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ON

MACHAKOS TEACHERS COLLEGE

FOR THE YEAR ENDED 30 JUNE, 2025

THE NATIONAL ASSEMBLY
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DAY: Thursday
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Deputy Majority Party Whip
CLERK-AT-THE-TABLE: A. Shibuko

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Machakos Teachers College

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

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

MATECO IS ISO 9001:2015 CERTIFIED

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1. Acronyms and Definition of Key Terms

A. Acronyms

AG	Attorney general
BBA	Bachelor in Business Administration
BCEF	Basic Curriculum Education Framework
BES	Boarding Equipment and stores
BOM	Board of Management
C.S	Cabinet Secretary
CPA	Certified Public Accountant
CPA (K)	Certified Public Accountant of Kenya
DECTE	Diploma in Primary Teacher Education
DPTE	Diploma in primary Teacher Education
DTE	Diploma in Teacher Education
DTE PP&P	Diploma in Teacher Education Pre-Primary and Primary
ECDE	Early Child Development Education
EWC	Electricity water and conservancy
GPO	General Post Office
H.I	Impaired
HR	Human Resource
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards
ISO	International Organization for Standardization
IT	Information Technology
JKIA	Jomo Kenyatta International Airport
JS	Junior School
KCB	Kenya Commercial bank
KEBS	Kenya Bureau of standards
KICD	Kenya Institute of Curriculum Development
KMTC	Kenya Medical Training College

KNEC	Kenya National Examination Council
KPEEL	Kenya Primary Education Equity in Learning
KRA	Key Results Area
KUCCPS	Kenya Universities and Colleges Central placement service
LT&T	Local travel and transport
MATECO	Machakos Teachers College
MBA	Masters of Business Administration
MOE	Ministry of Education
NB	Note
NITA	National Industrial Training Authority
NSSF	National Social Security Fund
P.I	Physically Impaired
PAYE	Pay as you earn
PC	Performance Contract
PFM	Public Finance Management
PO	Post Office
PSASB	Public Sector Accounting Standards Board
RMI	Repair maintenance and improvement
SBA	School Based Assessment
SHA	Social Health Authority
SNE	Special Needs Education
S. I.	Speech Impaired
TSC	Teachers Service Commission
TTC	Teacher Training College
TVET	Technical and vocational education and training
V.I	Visually Impaired
A. VRM	Vehicle repair and maintenance

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Machakos Teachers College financial resources.

Comparative Year- Means the prior period.

2. Key Machakos Teachers College Information and Management

(a) Background information

Machakos Teachers College (MATECO) was established on 4th March, 1958 to train female teachers. In 1965, the college was made a Co-educational Institution and started offering P1 and P2 courses. From then on it continued to train P1 teachers' up to December 2020. From June 2021, the College has been offering Diploma in Primary Teacher Education (DPTE) and Diploma in Early Childhood Teacher Education (DECTE) training. In the year 2024 the college admitted trainees to study Diploma in Teacher Education Pre-Primary and Primary Course (DTE PP&P). Over the years, admission of teacher trainees was conducted by the Ministry of Education. However, from 2022, admission of trainees has been through the Kenya Universities and Colleges Central Placement Services (KUCCPS).

MATECO is located in Lower Kiandani Sub Location, Mumbuni location of Machakos Sub County in Machakos County along College road. The College sits on a land parcel of approximately 74.26 Acres which allows for expansion.

The College is registered as a Diploma Teacher Training Institution with a special unit under the Ministry of Education, State Department of Early Learning and Basic Education under registration NO. 16S4001111, registered as a Teachers College wain an SNE Unit. As at 30^{tht} June 2025, the college had 55 Teaching staff, 44 Non-teaching staff and a students' population of 1050. The College has the capacity to host 1080 teacher trainees.

MATECO is an inclusive institution since it admits Teacher Trainees with special needs. The College has enrolled 41 Hearing Impaired (H. I.), 46 Visual Impaired (V. I.), 8 Physical Impaired (P. I.) and 1 Speech Impaired (S. I.) Teacher Trainees.

The college is currently implementing its 2021/22-2025/26 Strategic Plan which is focused on four key results areas namely; Training of quality Basic Education teachers, Wellness and Personality development, Talent development and Institutional capacity. Machakos Teachers College is ISO 9001: 2015 certified by Kenya Bureau of Standards (KEBS). ISO certification has enhanced customer focus by helping in timely, efficient and effective service delivery to all our customers. The College has embraced Performance Contracting for the last seventeen years. This has enhanced effective utilization of resources, timely service delivery and prudent management. Consequently enabling the College to successfully deliver on her mandate.

