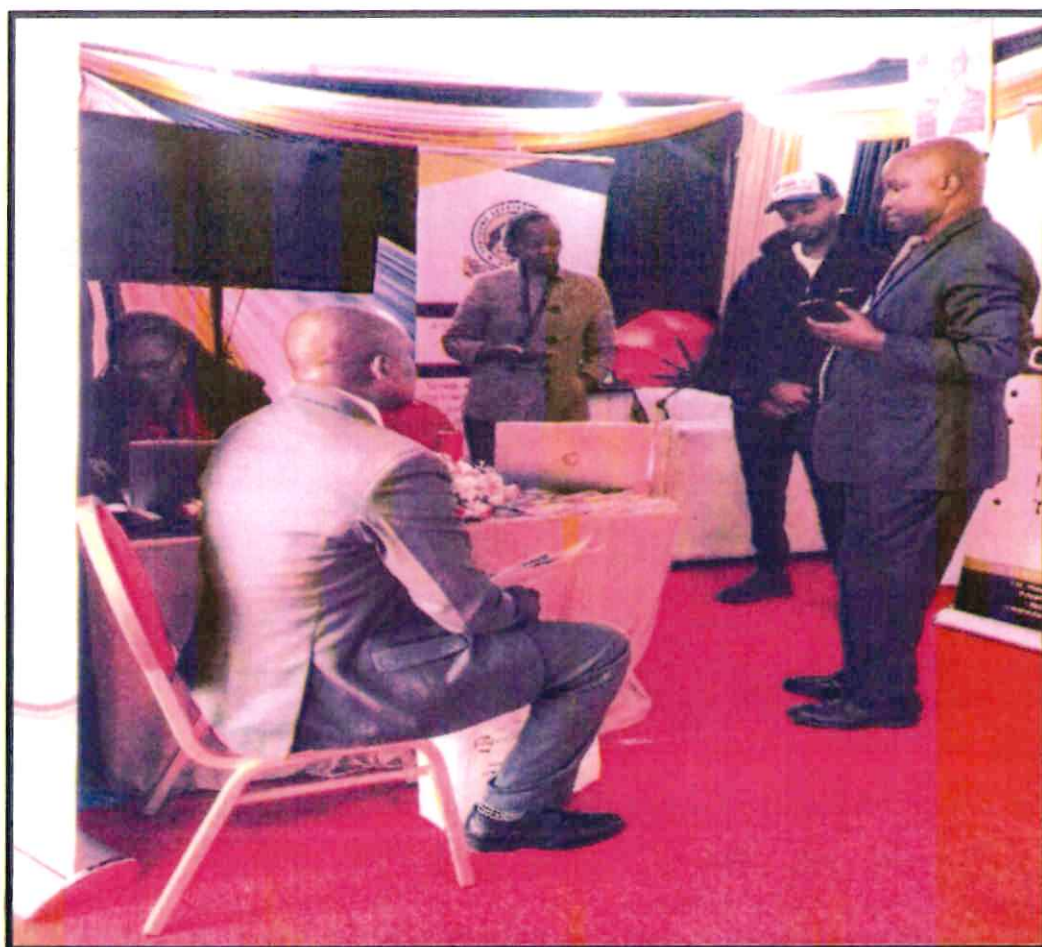
Due to the nature of its work, the Commission's employees and other stakeholders such as learners often encounter sensitive information and scenarios that require protection. In this regard and recognizing the mandate of the Witness Protection Agency, the Commission in October, 2023 signed a Memorandum of Understanding with the agency for ease of engagement in protecting whistle-blowers and witnesses.



Commission Secretary Dr. Nancy Njeri Macharia and Director Witness Protection Agency Jedidah Waruhiu together with members of staff of both institutions pose for a photo after signing of an MoU.

e) Fourth Huduma Ombudsman Award Ceremony

TSC participated in the Fourth Huduma Ombudsman Award Ceremony and exhibited during the Huduma Week, organized by the Commission on Administrative Justice (CAJ) at the Kenyatta International Convention Centre (KICC) in Nairobi on November 21, 2023. This event provided a platform for the Commission to showcase its commitment to enhancing transparency, accountability and quality service delivery in the education sector. The CAJ, tasked with promoting administrative justice and fair treatment in public service, highlighted the importance of these values, aligning with the Commission's efforts to uphold high standards in teacher management and support. Through participation in this event, the TSC demonstrated its dedication to collaborating with the CAJ to ensure efficient and effective public service delivery



TSC officers serve a client at a TSC stand during the Huduma Week held at KICC on 21st November 2023.

f) Women Rights Organizations

The Commission collaborated with women rights organizations from all over the country in advocating for prevention and end to violence against women and girls. Members from the Gender Mainstreaming Committee embarked on a 10km marathon held in Nairobi on 26th November, 2023. The event served as a platform to raise awareness and mobilize support for gender equality and the protection of women's rights.

By participating in the marathon, the Commission highlighted the importance of collective action in creating a safer and more equitable society for all thus promoting gender justice and supporting efforts to end gender-based violence in the country.



Cabinet Secretary Ministry of Gender, Culture, The Arts and Heritage, Hon. Aisha Jumwa with Chief Officer City Culture Arts & Tourism Anastacia Nyalita lead gender mainstreaming members for the Nairobi Run against GBV at the Green Park Bus Terminus

g) Amendment of TSC Act

The Commission embarked on reviewing the TSC Act which was enacted in 2012. The review is informed by the lessons learnt over the last decade, court pronouncements, alignment with other applicable laws and guidelines and generally the need to keep up with the changing dynamics in the education sector. In this regard, the Commission convened a Stakeholders' Engagement Forum inviting various actors in the sector, at the Kenya School of Government Lower Kabete, on 7th February 2024 where the 1st Draft of TSC Act (Amendment Bill), 2024 was presented. The event also presented an opportunity to collect views and proposals to the Bill.



Top: Commissioners led by Dr. Jamleck Muturi John (2nd from left) follow proceedings during the the TSC Act (amendment bill) 2024 stakeholder engagement.

h) International Confederation of Principals (ICP) organising committee pays the Commission a courtesy call

The International Confederation of Principals (ICP) organising committee paid the Commission a courtesy call on 7th March 2024 at the TSC Headquarters.



Members from the International Confederation of Principals (ICP) organizing committee pose for a photo with commission senior management staff during a courtesy call on 7th March 2024 at the TSC Headquarters (Pictorial)

(vii) Statement on compliance with laws and regulations

The Commission is in compliance with statutory and regulatory requirements as spelt out in the Constitution, the Teachers Service Commission Act, the Basic Education Act, the Public Finance Management Act, the Public Procurement and Asset Disposal Act, the Code of regulation for Teachers among others.

The operations of the Board are defined in the Board Charter which clearly outlines the roles, responsibilities and functions for the members and its Committees. This is intended to facilitate efficient decision making of the Board in discharging its duties and responsibilities.

The Commission therefore performs its functions in accordance with the best practices anchored in principles of accountability and transparency as well as adherence to the relevant laws and regulations.

4. Chairman's Statement



I am pleased to present the Annual Report and Financial Statements of the Teachers Service Commission for the fiscal year 2023/2024, prepared in accordance with Section 81 of the Public Finance Management Act, 2012.

This fiscal year marks the first year of implementing the 2023-2027 Strategic Plan which outlines the Commission's agenda for the next five years. The plan targets a 100% reduction in the national teacher shortage through strategic recruitment and equitable distribution of additional teachers. It also aims to enhance curriculum implementation, strengthen teacher competencies, promote positive conduct through Teacher In-service programmes, improve professionalism and integrity, automate business processes, decentralize services for improved responsiveness, and bolster the legal and policy framework.

During the year under review, significant achievements were made. The Commission embarked on reviewing the TSC Act, 2012. This review was driven by the lessons learned over the past decade, court rulings, the need for alignment with other relevant laws and guidelines, and the imperative to adapt to the evolving dynamics of the education sector. Another milestone achieved during this period was the launch of the E- Teacher registration certificate in November 2023, which has significantly reduced the number of teachers needing to travel to the Commission's headquarter office for certificate collection and minimized the incidences of lost or returned certificates.

Also, in the course of the same reporting period, the Commission developed the 2023-2027 Strategic Plan which was approved on 29th November, 2023; reviewed the Risk Management policy and framework, 2024; and the Risk Appetite policy statement.

To ensure the Commission operates within a robust legal and ethical framework, the Audit Committee was reconstituted in accordance with Section 73(5) of the Public Finance Management Act, 2012, and Section 174(1) of the Public Finance Management Regulations, 2015. This Committee will play a critical role in reviewing compliance programmes and ensuring that adequate controls are in place to safeguard assets, manage risks, and prevent fraud.

In conclusion, I extend my sincere gratitude to the National Government for its unwavering support to the Commission towards achievement of its Vision, Mission and Strategic plan. I also deeply appreciate the Board, Management, Secretariat staff, and teachers for their dedication to quality service delivery and their invaluable contributions to the provision of quality education.



.....

**DR JAMLECK MUTURI JOHN, EBS
CHAIRMAN
TEACHERS SERVICE COMMISSION
3-12-2024**

5. Statement by the Commission Secretary / Accounting Officer



I am pleased to present the 2023/2024 Annual Report and Financial Statements. This report is aligned with the 2023-2027 TSC Strategic Plan, which serves as the roadmap for achieving the Commission's mandate as outlined under Article 237 (2) of the Constitution. The programme priorities and targets were delivered within three Strategic Focus Areas: Quality Teaching Service and Curriculum

Implementation; Service Delivery Re-engineering and Innovation; and Institutional Capacity and Corporate Governance.

Key programme targets included the recruitment of additional teachers, decentralization of functions to the counties, retooling teachers on the Competency-Based Curriculum (CBC) and other programmes, entrenching performance management, developing a Teacher Professional Development (TPD) framework and strengthening mentorship and coaching programmes within the teaching service.

The Commission approved budget estimates for the FY 2023/2024 was Kshs. 340.952 billion, with Kshs. 339.550 billion allocated to recurrent expenditure and Kshs. 1.202 billion to development expenditure. The recurrent budget comprised Kshs. 337.002 billion for employee compensation and Kshs. 2.548 billion for operations and maintenance. Under the development budget, allocations included Kshs. 900 million for the Secondary Education Quality Improvement Project (SEQIP), Kshs. 215 million for the Kenya Primary Education Equity in Learning Programme (KPEEL), and Kshs. 87 million toward the construction of county offices in Kilifi and Machakos. The total expenditure for the year was kshs. 339.106 billion representing a 99.5% of the entire budget.

During the period under review, 20,000 teacher interns were recruited, comprising 2,000 Primary and 18,000 Junior School (JS) teacher interns. Additionally, 3,755 teachers were recruited to replace those who exited service due to natural attrition. The Commission also promoted a total of 50,856 teachers; 36,171 through competitive selection, 333 through implementation of the Performance Recognition programme and 14,352 through common cadre establishment promotions.

Notably, the online teacher registration system was reviewed and enhanced to include additional features, enabling online applications and printing of registration certificates. In the 2023/2024 financial year, 40,994 teachers were registered.

Under the strategic focus area of Reforms and Innovations in teaching services and Service Delivery Re-engineering, the automation of key processes was prioritized through the development of an Electronic Document Management System (EDMS) and a Human Resource Management Information System (HRMIS). By the end of the 2023/2024 financial year, 396,206 teacher files had been scanned and availed digitally via the EDMS application. A key milestone achieved during this period was the integration of EDMS with the Teachers Online (Entry & Exit module), which streamlined the on boarding process for newly recruited teachers into the payroll.

During the period under review, the Commission faced various challenges during the implementation of programmes and projects. These include inadequate number of teachers to cover all learning areas envisioned in the Competency-Based Curriculum, acute teacher shortage in Junior Schools (JS), inadequate funding to effectively retool JS teachers, delays in the dispensation of disciplinary cases due to the absence of teachers and witnesses, which kept teachers out of the classroom for extended periods, the need to integrate the Commission's discrete systems for more efficient processing of information and transactions, and the limited capacity of some teachers to fully embrace ICT in teaching and learning.

To address these challenges and emerging issues, it is recommended that broad-based stakeholder engagement be pursued within and outside the government to address the issues affecting CBC. Additionally, to fully benefit from the Government's Digital Superhighway programme, there is a need to integrate systems to streamline data processing and information retrieval. Finally, strengthening multi-stakeholder collaboration within the private and public sectors is essential for mobilizing resources.

In conclusion, I wish to thank the Kenya Kwanza Government, the Commission education stakeholders and the teaching fraternity for the support they accorded the Commission in the execution of its mandate.

Teachers Service Commission

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

Finally, I take this opportunity to thank the secretariat staff for their commitment and tireless efforts in achieving the Commission's targets and objectives.



.....
DR. NANCY NJERI MACHARIA, CBS
SECRETARY/ CHIEF EXECUTIVE
TEACHERS SERVICE COMMISSION
3-12-2024

6. Statement of Performance against Predetermined Objectives for the FY 2023/24

PROGRAMME/SUB PROGRAMME	OBJECTIVE	OUTCOME	INDICATOR	PERFORMANCE
PROGRAMME 1 : TEACHER RESOURCE MANAGEMENT				
Teacher Resource Management-Primary	To reduce the teacher shortage at the basic education learning institutions by 2,000 teachers	Improved Learner Performance	Number of teacher Interns recruited	2,000 teacher Interns recruited.
Teacher Resource Management-Secondary	To reduce the teacher shortage at the basic education learning institutions by 18,000 teachers	Improved Learner Performance	Number of teacher Interns recruited	18,000 teacher Interns recruited.
	To Train 25,000 teachers on SBTSS		Number of teachers trained on SBTSS	15,821 teachers were trained on SBTSS
	To train 6,500 teachers on Peer to Peer Support		Number of schools on peer to peer support in SBTSS	5,279 Teachers were on peer to peer support in SBTSS
Teacher Management - Tertiary	To achieve optimal utilization of Tutors and equitable distribution in the teacher training colleges.	Improved Learner Performance	Number of tutors deployed	207 tutors were deployed
PROGRAMME 2 : GOVERNANCE AND STANDARDS				
Quality Assurance and Standards	To improve the level of legal compliance on teaching standards	Improved Quality Learning	Percentage of Teachers appraised on TPAD	92.48% teachers were complying with the teaching standards
			Percentage of PC implementations by learning institutions	100% learning institutions were on performance contract.
			Number of field officers sensitized on the revised TPAD	1,177 officers were trained on the revised TPAD

PROGRAMME/SUB PROGRAMME	OBJECTIVE	OUTCOME	INDICATOR	PERFORMANCE
Teacher Professional Development	To improve professionalism in the teaching service and reduce cases of indiscipline among teachers	Improved Quality Learning	Number of field officers trained on management of discipline cases	337 field officers trained on management of discipline cases
			Number of Master Trainers and TOTs Trained on TIMEC	11,470 Master Trainers and Trainer of Trainers (TOT) trained on Teacher Induction Mentorship and Coaching (TIMEC)
			Number of newly appointed heads of institutions and BOMs trained on management of discipline cases	21736 BOMs and heads of institution trained on management of discipline cases
			Percentage of discipline cases determined within 3 months	84.2% of the discipline cases determined within 3 months
Teacher Capacity Development	To improve the quality of teaching services in Basic Education learning institutions	Improved Quality Learning	Number of stakeholders engaged on TPD Modules.	439 deans and lecturers of universities sensitized on TPD and conducted evaluation of TPD service.
			Number of teachers trained in	

PROGRAMME/SUB PROGRAMME	OBJECTIVE	OUTCOME	INDICATOR	PERFORMANCE
			Competency Based Curriculum	52,688 teachers were trained on CBC
PROGRAMME 3: GENERAL ADMINISTRATION, PLANNING AND SUPPORT SERVICES				
Policy Planning and support Services	To improve the quality of teacher support infrastructure and data management at the County and Sub-county levels	Improved Service Delivery	Percentage completion of Review of the TSC ACT	50% of the work done. The draft is awaiting stakeholders' input
			Number of County offices Constructed	the Construction of Kilifi and Machakos County Offices is at 84% and 86% respectively.
Field Services	To improve professionalism in the teaching service and reduce cases of indiscipline among teachers	Improved Quality Learning	Percentage of Discipline case determine and finalized	74.3% of registered discipline cases were determined and finalized.
			Number of Vehicles Procured	-
			Proportion of schools implementing Teacher Induction, Mentorship and Coaching (TIMEC)	30% of schools were implementing the TIMEC program
Automation of TSC operations	To Automate the core TSC processes and ensure that the systems are secure	Improved Service Delivery	Number of computers procured	63 computers were procured
			Number of employee records digitized	45,281 records were digitized bringing to a total of 369,206 teachers files digitized.

7. Management Discussion and Analysis

The Commission is currently implementing the 2023-2027 TSC Strategic Plan whose aim is to provide a roadmap for implementation of Commission's mandate and a basis for resource allocation. Programme objective and priority targets will be delivered within three Strategic Focus Areas namely: Quality Teaching Service and Curriculum Implementation, Service Delivery Re-engineering and Innovation and Institutional Capacity and Corporate Governance. At the same time, strategic objectives and targets are redefined to address national education goals and emerging national priorities that include the shift towards a Competency Based Curriculum and realization of 100 percent transition from primary to secondary school.

During the last five years the Commission utilized Kshs 1.454 trillion to implement the following focus areas as shown in the table below:

Trend in Total Expenditure by Programme from FY 2019/20 to 2023/24

STRATEGIC PILLARS	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	Kshs (millions)	Kshs (millions)	Kshs (millions)	Kshs (millions)	Kshs (millions)	Kshs (millions)
Reforms and Innovations in the Provision of Teaching Service	249,322	266,857	281,035	289,097	330,099	1,416,410
Teacher Competence, Conduct and Performance	391	895	982	664	1,295	4,227
Service Delivery Re-Engineering	6,381	6,782	6,910	6,341	7,710	34,124
Total Expenditure for Vote 2091 Teachers Service Commission	256,094	274,534	288,927	296,102	339,104	1,454,761

Quality Teaching Service and Curriculum Implementation

This Strategic Objective was to reduce the teacher shortage at the basic education learning institutions with expected outcome being effective curriculum coverage for all learners at the basic education learning institutions.

During the 2019/20 to 2023/24 period, a total of 25,000 additional teachers were recruited on permanent and pensionable terms bringing the total to 365,493 teachers. Internship policy framework was established and rolled out to guide on internship programs for teachers and 74,300 intern teachers were recruited.

Under this Pillar, Kshs 1.41 trillion of the budget was utilized over the last five years for compensation of employees, recruitment of teachers, teacher interns and promotion of teachers.

Key drivers were the 2017-2023 teachers CBA, recruitment of teachers for 100% transition from primary to secondary school and recent recruitment of 46,000 teacher interns under the Bottom up Economic Transformation Agenda (BETA).

Table 1: TEACHERS RECRUITED FROM 2019/20-2023/24			
YEAR	INSTITUTIONS		
	PRIMARY	POST-PRIMARY	TOTAL
2019/20	-	5,000	5,000
2020/21	-	-	-
2021/22	-	5,000	5,000
2022/23	2,000	13,000	15,000
2023/24	-	-	-
Total	2,000	23,000	25,000

Table 2: TEACHER INTERNS RECRUITED FROM 2019/20-2023/24			
FY	INSTITUTIONS		
	PRIMARY	POST-PRIMARY	TOTAL
2019/20	4,300	6,000	10,300
2020/21	4,000	8,000	12,000
2021/22	2,000	4,000	6,000
2022/23	4,000	22,000	26,000
2023/24	2,000	18,000	20,000
Total	16,300	58,000	74,300

Under the same pillar, the Commission sought to reduce the teacher shortage at the basic education learning institutions and to improve equity and efficiency in the utilization of the teaching resource. Activities undertaken included, teacher performance management, dispensation of discipline, teacher induction, mentoring and coaching (TIMEC) and capacity building of teachers. Other activities included SEQIP and KPEELP. During the period, a total of Kshs 4.227 billion was utilized to undertake governance and standards programmes. The achievements realized during the period were as follows: -

Maintenance of Teaching Standards:

A Policy framework for entry requirements to teaching service was developed. All Principals, Tutors from Teacher Training Colleges and Deans from 60 out of 90 universities were sensitized on the legal and Policy framework on teaching standards.

Additionally, between FY 2019/20 and 2023/24 a total of 136,703 teachers were registered. In the same period, the Commission deregistered 274 teachers pursuant to the provision of Section 30(1) of the TSC Act.

Performance Management

Notable achievement during the FY 2023/24 was the reviewing and enhancing of online teacher registration system to include additional features which enabled online applications and printing of registration certificates. In addition, 92.48% of teachers were appraised and 1177 field offices were sensitized.

Additionally, the Commission undertook stakeholder engagement on TPD modules through conferences and school visits; sensitized 439 deans and lecturers of universities on TPD and conducted evaluation of TPD service providers for 2024/2025 Financial Year.

Teacher Induction, Mentorship, and Coaching (TIMEC)

The Commission continued with implementation of TIMEC programmes geared towards institutionalization of coaching and mentorship for both teachers and secretariat staff. This is done by linking newly recruited and newly deployed employees to gain skills, knowledge, attitudes and competencies from experienced employees. This is aimed at creating a platform for transfer of skills, attitudes and competencies for enhancing human resource capacity and productivity.

During the FY 2023/24, 332 sub county directors, 465 CSOs and 10,675 teachers were trained as TOTs for TIMEC. During the Monitoring of the TIMEC implementation, 23,633 newly recruited teachers and 2,977 heads of institutions were inducted. This was in addition to 19,000 teachers, 37 field officers, 15,475 heads of institutions and board of management (BOMs) sensitized in management of teacher conduct in FY 2022/23.

Competency Based Curriculum

Following the Competency based Curriculum (CBC) roll-out, the Commission has continuously and progressively trained teachers to equip them with the requisite pedagogical knowledge, skills, attitude and values for successful implementation of the new curriculum. Consequently, 226,326 teachers in primary schools handling CBC classes were trained in FY 2020/2021. In FY 2021/2022 an additional 148,819 teachers drawn from Secondary schools, TTCs and Heads of Institutions were trained. Further, in FY 2022/2023 a total of 75,290 teachers were trained for actualization of Junior School (JS). During the 2023/2024 period, a total of 56,000 teachers were retooled on CBC.

Teacher Career Growth and Progression

During the year under review, the Commission promoted 36,171 teachers through competitive selection and 333 through the implementation of the Performance Recognition, Rewards and Sanctions Policy Framework for the Teaching Service (2018) and 39 through common cadre establishments promotions. It is also important to note that gender composition of the promoted teachers is 49.8% male and 50.2% female while 955 teachers with disabilities in the various grades translating to 2.6%. This brings the total number of teachers promoted in the last 5 years to 71,833.

Table 3: Trends in teacher promoted from 2019/2020 – 2023/2024

YEAR	NUMBER PROMOTED
2019/2020	3,795
2020/2021	17,530
2021/2022	2,734
2022/2023	11,231
2023/2024	36,543
TOTAL	71,833

Service Delivery Re-Engineering and Innovation

During the FY 2023/24, the Commission Launched the E-certificate which has greatly improved service delivery. Consequently, the number of teachers travelling to the Commission to collect certificates has drastically reduced and there is no loss/ returned certificates. Turnaround time in Teachers registration was reduced from 30 days to 21 days. The Commission also issues duplicate certificates within 7 days.

Further, the Commission organized and trained 2,771 County champion teachers on Remote Learning Methodologies (RLM) and TPAD in January 2024.

Automation of TSC Operations

This focus area seeks to improve efficiency and effectiveness in service delivery at the Commission by strengthening its support systems and structures. During the period, 17 sites were improved at the County and Regional offices and joined to VLAN. This will allow network administrators to automatically limit access to a specified group of users by dividing workstations into different isolated LAN segments, solving broadcast problems and adding an extra layer of security. The offices where LAN security was improved by joining all network points to VLANs in the financial year 2023/2024 are Nyandarua, Makueni, Machakos, Samburu, Nyamira, Migori, Westpokot, Nandi, Homabay, Kakamega, Marsabit, Wajir, Mandera, Lamu, Tharaka Nithi and Baringo Offices.

Other notable strides made include registration of the Commission as both a data controller and data processor with the Office of the Data Protection Commissioner (ODPC) as required under the Data protection act 2019; upgrading of HRMIS leave module to allow teachers to upload their transcripts while on study leave. Through this, the Commission is able to remotely monitor the progress of teachers on study leave. Additionally, EDMS system was integrated with teacher registration, TPAD, TMIS and Posting, Entry/Exit module. This has enhanced data integrity and eased the access to information for efficient and effective service delivery.

Challenges and Recommendations

In the implementation of Commission’s programs and projects, the following challenges were encountered:

S/N	CHALLENGES	RECOMMENDATIONS
1	Acute teacher shortage in the Junior Schools	Engage the National Treasury and education stakeholders for additional budgetary allocation to recruit teachers.
2	Insecurity in some parts of the country hence disrupting learning	Continuous collaboration with the National Security organs and other relevant stakeholders to foster peace
3	Frequent austerity measures leading to budget cuts hence affecting activities	Need to seek partners to support Commission's programmes and activities.
4	Low uptake of technology among teachers which affected implementation of RLM programme	More resources to be allocated for capacity building of teachers.

Emerging Issues and Proposed Interventions

Several issues emerged during the implementation of programmes and projects, requiring attention from the Commission and stakeholders.

- i. The teachers recruited and assigned to Junior Schools were inadequate to teach all the subjects/learning areas. The Commission will collaborate with National Government to allocate more funds towards recruitment of more teachers.
- ii. Sustainability of livestreaming programs initiated under the SEQIP project. The schools will require constant connectivity after the lifespan of the project. Engage Ministry of ICT and ministry of Education to provide internet connectivity to schools.
- iii. Upsurge in the number of mental health related diseases and drug abuse among the teachers and students. This leads to loss of teaching and learning man hours hence compromises the quality of education. Collaboration with the Ministry of Health and social support groups to provide referrals for rehabilitation. It is also recommended that guidance and counseling programs be strengthened in the schools.

Commission's Projects

During FY 2023/24 the Commission implemented the following projects:

Secondary Education Quality Improvement Project (SEQIP)

Secondary Education Quality Improvement Project is a World Bank funded project that has been in operation since 2017. The project aims to improve student learning in the identified subjects/learning areas (Sciences, Mathematics and English) in secondary education and learner transition from primary to secondary education in 135 targeted sub-counties in 30 counties. The Commission addressed the first of the four components of the Project on reducing teacher shortage and enhancing teacher professional development in these sub counties.

During the 2023/2024 Financial Year, the Commission deployed 2,000 (10%) of the additional teachers recruited to address teacher shortage. The Commission trained 6,346 heads of institutions drawn from all the targeted sub counties in monitoring and supporting operationalization of School Based Teacher Support System (SBTSS) in their schools. Sub County Directors and Curriculum Support Officers (CSOs) were trained on SBTSS to continuously support the teachers of Science, Mathematics and English (SME) even after the close of the project in December 2024.

SEQIP end-line survey was carried out in February 2024 to establish the extent to which performance gaps of SME teachers identified at baseline had reduced after the SBTSS interventions over the project period. The survey established that teacher performance gaps in Sciences, Mathematics and English had reduced by 3.3 % (in Mathematics and sciences) and 3.2 % in English.

Kenya Primary Education Equity in Learning Program (KPEELP)

The Commission continued to implement the Kenya Primary Education Equity in Learning Program (KPEELP). The Program seeks to address equity in primary education that is critical for reducing learning achievement disparities across regions and learner groups.

In the Financial Year 2023/2024, 5,800 teachers were trained on Teacher Performance Appraisal and Development (TPAD), 60,920 on Remote Learning Methodologies, 60 ICT champions trained on ICT integration in teaching/learning and 10,673 teachers on Teacher Induction Mentorship and Coaching (TIMEC).

Construction of County Offices

The Commission's 2023-2027 Strategic Plan(SP) recognizes the decentralization of its functions by committing to improve efficiency and effectiveness in service delivery. This is by way of establishing facilities and infrastructure at the county and sub-county levels.

The objective of the construction of county offices is to support re-engineering of the Commission's operations by offering the infrastructure at the counties. This will ensure the teacher is supported at the county level and subsequently increasing teacher-learner hours. The construction of County offices is funded through the National government allocation under the development budget. The Commission continued to implement the following projects in FY 2023/24:

Construction of TSC Kilifi Offices

The project commenced on 22nd August 2022 with a contract Sum of Kshs. 64.9 million and actual work done as at 30th June 2024 was 84% and amount spent was Ksh. 40.9 million.



Ongoing construction of Kilifi TSC County office

Construction of TSC Machakos Offices

The project commenced on 28th June 2022 with a contract Sum of Kshs. 57.7 million and actual work done as at 30th June 2024 was 86% and amount spent was Ksh. 40.3 million.



Ongoing construction of Machakos TSC County office

8. Environmental and Sustainability Reporting

a) Environmental Performance/Climate Change/Mitigation of Natural Disasters

The Commission has been implementing the tree planting initiative dubbed 'JazaMiti', which is a Presidential directive aimed at planting 15 billion trees. To aid in this initiative and document the tree planting activities, it was reported that the MoE CC & ICT have come up with a "JazaMiti" App available on Google Play Store and Appstore. Teachers Service Commission with an estimated employee base of over 400,000 was expected to plant 9 million trees during the financial year 2023/2024. All TSC employees were encouraged to download the App, register and adopt schools within their jurisdiction to participate.

b) Employee welfare

During the financial year 2023/2024 the following activities took place to improve the welfare of the employees:

- (i) Hiring process: The Human Resource Policies and Procedures Manual for Secretariat Staff, 2018 (Clause 11) provides for recruitment of Secretariat Staff on the basis and with regards to:
 - ✓ career guidelines approved from time to time; skills gap in the Commission;
 - ✓ authorized establishment; fair competition and merit;
 - ✓ representation of Kenya's diverse communities; gender balance; and
 - ✓ affirmative action on marginalized and minority groups.
- (ii) Efforts made in improving skills: The Human Resource Policies and Procedures Manual for Secretariat Staff, 2018 (Clause 92) provides for aligning of training of staff based on identified training needs.
- (iii) Efforts made in managing careers: The Human Resource Policies and Procedures Manual for Secretariat Staff, 2018 provides for approval of Staff Career Guidelines from time to time.
- (iv) Staff Appraisal: The Human Resource Policies and Procedures Manual for Secretariat Staff, 2018 provides for use of Performance Appraisal System to manage and improve performance of staff.
- (v) Reward System: The Human Resource Policies and Procedures Manual for Secretariat Staff, 2018 provides for adoption of a Reward and Sanction system for the purpose of motivating employees.

c) Operational practices/Market place practices

The Commission has put in place the following business practices to ensure good supplier relationship management;

- (i) Establishment of efficient communication channels to facilitate collaboration and enhance feedback to stakeholders.
- (ii) Timely processing of payments within the terms and conditions of the contract.
- (iii) Effective contract management through monitoring and evaluation to ensure value for money.
- (iv) Proper disposal of waste through use of E-waste mechanisms as provided by NEMA.
- (v) Become a "Customer of Choice": Treat suppliers as partners. Create an environment where suppliers prefer working with the Commission due to fair practices and mutual benefits
- (vi) Sensitizing the Preference and Reservation groups (Youth, Women and Persons with Disability) on the access to government opportunities.
- (vii) Undertaking Procurement processes that are transparent, fair, competitive, cost effective while ensuring equity.

d) Corporate social responsibility statement

The Commission takes ultimate responsibility for Corporate Social Responsibilities (CSR) and is committed to developing and implementing appropriate policies while adhering to a fundamental commitment to create and sustain long term value for teachers and all stakeholders.

During the year under review, the Commission staff participated in the clean-up exercise of Kilimanjaro road, Upper hill Nairobi which was carried out to mark the world environment day celebrated every year to embrace Mother Nature. The celebrations are meant to encourage and create awareness about the importance of conserving the environment.

9. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 and Section 40 of the Teachers Service Commission Act, 2012 requires that, at the end of each financial year, the accounting officer for Teachers Service Commission shall prepare financial statements in respect of the Commission. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Teachers Service Commission is responsible for the preparation and presentation of the Commission's financial statements, which give a true and fair view of the state of affairs of the Commission for and as at the end of the financial year ended on June 30, 2024. This responsibility includes:

- i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity.
- 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 Commission.
- v) Selecting and applying appropriate accounting policies.
- vi) Making accounting estimates that are reasonable in the circumstances.

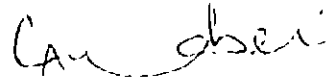
The Accounting Officer in charge of the Teachers Service Commission accepts responsibility for the Commission's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Commission's financial statements give a true and fair view of the state of entity's transactions during the financial year ended 30 June, 2024, and of the Commission's financial position as at that date. The Accounting Officer in charge of the Teachers Service Commission further confirms the completeness of the accounting records maintained for the Commission, which have been relied upon in the preparation of the Commission's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Teachers Service Commission confirms that the Commission has complied fully with applicable Government Regulations and the terms of external financing covenants and that the Commission's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the Commission's financial statements have been prepared in a

form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The Commission's financial statements were approved and signed by the Accounting Officer on 3rd December, 2024



DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY
DATE: 3-12-2024

CPA. CHEPTUMO AYABEI, OGW
DIRECTOR (FINANCE & ACCOUNTS)
ICPAK MEMBER NUMBER: 8372
DATE: 3-12-2024

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REPORT OF THE AUDITOR-GENERAL ON TEACHERS SERVICE COMMISSION FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; 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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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

Opinion

I have audited the accompanying financial statements of Teachers Service Commission set out on pages 1 to 33, which comprise of the statement of financial assets and financial

liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Teachers Service Commission as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Teachers Service Commission Act, 2012 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Teachers Service Commission 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 opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts; Development reflects final receipts budget and actual on comparable basis of Kshs.1,202,000,000 and Kshs.748,607,958 respectively, resulting to an underfunding of Kshs.453,392,042 or 38% of the budget. Further, the Commission spent Kshs.676,546,545 against actual receipts of Kshs.748,607,958, resulting to an underutilization of Kshs.72,061,413 or 10% of the receipts.

The underfunding and underutilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matters

1. Long Outstanding Accounts Payables

The statement of financial assets and liabilities reflects accounts payables balance of Kshs.100,593,503 as disclosed in Note 11 to the financial statements. Review of the payables aging analysis revealed that an amount of Kshs.9,452,365 or 9% of the payables had been outstanding for over a year.

In the circumstances, the Commission is at risk of incurring penalties for failure to settle its obligations as and when they fall due.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved all the issues or given any explanation for failure to implement the recommendations as at 30 June, 2024.

Other Information

The Management is responsible for the Other Information set out on pages iii to XLI which comprise of Key Entity Information and Management, Statement of Governance, Chairman's Statement, Statement by Commission Secretary / Accounting Officer, Statement of Performance Against Predetermined Objectives for the FY 2023/24, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Commission'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.

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. Operations of Car Loan and Mortgage Fund

The statement of financial assets and liabilities reflects bank balances of Kshs.2,013,749,461 as disclosed in Notes 9A to the financial statements. The balance includes the Commission's car and mortgage fund bank balance of Kshs.587,094,327. The following unsatisfactory matters were however noted: -

1.1 Lack of Fund Governing Regulations

As reported in the previous year, the Fund commenced operations in 2012 as a cash backed Fund and converted to a revolving Fund in financial year 2021/2022. However, the Fund operates through a memorandum of understanding between National Bank of Kenya and the Commission dated 17 February, 2022 as the regulations to govern the management of the Fund have not been developed, contrary to the requirements of Circular No. SRC/ADM/CIR/1/13 Vol III (128) dated 17 December, 2014.

1.2 Failure to Prepare and Submit Separate Fund Financial Statements

As reported previously, the Management did not prepare and submit for audit separate car and mortgage fund financial statements. This was contrary to Section 81(4)(a) of the Public Finance Management Act, 2012 which requires that, not later than three months after the end of each financial year, the accounting officer for the entity shall; submit the entity's financial statements to the Auditor-General and a copy of the statement to the Controller of Budget, The National Treasury and the Commission on Revenue Allocation.

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

2. Delays in Completion of Machakos and Kilifi County Offices

As previously reported, the Commission signed agreements for the construction of two County Offices in Machakos and Kilifi Counties on 13 July, 2022 and 28 June, 2022 at the cost of Kshs.57,663,447 and Kshs.64,900,000 respectively. Both contracts were for a period of sixty (60) weeks with initial estimated completion dates of 5 September, 2023 and 21 August, 2023 for the Machakos and Kilifi County offices respectively. The projects' status report of the contracts implementation team dated 26 June, 2024, indicates the completion rates at 80% and 86% for the Machakos and Kilifi County offices respectively. Further, the contract extensions granted were valid to 8 May, 2024 and 1 May, 2024 respectively.

However, there was no evidence of further extensions of the contracts to cover for the incomplete works while the validity of the performance bonds could not be confirmed as the contract files were not provided for audit review.

Delays in project completion could lead to escalation of costs while value for money has not been realized from the investment in the construction of the two County offices.

3. Failure to Surrender Unspent Funds for Re-Voting

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.1,428,183,860 as disclosed in Note 10 to the financial statements. The balance includes an amount of Kshs.108,675,322 in respect of County Disbursements. The funds were not returned to the Commission's account for re-voting as per Regulation 117(2) of the Public Finance Management (National Government) Regulations, 2015. As at the time of concluding the audit in October, 2024, an amount of Kshs.64,597,779 had been returned to the headquarter bank account, leaving a balance of Kshs.44,077,543 unreturned.

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

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 and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Salary Overpayments

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.1,428,183,860 as disclosed in Note 10 to the financial statements. The balance includes an amount of Kshs.433,927,651 in respect of salary overpayments. Review of the aging analysis on the salary overpayments provided for audit revealed that overpayments amounting to Kshs.296,409,143 or 68% had been outstanding for periods exceeding one (1) year. Management indicated that the overpayments had grown over the years due to the previous manual reporting systems that were inefficient. Further, Management through various mechanisms adopted recovery of salary overpayments, amounting to Kshs.222,305,447 for the year under review from payroll and other avenues. Although progress has been made in the recovery of the salary overpayments, further effort is required in recovering the outstanding amounts.

In the circumstances, the controls over recovery of salary overpayments are weak.

2. Unconfirmed Release of Pensioners Files to The National Treasury

Review of human resource records revealed that fourteen thousand eight hundred twenty-three (14,823) pension cases were handled during the year under review. Out of the cases, eight thousand nine hundred eighty-one (8,981) cases were processed and submitted to The National Treasury while the balance of five thousand eight hundred forty-two (5,842) were pending as at 30 June, 2024. A sample of three hundred and five (305) files of retirees in the current financial year revealed that two hundred and eighty-five (285) files or 93% had been finalized and released to The National Treasury with twenty files (20) files pending. Eight (8) files pending were as a result of missing documents while twelve (12) files were at different levels of processing within the Commission.

In the circumstances, delays in processing of the pensioners files impacts negatively on the timely release of pensioners dues.

3. Pending Teacher Transfer Requests

The transfer system in the Commission is whereby transfer request are self-initiated by the teacher and reviewed by a Committee. However, the transfer system is not interlinked with the department which handles the transfers, occasioning delays in handling teacher requests. Further, it was not clear if measures had been put in place to address the gaps identified in the transfer system. In addition, Management did not provide information on the number of transfer requests, requests pending approval and approved requests for the year for audit review.

In the circumstances, the delays in processing the transfer requests could adversely affect the productivity of the affected staff.

4. Land Parcels with Allotment Letters

The Summary of Fixed Assets Register at Annex 3 to the financial statements reflects historical costs of assets balance of Kshs.5,304,974,451 which includes land balance of Kshs.1,000,000,000. The Commission had nine (9) parcels of land in various Counties as at 30 June, 2024. However, examination of the register revealed that eight (8) parcels of land donated by County Governments of Bomet, Kiambu, Kitui, Nanyuki, Kwale, Kilifi, Tana River, and Machakos had allotment letters as the proof of ownership. Management has however indicated having taken measures to acquire the respective title deeds to the land parcels.

Rightful ownership to land in absence of title deeds could not be confirmed while they are susceptible to encroachment.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance

were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash 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 Commission'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.

Those charged with governance are responsible for overseeing the Commission'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 IFPP 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


06 December, 2024

11. Statement of Receipts and Payments for the Year ended 30 June 2024

Description	Phase	2023/2024	2022/2023
		Kshs	Kshs
Receipts			
Exchequer Releases - Recurrent	1A	333,981,931,932	295,372,221,103
Exchequer Releases - Development	1B	-	4,100,000
Exchequer Releases - SEQIP	1C	669,264,931	790,250,820
Exchequer Releases - KPEELP - DLI	1D	-	120,000,000
Exchequer Releases - KPEELP-IPF	1E	20,064,361	-
Proceeds From Sale of Assets	2	136,000	5,005,000
Miscellaneous Receipts	3	979,810,820	745,202,913
Total Receipts		335,651,208,044	297,036,779,836
Payments			
Compensation to Employees	4	332,383,472,484	294,326,791,100
Use of Goods and Services - Recurrent	5	2,186,565,673	1,162,153,225
Use of Goods and Services - SEQIP	6	523,345,450	773,015,266
Use of Goods and Services - KPEELP	7	93,922,429	27,749,544
Acquisition of Assets	8	195,506,697	154,148,764
Total Payments		335,382,812,733	296,443,857,899
Surplus/(Deficit)		268,395,311	592,921,937

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 3rd December, 2024 and signed by:


DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY
DATE: 3-12-2024


CPA. CHEPTUMO AYABEI, OGW
DIRECTOR (FINANCE AND ACCOUNTS)
ICPAK MEMBER NUMBER: 8372
DATE: 3-12-2024

12. Statement of Financial Assets and Financial Liabilities as at 30 June 2024

Description	Page	2023/2024	2022/2023
		Ests	Ests
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	9A	2,013,749,461	2,200,479,754
Cash Balances	9B	2	15,042
Total Cash And Cash Equivalents		2,013,749,463	2,200,494,796
Accounts Receivables	10	1,428,183,860	917,042,222
Total Financial Assets		3,441,933,323	3,117,537,018
Financial Liabilities			
Accounts Payables	11	(100,593,503)	(124,600,140)
Net Financial Assets		3,341,339,820	2,992,936,876
Represented by			
Fund balance b/fwd	12	2,992,936,876	2,170,130,978
Prior Year Adjustments	13	80,007,633	229,883,961
Surplus/(Deficit) for the year		268,395,311	592,921,937
Net Financial Position		3,341,339,820	2,992,936,876

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 3rd December, 2024 and signed by:



DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY

Date: 3-12-2024



CPA. CHEPTUMO AYABEI, OGW
DIRECTOR (FINANCE & ACCOUNTS)

ICPAK MEMBER NUMBER: 8372

Date: 3-12-2024



DR. JAMLECK MUTURI JOHN, EBS
COMMISSION CHAIRMAN

Date: 3-12-2024

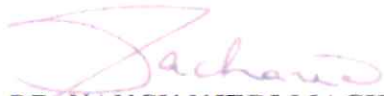
13. Statement of Cash Flows for The Year Ended 30 June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash flows From Operating Activities			
Receipts			
Exchequer Releases - Recurrent	1A	333,981,931,932	295,372,221,103
Exchequer Releases - Development	1B	-	4,100,000
Exchequer Releases - SEQIP	1C	669,264,931	790,250,820
Exchequer Releases - KPEELP -DLI	1D	-	120,000,000
Exchequer Releases - KPEELP-IPF	1E	20,064,361	-
Miscellaneous Receipts	3	979,810,820	745,202,913
Total Receipts		335,651,072,044	297,031,774,836
Payments			
Compensation to Employees	4	332,383,472,484	294,326,791,101
Use of Goods and Services - Recurrent	5	2,186,565,673	1,162,153,225
Use of Goods and Services - SEQIP	6	523,345,450	773,015,266
Use of Goods and Services - KPEELP	7	93,922,429	27,749,544
Total Payment		335,187,306,036	296,289,709,136
Net Receipts/(Payments)		463,766,008	742,065,700
Adjusted for:			
Adjustments During the Year			
Prior Year Adjustments	13	80,007,633	229,883,961
Decrease/(Increase) in Accounts Receivable	14	(511,141,638)	(64,553,473)
Increase/(Decrease) in Accounts Payable	15	(24,006,637)	(308,528,607)
Net Cash Flows from Operating Activities		8,625,366	598,867,582
Cash flows From Investing Activities			
Proceeds from Sale of Assets	2	136,000	5,005,000
Acquisition of Assets	8	195,506,697	154,148,764
Net Cash flows from Investing Activities		(195,370,697)	(149,143,764)
Net Increase in Cash and Cash Equivalents		(186,745,331)	449,723,818
Cash & Cash Equivalent at Start of The Year	9	2,200,494,796	1,750,770,978
Cash & Cash Equivalent at End of The Year	9	2,013,749,463	2,200,494,796

Teachers Service Commission

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

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 3rd December, 2024 and signed by:



**DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY**

Date: 3-12-2024



**CPA. CHEPTUMO AYABEI, OGW
DIRECTOR (FINANCE AND ACCOUNTS)**

ICPAK MEMBER NUMBER: 8372

Date: 3-12-2024

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

14. Statement of Comparison of Budget and Actual Amounts for FY 2023/24

Receipt/Expense Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e Kshs	% of Utilization f=d/e %
Receipts						
Exchequer Releases - Recurrent	321,991,048,000	16,554,803,529	338,545,851,529	333,981,931,932	4,563,919,597	99%
Exchequer Releases - Development	44,000,000	-	44,000,000	-	44,000,000	0%
Exchequer Releases - SEQIP	900,000,000	-	900,000,000	669,264,931	230,735,069	74%
Exchequer Releases - KPEELP	195,000,000	20,000,000	215,000,000	20,064,361	194,935,639	9%
Proceeds from Sale of Assets	7,200,000	-	7,200,000	136,000	7,064,000	2%
Miscellaneous Receipts	690,312,000	350,000,000	1,040,312,000	979,810,820	60,501,180	94%
Total Receipts	323,827,560,000	16,924,803,529	340,752,363,529	335,651,208,044	5,101,155,485	99%
Payments						
Compensation to Employees	320,402,000,000	16,600,000,000	337,002,000,000	332,383,472,484	4,618,527,516	99%
Use of Goods and Services - Recurrent	1,988,710,000	234,803,529	2,223,513,529	2,186,565,673	36,947,856	98%
Use of Goods and Services - SEQIP	900,000,000	-	900,000,000	523,345,450	376,654,550	58%
Use of Goods and Services - KPEELP	195,000,000	20,000,000	215,000,000	93,922,429	121,077,571	44%
Acquisition of Assets	341,850,000	70,000,000	411,850,000	195,506,697	216,343,303	47%
Total Payments	323,827,560,000	16,924,803,529	340,752,363,529	335,382,812,733	5,369,550,796	98%
Surplus/ Deficit				268,395,311		

Variance analysis:

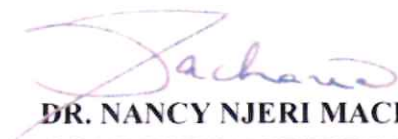
Receipts

- (i) *Exchequer Releases - Development. The underutilization at 0% resulted from the Commission not receiving the Exchequer for the financial year from the National Treasury.*
- (ii) *Exchequer Releases – SEQIP. The underutilization at 74% resulted from the Commission not receiving full exchequer for the financial year from the National Treasury.*
- (iii) *Exchequer Releases – KPEELP. The underutilization at 9% resulted from the Commission not receiving full exchequer for the financial year from the National Treasury.*
- (iv) *Proceeds from Sale of Assets. The underutilization at 2% was as a result of non-disposal of Assets during the Year as planned.*

Expenditures

- (i) *Use of Goods and Services – SEQIP. Underutilization at 58% was due to no completion of contracts budgeted for in the financial year*
- (ii) *Use of Goods and Services – KPEELP. Underutilization at 44% was due to no completion of contracts budgeted for in the financial year*
- (iii) *Acquisition of Assets - Underutilization at 47% under this resulted from no completion of some contracts for in the financial year and late approval of the FY 2023/2024 Supplementary II*

The entity financial statements were approved 3rd December, 2024 and signed by:



**DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY**

Date: 3-12-2024



**CPA. CHEPTUMO AYABEL, OGW
DIRECTOR (FINANCE AND ACCOUNTS)**

ICPAK MEMBER NUMBER: 8372

Date: 3-12-2024

14. (a) Statement of Comparison of Budget and Actual Amounts: Recurrent for FY 2023/24

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e	% of Utilization f=d/c %
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	
Exchequer Releases	321,991,048,000	16,554,803,529	338,545,851,529	333,981,931,932	4,563,919,597	99%
Proceeds from Sale of Assets	7,200,000	-	7,200,000	136,000	7,064,000	2%
Miscellaneous Receipts	647,312,000	350,000,000	997,312,000	920,532,154	76,779,846	92%
Total Receipts	322,645,560,000	16,904,803,529	339,550,363,529	334,902,600,086	4,647,763,443	99%
Payments					-	
Compensation to Employees	320,402,000,000	16,600,000,000	337,002,000,000	332,383,472,484	4,618,527,516	99%
Use of Goods and Services	1,988,710,000	234,803,529	2,223,513,529	2,186,565,673	36,947,856	98%
Acquisition of Assets	254,850,000	70,000,000	324,850,000	136,228,031.00	188,621,969	42%
Total Payments	322,645,560,000	16,904,803,529	339,550,363,529	334,706,266,188	4,844,097,341	99%
Surplus/ Deficit				196,333,898		

Variance analysis:


Receipts

(i) *Proceeds from Sale of Assets. The underutilization at 2% was as a result of non-disposal of Assets during the Year as planned.*

Expenditures

(i) *Acquisition of Assets - Underutilization at 42% under this resulted from no completion of some contracts for in the financial year and late approval of the FY 2023/2024 Supplementary II*

The entity financial statements were approved 3rd December, 2024 and signed by:



DR. NANCY NJERI MACHARIA, CBS

COMMISSION SECRETARY

Date: 3-12-2024



CPA. CHEPTUMO AYABEI, OGW
DIRECTOR (FINANCE AND ACCOUNTS)

ICPAK MEMBER NUMBER: 8372

Date: 3-12-2024



14. (b) Statement of Comparison of Budget and Actual Amounts: Development for FY 2023/24

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	e=a+b	d	e	f=d/g %
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	
Exchequer Releases - Development	44,000,000	-	44,000,000	-	44,000,000	0%
Exchequer Releases - SEQIP	900,000,000	-	900,000,000	669,264,931	230,735,069	74%
Exchequer Releases - KPEELP	195,000,000	20,000,000	215,000,000	20,064,361	194,935,639	9%
Miscellaneous Receipts	43,000,000	-	43,000,000	59,278,666	(16,278,666)	138%
Total Receipts	1,182,000,000	20,000,000	1,202,000,000	748,607,958	453,392,042	62%
Payments						
Use of Goods and Services - SEQIP	900,000,000	-	900,000,000	523,345,450	376,654,550	58%
Use of Goods and Services - KPEELP	195,000,000	20,000,000	215,000,000	93,922,429	121,077,571	44%
Acquisition of Assets	87,000,000	-	87,000,000	59,278,666	27,721,334	68%
Total Payments	1,182,000,000	20,000,000	1,202,000,000	676,546,545	525,453,455	56%
Surplus/ Deficit				72,061,413		

Variance analysis:

Receipts

- (i) *Exchequer Releases - Development. The underutilization at 0% resulted from the Commission not receiving exchequer for the financial year from the National Treasury.*
- (ii) *Exchequer Releases – SEQIP. The underutilization at 74% resulted from the Commission not receiving full exchequer for the financial year from the National Treasury.*
- (iii) *Exchequer Releases – KPEELP. The underutilization at 9% resulted the Commission not receiving full exchequer for the financial year from the National Treasury.*
- (iv) *Miscellaneous Receipts. The overutilization at 138% was due to allocation of internally generated fund (AiA) from Recurrent budget.*

Expenditures

- (i) *Use of Goods and Services – SEQIP. Underutilization at 58% was due to no completion of contracts budgeted for in the financial year*
- (ii) *Use of Goods and Services – KPEELP. Underutilization at 44% was due to no completion of contracts budgeted for in the financial year*
- (iii) *Acquisition of Assets - Underutilization at 68% under this resulted from no completion of some contracts for in the financial year and late approval of the FY 2023/2024 Supplementary II*

The entity financial statements were approved 3rd December, 2024 and signed by:

**DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY**

Date: 3-12-2024

**CPA. CHEPTUMO AYABEI, OGW
DIRECTOR (FINANCE AND ACCOUNTS)**

ICPAK MEMBER NUMBER: 8372

Date: 3-12-2024

14. (c) Budget Execution by Programmes and Sub-Programmes for FY 2023/24

Programme/Sub-programme	Original Budget a	Adjustments b	Final Budget c=a+b	Actual Cumulative d	Utilization Difference e=c-d
	Kshs	Kshs	Kshs	Kshs	
Teacher Resource Management	314,880,966,257	16,617,419,439	331,498,385,696	326,617,411,780	4,880,973,916
Teacher Management- Primary	193,810,762,544	15,965,882,739	209,776,645,283	205,272,325,922	4,504,319,361
Teacher management - Secondary	117,344,082,525	651,536,700	117,995,619,225	117,618,964,672	376,654,553
Teacher management - Tertiary	3,726,121,188	-	3,726,121,188	3,726,121,186	2
Governance and Standards	1,312,942,704	4,127,049	1,317,069,753	1,295,264,342	21,805,411
Teaching Standards	5,570,060	(247,144)	5,322,916	4,273,152	1,049,764
Professionalism and Integrity	7,069,307	4,513,366	11,582,673	10,505,392	1,077,281
Teacher Capacity Development	1,300,303,337	(139,173)	1,300,164,164	1,280,485,798	19,678,366
General Administration, Planning and Support Services	7,633,651,039	303,257,041	7,936,908,080	7,470,136,611	466,771,469
Policy, Planning and Support Service	7,158,408,549	269,731,794	7,428,140,343	7,141,531,748	286,608,595
Field Services	266,238,495	(6,862,880)	259,375,615	169,535,797	89,839,818
Automation of TSC Operations	209,003,995	40,388,127	249,392,122	159,069,066	90,323,056
Total	323,827,560,000	16,924,803,529	340,752,363,529	335,382,812,733	5,369,550,796

15. Notes to the Financial Statements

Significant Accounting Policies

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for;

- a) Receivables that include imprests and salary advances and
- b) Payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the Teachers Service Commission. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the entity:

- i) Kenya Secondary Education Quality Improvement Project (SEQIP) - Component 1: Subcomponents 1.1 and 1.2*
- ii) Kenya Primary Education Equity in Learning Program (KPEELP)*

3. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the Commission for all the years presented.

a) Recognition of Receipts

The Commission recognises all receipts from the various sources when the event occurs, and the related cash has been received.

(i) Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the Commission.

Significant Accounting Policies (Continued)

(ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the Commission or by the beneficiary. In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criterion is applied for loans received in the form of a direct payment. During the year ended 30th June 2023, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

(iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from Commission on 3rd parties, rental income, disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Commission recognises all payments when the event occurs, and the related cash has been paid out by the Commission.

i) Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

ii) Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

iii) Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained and a summary provided for purposes of consolidation.

Significant Accounting Policies (Continued)

iv) In-kind contributions

In-kind contributions are donations that are made to the Commission in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Commission includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

c) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya and at National Bank of Kenya as at the end of the financial year.

d) Imprests and advances

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

f) Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

Significant Accounting Policies (Continued)

g) Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in *June 2023 for the period 1st July 2023 to 30th June 2024* as required by Law and there were two supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

h) Comparative Figures

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

i) Subsequent Events

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

j) Prior Period Adjustment

During the year, errors that have been corrected are disclosed under note 13 explaining the nature and amounts.

k) Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

Notes to the Financial Statements

1A Exchequer Releases - Recurrent

Description	2023/2024	2022/2023
	Kshs	Kshs
Total Exchequer Releases for quarter 1	75,565,927,578	62,815,956,384
Total Exchequer Releases for quarter 2	77,528,026,247	69,716,242,946
Total Exchequer Releases for quarter 3	86,862,559,930	75,831,160,683
Total Exchequer Releases for quarter 4	94,025,418,177	87,008,861,090
Total	333,981,931,932	295,372,221,103

1B Exchequer Releases - Development

Description	2023/2024	2022/2023
	Kshs	Kshs
Total Exchequer Releases for quarter 1	-	-
Total Exchequer Releases for quarter 2	-	-
Total Exchequer Releases for quarter 3	-	-
Total Exchequer Releases for quarter 4	-	4,100,000
Total	-	4,100,000

1C Exchequer Releases - SEQIP

Description	2023/2024	2022/2023
	Kshs	Kshs
Total Exchequer Releases for quarter 1	343,095,567	194,493,920
Total Exchequer Releases for quarter 2	-	280,502,297
Total Exchequer Releases for quarter 3	137,545,162	125,003,783
Total Exchequer Releases for quarter 4	188,624,202	190,250,820
Total	669,264,931	790,250,820

Notes to the Financial Statements

1D Exchequer Releases -KPEELP-DLI

Description	2023/2024	2022/2023
	Kshs	Kshs
Total Exchequer Releases for quarter 1	-	-
Total Exchequer Releases for quarter 2	-	-
Total Exchequer Releases for quarter 3	-	-
Total Exchequer Releases for quarter 4	-	120,000,000
Total	-	120,000,000

1E Exchequer Releases -KPEELP-IPF

Description	2023/2024	2022/2023
	Kshs	Kshs
Total Exchequer Releases for quarter 1	-	-
Total Exchequer Releases for quarter 2	-	-
Total Exchequer Releases for quarter 3	20,064,361	-
Total Exchequer Releases for quarter 4	-	-
Total	20,064,361	-

2 Proceeds from Sale of Assets

Description	2023/2024	2022/2023
	Kshs	Kshs
Receipts from Sale of Motor Vehicles	136,000	5,005,000
Total	136,000	5,005,000

Notes to the Financial Statements

3 Miscellaneous Receipts

Description	2023/2024	2022/2023
	Kshs	Kshs
Interest Received	142,116,436	9,225,799
Rental Income- collected as AIA	8,096,757	6,844,132
Commission on Third parties - Collected as AIA	677,183,830	694,999,400
Other receipts- collected as AIA	152,413,797	34,133,582
Total	979,810,820	745,202,913

Included in other receipts is Cash Donations of Kshs 12,924,880, Non-Cash Donations of Kshs 10,957,880 and Teacher Registration Fees of Kshs. 128,529,037

4 Compensation to Employees

Description	2023/2024	2022/2023
	Kshs	Kshs
Basic Salaries - Permanent Employees	203,602,733,791	192,137,482,526
Basic Wages - Contractual Employees	10,696,413,998	3,555,040,509
Personal Allowances paid as part of Salary	92,676,707,706	82,505,388,653
Personal Allowances paid as Reimbursements	186,874,458	7,303,245
Employer Contributions to National Social Security Schemes	1,950,781,914	10,204,682
Employer contribution to staff pension scheme	535,368,403	558,581,646
Employers Contribution to National Housing Fund	4,291,562,940	-
Employer's Contribution to National Industrial Training Fund	242,554,800	-
Employer Contributions to Medical insurance Schemes	18,200,474,474	15,552,789,840
Total	332,383,472,484	294,326,791,101

Notes to the Financial Statements

5 Use of Goods and Services (Recurrent)

Description	2023/2024	2022/2023
	Kshs	Kshs
Utilities, Supplies and Services	29,776,794	26,680,032
Communication, Supplies and Services	59,347,147	34,816,996
Domestic Travel and Subsistence, and Other Transportation Costs	83,319,072	37,582,436
Foreign Travel and Subsistence, and other transportation costs	19,949,594	17,177,815
Printing , Advertising and Information Supplies and Services	19,673,184	1,476,349
Rentals of Produced Assets	39,617,231	37,236,367
Training Expenses	1,332,659,707	723,876,958
Hospitality Supplies and Services	49,258,773	25,510,195
Insurance Costs	170,448,402	58,848,629
Specialized Materials and Supplies	1,284,425	1,654,775
Office and General Supplies and Services	10,636,517	24,743,299
Fuel Oil and Lubricants	64,205,325	50,024,091
Other Operating Expenses	45,472,706	52,050,297
Routine Maintenance - Vehicles	38,905,644	49,284,081
Routine Maintenance - Other Assets	22,011,152	21,190,905
Current Grants for Tax Refunds	200,000,000	-
Total	2,186,565,673	1,162,153,225

6 Use of Goods and Services (SEQIP)

Description	2023/2024	2022/2023
	Kshs	Kshs
Communication, Supplies and Services	2,140,000	88,000
Domestic Travel and Subsistence, and Other Transportation Costs	313,914,040	550,427,538
Foreign Travel and Subsistence, and Other Transportation Costs	-	-
Printing , Advertising and Information Supplies and Services	-	275,202
Training Expenses	188,861,562	195,990,905
Hospitality Supplies and Services	-	-
Office and General Supplies and Services	-	-
Fuel Oil and Lubricants	16,294,688	9,609,269
Other Operating Expenses	2,135,160	5,441,017
Routine Maintenance - Vehicles	-	-
Acquisition of Assets	-	11,183,335
TOTAL	523,345,450	773,015,266

Notes to the Financial Statements

7 Use of Goods and Services (KPEELP)

Description	2023/2024	2022/2023
	Kshs	Kshs
Communication, Supplies and Services	64,700	434,785
Domestic Travel and Subsistence, and Other Transportation Costs	37,559,309	16,637,519
Training Expenses	55,254,646	5,327,000
Hospitality Supplies and Services	-	4,997,307
Office and General Supplies and Services	-	195,000
Fuel Oil and Lubricants	200,000	-
Other Operating Expenses	843,774	157,933
TOTAL	93,922,429	27,749,544

8 Acquisition of Assets

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of Building	59,278,666	35,077,518
Refurbishment of Buildings	6,533,338	4,196,993
Purchase of Motor Vehicles	6,900,000	-
Purchase of Office Furniture and General Equipment	2,004,491	11,794,030
Purchase of Computers, Printers and other IT Equipment	16,444,920	23,526,400
Purchase of Specialized Plant, Equipment and Machinery	104,345,282	79,553,823
Total	195,506,697	154,148,764

9 Cash and Bank Accounts

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Accounts (Note 9 A)	2,013,749,461	2,200,479,754
Cash on hand (Note 9 B)	2	15,042
Total	2,013,749,463	2,200,494,796

Notes to the Financial Statements

9A Bank Accounts

Name of Bank, Account No. & currency	Type of Account	2023/2024	2022/2023
		Kshs	Kshs
National Bank of Kenya- Secretariat A/C No.01001005707400 - Kshs	Recurrent	15,778,686	15,778,723
National Bank of Kenya- Teachers A/C No.01001000905000 - Kshs	Recurrent	198,029,402	597,550,643
Central Bank of Kenya, 1000181117, Kshs	Recurrent	163,551	105,677
Central Bank of Kenya-SEQIP A/C No. 1000370882, Kshs	Project	194,746,506	43,088,973
Central Bank of Kenya, DEVELOPMENT A/C NO 1000348868 Kshs	Development	-	-
Central Bank of Kenya-TSC- DLI A/C No. 1000635487 Kshs	Project	512,408	87,610,400
Central Bank of Kenya-TSC- IPF A/C No. 100063595 Kshs	Project	17,424,581	-
Central Bank of Kenya-TSC- IPF A/C No. 10006741163 Kshs	Project	-	-
National Bank of Kenya- TSC Car & Mortgage A/C No.01098083109301 , Kshs	Car & Mortgage	587,094,327	556,345,338
National Bank of Kenya- Teachers Registration Fees A/C No.0100100050001 , Kshs	Revenue	-	-
National Bank of Kenya, 7716619926,Call Deposit – TSC Kshs	Deposits	1,000,000,000	900,000,000
Total		2,013,749,461	2,200,479,754

9B Cash in hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Cash in hand – Held in domestic currency	2	15,042
Total	2	15,042

Detailed Cash is as follows:

Description	2023/2024	2022/2023
	Kshs	Kshs
TSC Headquarters	2	15,042
Total	2	15,042

Notes to the Financial Statements

10 Accounts Receivables

Description	2023/2024	2022/2023
	Kshs	Kshs
Government Imprests	570,348	3,839,214
Domestic Debtors & Advances	2,879,358	2,244,989
County Disbursements	108,675,322	162,042,114
Mortgage Loan advances	262,269,399	278,614,386
Salary Overpayment	433,927,651	449,152,156
Other Receivables	619,861,782	21,149,363
Total	1,428,183,860	917,042,222

11 Accounts Payables

Description	2023/2024	2022/2023
	Kshs	Kshs
Ap liabilities	-	3,507,894
Clearance Account	100,593,503	121,092,246
TOTAL	100,593,503	124,600,140

12 Fund Balance Brought Forward

Description	2023/2024	2022/2023
	Kshs	Kshs
Opening Balance Bank	2,200,479,754	1,750,770,936
Opening Balance Cash	15,042	41
Opening Balance Accounts Receivables	917,042,222	852,488,748
Opening Balance - Accounts payables	(124,600,140)	(433,128,747)
Total	2,992,936,876	2,170,130,978

Notes to the Financial Statements

13 Prior Year Adjustments

	Balance b/f from 2022/2023 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted Balance b/f 2023/2024
Description of the error	Kshs	Kshs	Kshs
Bank	2,200,479,754	(1,153,040)	2,199,326,714
Cash	15,042		15,042
Accounts Receivables	917,042,220	60,172,635	977,214,855
Accounts payables	(124,600,140)	20,988,038	(103,612,102)
Total	2,992,936,876	80,007,633	3,072,944,509

Category	Amount	Explanation
Bank	(1,153,040)	Relates to amounts withdrawn by the National Treasury being unutilized exchequer releases for 2022/2023 financial year.
Accounts Receivables	60,172,635	Relates to Salary overpayments for previous periods recorded in 2023/2024 financial year.
Accounts Payables	20,988,038	Relates to undue salaries paid to teachers in previous financial years that were returned by the paying banks in 2023/2024 financial year and reversed back to Personnel Emoluments.
Total	80,007,633	

14 (Increase)/ Decrease in Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Receivables as at 1st July, 2023	917,042,222	852,488,748
Receivables as at 30th June, 2024	1,428,183,860	917,042,221
(Increase)/ Decrease in Receivables	(511,141,638)	(64,553,473)

15 Increase/ (Decrease) in Accounts Payable

Description	2023/2024	2022/2023
	Kshs	Kshs
Payables as at 1st July, 2023	124,600,140	433,128,747
Payables as at 30th June, 2024	100,593,503	124,600,140
(Increase)/ Decrease in Payables	(24,006,637)	(308,528,607)

16. Other Important Disclosures

16.1 Pending Accounts Payable (See Annex 1)

	Balance b/f	Additions for the period	Paid during the year	Balance c/f
	2022/2023	2023/2024	2023/2024	2023/2024
Description	Kshs	Kshs	Kshs	Kshs
Supply of Goods	-	48,972,047	-	48,972,047
Supply of Services	-	3,339,349,005	-	3,339,349,005
Total	-	3,388,321,052	-	3,388,321,052

16.2 Other Pending Payables (See Annex 2)

	Balance b/f	Additions for the period	Paid during the year	Balance c/f
	2022/2023	the period	the year	2023/2024
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to Third Parties	-	3,118,573,165	-	3,118,573,165
Total	-	3,118,573,165	-	3,118,573,165

16.3 Program for Results (PforR) Disclosure

Name of PforR: <i>Kenya Primary Education Equity in Learning Program</i>					Name of Financing Partners: <i>International Development Association and Government of Kenya</i>							
Expenditure Details	Opening Cumulative for Previous Fys				2023/2024				Total Cumulative			
	GOK		IDA		GOK		IDA		GOK		IDA	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sub-programs												
Teaching Standards												
Professionalism and Integrity	1,155,024,162	723,174,082	120,000,000	27,626,406	1,317,069,753	1,295,264,342	175,000,000	91,282,649	2,472,093,915	2,018,438,424	295,000,000	118,909,055
Teacher Capacity Development												
Total	1,155,024,162	723,174,082	120,000,000	27,626,406	1,317,069,753	1,295,264,342	175,000,000	91,282,649	2,472,093,915	2,018,438,424	295,000,000	118,909,055

17. Progress on follow up of Prior Years Auditor-General's recommendations.

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

Ref No on external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	Emphasis of Matter			
1	<p>Pending Bills Annexure II, listing of pending bills to the financial statements reflect pending accounts payables balance of Kshs. 2,463,219,054 as at 30 June, 2023. Management however, did not explain the reasons for the failure to settle the bills during the year. Failure to settle bills during the year in which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge to the budget.</p>	<p>The pending bills were as a result of the Commission not receiving all the exchequer request for 2022/2023 financial year. The Commission was provided with the budget for the pending bills in 2023/2024 financial year through the Supplementary Estimates I.</p>		
2	<p>Budgetary Control and Performance The statement of comparison of budget and actual amounts reflects final expenditure budget and actual on comparable basis of Kshs. 300,195,393,998 and Kshs. 296,443,857,899 respectively, resulting to budget under absorption of Kshs. 3,751,536,099 or 1% of the budget. The underperformance affected the planned activities and may have impacted negatively on service delivery to the public.</p>	<p>The under absorption of the budget for financial year 2022/2023 was due to the Commission not being granted all the exchequers requisitions by the National Treasury resulting to pending bills amounting to Kshs. 2,463,219,054. During the year, there was also a period of almost four months during which budget realignment was undertaken and it was not possible for MDAs to spend. This also affected the rate of absorption.</p>		

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Ref No. on external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	<p>Other Matter</p> <p>1 Long Outstanding Payables The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs. 124,600,140 as disclosed in Note 11 to the financial statements. Included in the balance are amounts of Kshs. 3,507,894 and Kshs. 121,092,246 in respect of Ap liabilities and clearance account respectively. Review of the payables aging analysis revealed a balance of Kshs. 18,483,699 or 15% had been outstanding for over a year. In the circumstances, the Commission is at risk of incurring penalties for failure to settle its obligations as and when they fall due.</p>	<p>This amount is in respect of Returned salaries, returned EFT payments, Sundry creditors 10% retention money and fine surcharges.</p> <p>i) Returned Salaries The amount represents monies deposited in TSC bank account for monthly payroll salaries paid to employees that are returned by the paying banks as un-applied. This result from incorrect bank details provided by the teachers which include; (a) wrong bank accounts, (b) bank account names not matching and (c) dormant bank accounts. These payments are returned by the paying banks without the full details of the teachers. The Commission liaises with the paying banks to obtain details of the teachers so as to contact them to provide correct bank details.</p> <p>ii) Returned EFT payments The amount relates to monies deposited in TSC bank account being (a) payments of 3rd party payroll deductions and (b) payments of amounts due to teachers who have left service that are returned by the paying banks as un-applied. This results from incorrect bank details provided by the beneficiaries which include; wrong bank accounts, bank account names not matching and</p>		

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Ref No. on external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
		<p>dormant bank accounts. The payments are returned by the paying banks without the details of the intended beneficiaries.</p> <p>iii) Sundry Creditors The amount relates to monies deposited in TSC bank account being; (a) payments made by TSC to various beneficiaries that have been returned as un-applied. This result from incorrect bank details provided by the beneficiaries which include wrong bank accounts, bank account names not matching and dormant bank accounts. The payments are returned by the paying banks without the details of the intended beneficiaries. (b) Payment to TSC by The National Treasury in respect amounts recovered from pension of teachers with outstanding liabilities. The deposits are made in block amounts without the details of the specific teachers they relate to.</p> <p>iv) - Fine surcharges The amount relates payroll recoveries on behalf of schools where the teachers have liabilities. Once the deductions are made from the respective teachers, the amount is remitted to the beneficiary schools. The outstanding amount relates remittances due to schools where the schools have not provided payment details to enable release of the funds.</p>		

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Ref No. of external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	<p>1 Operations of Car Loan and Mortgage Fund The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs. 2,200,479,754 as disclosed in Note 9A to the financial statements. The balance includes the Commission's car and mortgage fund bank balance of Kshs. 5586,345,338. The following unsatisfactory matters were however noted:</p> <p>1.1 Lack of Fund Governing Regulations During the year under review, the Fund reflected mortgage loan advances receivables balance of Kshs. 278,614,386. The Fund commenced operations in 2012 as a cash backed fund and converted to a revolving fund in 2021/2022. However, the Fund operates through a memorandum of understanding between National Bank of Kenya and Commission dated 17 February, 2022 as the</p>	<p>v) 10% Retention Money The amount relates monies retained from contractors during the defect periods. The outstanding balance relate to amount that are yet to be released due to non-claim by the contractor. The amount will be released upon receipt of the claim.</p> <p>The Commission has developed Car and Mortgage regulations. Currently, the Fund is operated through a Memorandum of Understanding between the Commission and National Bank of Kenya.</p>		

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Ref No. OR external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	<p>regulations to govern the management of the Fund have not been developed, contrary to the requirements of Circular No. SRC/ADM/CIR/1/13 Vol III (128) dated 17 December, 2014.</p> <p>1.2 Failure to Prepare and Submit Car Loan and Mortgage Fund Financial Statements</p> <p>The Management did not prepare and submit for audit car and mortgage financial statements. This is contrary to the Section 81(4)(a) of the Public Finance Management Act, 2021 which requires that, not later than three months after the end of each financial year, the accounting officer for the entity shall; submit the entity's financial statements to the Auditor General and a copy of the statement to the Controller of Budget, The National Treasury and the Commission on Revenue Allocation.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>The Commission has developed Car and Mortgage regulations. The regulations will operationalize the fund as self-reporting entity and allow for preparation of the Fund financial statements.</p>		
2	<p>Failure to Surrender Unspent Funds for Re-Voting</p> <p>The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs. 917,042,222 as disclosed in Note 10 to the financial statements which includes a balance of Kshs. 162,042,114 in respect of County</p>	<p>The un surrendered balances were funds for SEQIP Project and KPEEL Program. Projects are allowed to roll over bank balances to fund project budget of subsequent financial period. Further, the unspent balances for recurrent budget had not been</p>		

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

Ref No. on external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	<p>disbursements. Included in this amount is Kshs. 119,413,077 that was not returned to the Commission headquarter bank account as at 30 June, 2023 for re-voting as stipulated in Regulation 117(2) of the Public Finance Management (National Government) Regulations, 2015. As at the time of concluding the audit in December, 2023, Kshs. 106,875,300 had been returned into the headquarter bank account leaving a balance of Kshs. 12,537,777.</p> <p>In the circumstances, Management was in breach of the law.</p> <p>3 Delay in Completion of Construction of Machakos and Kilifi Teachers Service Commission Offices</p> <p>The Commission signed agreements for the construction of the two County offices in Machakos and Kilifi Counties on 13 July, 2022 and 28 June, 2022 at the costs of Kshs. 57,663,447 and Kshs. 64,900,000 respectively. Both contracts were for a period of sixty (60) weeks with estimated completion dates of 5 September, 2023 and 21 August, 2023 for Machakos offices and Kilifi offices respectively. As at the time of audit in the month of November, 2023, which was</p>	<p>surrendered as at 30 June 2023 due to late disbursement of the funds to the Counties occasioned by delayed release of Exchequer by the National Treasury which was received on 4th July 2023.</p> <p>The contracts for the two projects were extended once they expired.</p>		

Teachers Service Commission

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Ref No. on external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	<p>past the estimated completion dates, the projects were at 33% and 40% completion levels for Machakos offices and Kilifi offices respectively. Management attributed the delay in projects' completion to delayed payments due to realignment of the 2022/2023 financial year budget. Although extensions of the contracts for the construction of the two County offices in Machakos and Kilifi were granted up to 8 May, 2024 and 1 May, 2024 respectively it was not feasible that works will be completed within the revised contract periods.</p> <p>In the circumstances, value for money may not be realized within the revised contract periods for the construction of the two County offices.</p> <p>Salary Overpayments The statement of financial assets and liabilities reflects accounts receivables balance of Kshs. 917,042,222 and as disclosed in Note 10 to the financial statements. Included in the balance is Kshs. 449,152,146 in respect of salary over payment. Review of the aging analysis on the salary overpayment provided for audit revealed that overpayments amounting to Kshs. 358,796,308 or 80% had been outstanding for periods exceeding one year.</p>	<p>The amount of overpayment of Kshs. 358,796,308.37 relate to balance of overpayment that had occurred more than 1 year earlier due delay in stoppage of salary and allowances on death, desertion of duty, resignation, transfer of service, transfers, sick leave and absenteeism. The overpayment had grown over the years due to reporting systems that were not efficient due to their manual nature. Overpayment once recorded is recovered progressively through;</p>		

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Ref No. on external audit Report	Issue / Observations from Auditor	Management comments	Status	Time frame
	<p>Management indicated that the overpayment had grown over the years due to manual and previous reporting systems that were inefficient. Further, management through various mechanisms adopted recovery of salary overpayments, amounting to Kshs. 108,096,613 for the year under review from payroll and other avenues. Although progress has been made in the recovery of the salary overpayments further effort is required in recovering the outstanding amounts.</p> <p>In the circumstances, the controls over recovery of salary overpayments are weak.</p>	<p>(i) the payroll for teachers who are still in TSC employment. (ii) Mechanisms set out in the Overpayment policy for teachers who are out of TSC employment which include: - (a) Issuing demand letters and follow up with the teachers concerned. (b) Liaising with Co-operative Societies to ask them to release the teachers Sacco savings to defray part of the teachers' overpayment. (c) Liaising with other employers where the teachers are currently employed. (d) Liaising with the Ministry of Foreign Affairs and Kenyan Embassies where the teachers are in foreign Countries. The commission however faces various limitations in the process of recovering overpayment which include: (i) Compliance with the a 1/3 of the basic salary rule as per Section 19 (3) of the Employment Act, 2007. (ii) Difficulty in enforcing recovery where teachers have left employment of the Commission and those that have migrated out of Kenya.</p>		



**DR. NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY**

Date: 3-12-2024



**CPA. CHEPTUMO AYABEL, OGW
DIRECTOR (FINANCE AND ACCOUNTS)
ICPAK MEMBER NUMBER: 8372**

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

Date: 3-12-2024

18. Annexes

Annex 1 - List of Pending Bills - FY 2023/24

Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
				a	b	c	d=a+b-c	
Supply of goods								
School Equipment production unit		Supply of metallic racks	-	-	9,756,541	-	9,756,541	5722
Fast choice		Installation of window blinds	-	-	4,435,550	-	4,435,550	41798
CFAO Motors limited		motor vehicle	-	-	27,474,854	-	27,474,854	
Aliciagraphics		stationery	-	-	1,935,000	-	1,935,000	519
Next Gen Technologies		Licence	-	-	2,970,102	-	2,970,102	2008
Kenya Literature Bureau		Printed stationery	-	-	2,400,000	-	2,400,000	
Sub-Total			-	-	48,972,047	-	48,972,047	
Supply of services								
Minet Insurance Brokers		Medical teachers	-	-	1,504,855,221	-	1,504,855,221	532
Minet Insurance Brokers		Medical teachers	-	-	1,504,855,222	-	1,504,855,222	508
Minet Insurance Brokers		Medical teachers	-	-	162,194,073	-	162,194,073	552
Minet Insurance Brokers		Medical teachers	-	-	131,534,742	-	131,534,742	531
Postal corporation		Courier and postal services	-	-	32,215	-	32,215	PCK-090147

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Supplier of Goods or Services	Date invoiced/e contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Postal corporation		Courier and postal services	-	-	414,500	-	414,500	PCK-090146
Postal corporation		Courier and postal services	-	-	88,250	-	88,250	PCK-090710
Postal corporation		Courier and postal services	-	-	588,975	-	588,975	PCK-089713
Postal corporation		Courier and postal services	-	-	32,215	-	32,215	1.90E+17
Postal corporation		Courier and postal services	-	-	414,500	-	414,500	1.90E+17
Postal corporation		Courier and postal services	-	-	88,250	-	88,250	1.90E+17
Postal corporation		Courier and postal services	-	-	588,975	-	588,975	1.90E+17
Postal corporation		Courier and postal services	-	-	115,345	-	115,345	PCK-089820
Tek plus		Maintenance and repairs of bulk filers	-	-	769,428	-	769,428	PO-5427406
Led power technologies		Maintenance Air conditioners	-	-	21,850	-	21,850	100016114
Geotobinex Enterprises		External and internal window cleaning	-	-	750,000	-	750,000	18
Geotobinex Enterprises		External and internal window cleaning	-	-	51,848	-	51,848	15

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Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Spine Engineering co Ltd		Maintenance of firefighting equipment	-	-	264,800	-	264,800	103149
Spine Engineering co Ltd		Maintenance of firefighting equipment	-	-	264,800	-	264,800	PO515431 86L
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC016
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC015
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC013
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	60,000	-	60,000	TSC-FUM-018
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC012
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC014
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	60,000	-	60,000	TSC-FUM-017

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Supplier of Goods or Services	Date Invoiced/e contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC011
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	Tsc015
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	851,290	-	851,290	TSC013
Dechrip East Africa Limited		Cleaning landscaping and fumigation	-	-	60,000	-	60,000	TSC-FUM-018
Race guards		Security Services	-	-	970,920	-	970,920	RG116786
Jacobs Creations Limited		Rent	-	-	391,591	-	391,591	JCL/TSC/01-23
Jacobs Creations Limited		Rent	-	-	391,591	-	391,591	JCL/TSC/01-23
Bonaya James Roba		Rent	-	-	90,000	-	90,000	11
Juba Suites		Rent	-	-	270,000	-	270,000	TSC-2023-004
Juba Suites		Rent	-	-	270,000	-	270,000	TSC-2024-001
Shekha Abubakar Said		Rent	-	-	720,000	-	720,000	
Shekha Abubakar Said		Rent	-	-	720,000	-	720,000	
Government Advertising Agency		Advertising	-	-	180,758	-	180,758	911

Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Government Advertising Agency		Advertising	-	-	180,758	-	180,758	918
Government Advertising Agency		Advertising	-	-	180,758	-	180,758	1037
Standard Group		Advertising	-	-	310,239	-	310,239	80127716
Standard Group		Advertising	-	-	192,024	-	192,024	80126927
Standard Group		Advertising	-	-	310,240	-	310,240	80124585
Standard Group		Advertising	-	-	192,024	-	192,024	8028053
Standard Group		Advertising	-	-	83,178	-	83,178	80133819
Standard Group		Advertising	-	-	310,240	-	310,240	80120497
Standard Group		Advertising	-	-	310,240	-	310,240	80127369
Standard Group		Advertising	-	-	310,240	-	310,240	80122387
Standard Group		Advertising	-	-	310,240	-	310,240	80133792
Standard Group		Advertising	-	-	310,240	-	310,240	80133755
Standard Group		Advertising	-	-	310,240	-	310,240	80129248
Standard Group		Advertising	-	-	83,178	-	83,178	80128154
Telkom		Internet	-	-	10,150	-	10,150	261
Telkom		Internet	-	-	10,150	-	10,150	262
Telkom		Internet	-	-	10,150	-	10,150	263
Telkom		Internet	-	-	10,150	-	10,150	264
Telkom		Internet	-	-	10,150	-	10,150	265
Telkom		Internet	-	-	10,150	-	10,150	266
Telkom		Internet	-	-	10,150	-	10,150	271
Telkom		Internet	-	-	680,340	-	680,340	270
Telkom		Internet	-	-	10,150	-	10,150	245

Supplier of Goods or Services	Date Invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Telkom		Internet	-	-	10,150	-	10,150	246
Telkom		Internet	-	-	10,150	-	10,150	247
Telkom		Internet	-	-	10,150	-	10,150	248
Telkom		Internet	-	-	10,150	-	10,150	249
Telkom		Internet	-	-	10,150	-	10,150	250
Telkom		Internet	-	-	10,150	-	10,150	255
Telkom		Internet	-	-	680,340	-	680,340	254
Copycat LTD		printing	-	-	1,141,225	-	1,141,225	A24569645
Kimani, kiarie and associates advocates		Legal services	-	-	350,000	-	350,000	
Leanovate Technologies ltd		Training	-	-	1,206,400	-	1,206,400	LTL/TSC/2 4/WN135
ESAMI		Training	-	-	450,000	-	450,000	68212
ESAMI		Training	-	-	195,000	-	195,000	67173
ESAMI		Training	-	-	3,737,500	-	3,737,500	63823
Meru university		Training	-	-	765,600	-	765,600	Apr-18
Computer Society of Kenya		Training	-	-	162,400	-	162,400	PF12024/91 2/TSC
Kenya School of Government		Training	-	-	447,740	-	447,740	MBSA682 9
Technology advocacy centre		Training	-	-	64,612	-	64,612	06/2024/00 015
Kenya Computer Industry and Services Limited		Training	-	-	175,160	-	175,160	868

Supplier of Goods or Services	Date Invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Records and information Management East Africa		Training	-	-	233,160	-	233,160	2446
CEMESTE A		Training	-	-	1,174,500	-	1,174,500	6
CEMESTE A		Training	-	-	421,200	-	421,200	8
CEMESTE A		Training	-	-	647,900	-	647,900	10
CEMESTE A		Training	-	-	207,900	-	207,900	6
Lake Naivasha Resort		Training	-	-	436,500	-	436,500	1681
Lake Naivasha Resort		Training	-	-	575,200	-	575,200	5031
Computer learning Centre		Training	-	-	3,140,000	-	3,140,000	PRO-IN14642
Sub-Total			-	-	3,339,349,005	-	3,339,349,005	
Grand Total			-	-	3,388,321,052	-	3,388,321,052	

Annex 2 - Analysis of Other Pending Payables

Name	Brief Transaction Description	Date Payable Contracted	Original amount	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
					Current Year	Previous Year	
			a	b	c=a-b		
Amounts due to Third Parties							
Kenya Commercial Bank Limited	June 2024 Payroll Deductions	June 2024 Payroll	1,632,707,792	-	1,632,707,792	-	
Cooperative Bank of Kenya	June 2024 Payroll Deductions	June 2024 Payroll	871,548,776	-	871,548,776	-	
Barclays Bank Limited	June 2024 Payroll Deductions	June 2024 Payroll	565,075,944	-	565,075,944	-	
Sanlam Life Insurance Limited	June 2024 Payroll Deductions	June 2024 Payroll	49,240,653	-	49,240,653	-	
Sub-Total			3,118,573,165	-	3,118,573,165	-	
Grand Total			3,118,573,165	-	3,118,573,165	-	

Annex 3 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f 2022/2023 (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year (Kshs)	Historical Cost c/f 2023/2024 (Kshs)
Land	1,000,000,000	-	-	-	1,000,000,000
Construction of Buildings	1,282,764,631	59,278,666	-	-	1,342,043,297
Refurbishment of Buildings	108,609,160	6,533,338	-	-	115,142,498
Transport equipment	961,075,942	6,900,000	3,205,869	-	964,770,073
Office equipment, furniture and fittings	525,075,007	2,004,491	-	-	527,079,498
ICT Equipment	1,235,148,883	120,790,202	-	-	1,355,939,085
Total	5,112,673,623	195,506,697	3,205,869	-	5,304,974,451

Schedule of Motor Vehicles disposed during 2023/2024
financial year

Reg. No	Historical Cost
GKA 811X	1,120,000
KAR 246L	2,085,869
Total	3,205,869

Annex 4 – List of Projects implemented by Teachers Service Commission

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)
1	Secondary Education Quality Improvement Project	To improve student learning in secondary education and transition from primary to secondary education in targeted areas and system capacity to implement education reforms.	C.E.O	Yes
2	Kenya Primary Education Equity in Learning Program	To reduce regional disparities in learning outcomes, improve retention of girls in upper primary education and strengthen systems for delivery of equitable education outcomes	C.E.O	Yes