The College is managed by a Board of Management, appointed by the Cabinet Secretary, Ministry of Education as stipulated in the Basic Education Act No. 14 of 2013. However, the day-to-day

management of the College activities is undertaken by the Principal who is appointed by Teachers Service Commission (TSC).

(b) Principal Activities

According to the Institution's mandate, the core functions are: -

i). To train Primary and Early Childhood school teachers.

ii). Develop in the teacher the ability to communicate and collaborate effectively.

iii). Equip teacher trainees with the core competencies and values that include; Critical thinking and problem solving skills, Creativity and imagination, Communication skills, Citizenship and Patriotism, Digital literacy, Self-efficacy, Learning to learn and Moral and religious values (as stipulated in the BCEF)

iv). Develop awareness of good human relationship and international consciousness.

v). Foster in the teacher an appreciation and respect for our rich and varied cultural heritage.

vi). Develop in the teacher awareness and appreciation for good health and environmental conservation

)

(c) Key Management

MATECO is managed in accordance with the Constitution of Kenya, The Basic Education Act No. 14 of 2013, the Education Act Cap 211 of 2012, legal notice no. 14 of 2013 laws of Kenya, TSC Act No. 20 of 2012. The Institution is managed by the Board of Management appointed by the Cabinet Secretary (C. S.) in charge of Education. The Board of Management is responsible for the supervision of teachers, supervision of curriculum implementation and provision of teaching and learning resources, infrastructural development, promotion and facilitating of co-curriculum activities, creation of conducive and secured teaching and learning environment, facilitation of capacity building for human resource and improving safety of resources.

The major management offices are:-

i. Board of Management (BoM).
ii. Principal, the Accounting Officer and Secretary to the BoM.
iii. Deputy Principal.

iv. Dean of Students.
v. Dean of Curriculum.
vi. Head of Departments
vii. Heads of Subjects.
viii. Heads of Sections.

(d) Fiduciary Management

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

No.	Designation	Name
1.	Chairperson BoM	Prof. Francis Mathooko
2.	Chief Principal	Joyce Mabwai
3.	Deputy Principal	David Katule
4.	Dean of Students	Keziah Nyakio Munioh
5.	Dean of Curriculum	Serah Mwirigi
6.	Head of Finance	CPA Justin Mwaririe Kariuki
7.	Head of Procurement	Harrison Mutiso
8.	PC Coordinator & ISO Quality Manager	Joshua Mutie
9.	ICT Coordinator	Douglas Matolo
10.	Liaison Officer	Felistas Mutuku

(e) Fiduciary Oversight Arrangements

The college has implemented mechanisms, to enhance governance, transparency and accountability. The Board of management has various committees to primarily oversee fiduciary interest.

i. Board of Management

The committees play a central role in governance, policy formulation, and oversight of the institution's operations. Its primary responsibility is to provide strategic leadership by setting policies that guide academic, financial, and administrative functions of the college in line with the **Basic Education Act and Ministry of Education policies**. The Board oversees curriculum implementation and academic standards, ensures that quality training of teachers is maintained, and approves academic programs and partnerships that strengthen professional development. It manages financial resources by approving budgets, monitoring expenditures, and ensuring accountability and transparency in the use of funds. Additionally, the Board is responsible for staff welfare and human resource matters, including recruitment, discipline, and promotion of both teaching and non-teaching staff in line with relevant regulations. It also safeguards student welfare through policies that support guidance and counselling, discipline, co-curricular activities, and inclusivity. The Executive BoM further oversees the maintenance and development of physical infrastructure and resources to ensure a conducive learning environment, while also serving as a link between the college and external stakeholders such as the Ministry of Education, Teachers Service Commission, development partners, and the surrounding community. In essence, the Executive BoM provides overall governance and leadership to ensure that the teachers' college fulfils its mandate of producing competent and professional educators.

ii. Finance, Procurement and General-Purpose Committee of the Board

The committee is responsible for overseeing the financial health and resource management of the school. Its roles include preparing and reviewing budgets, monitoring income and expenditure, ensuring proper accounting and financial reporting, and making recommendations on prudent use of resources. The committee also oversees procurement processes to ensure transparency, accountability, and compliance with government policies, including the Public Procurement and Asset Disposal Act. In addition, it advises on the acquisition, utilization, and maintenance of

school property and physical facilities, ensuring that resources are used efficiently to support learning and development. Beyond finance and procurement, the general-purpose function covers emerging issues not directly assigned to other committees, including school infrastructure, security, and logistical needs, making the committee central to effective governance and sustainability of the institution.

iii. Academic & Welfare Committee of the Board

The **committee** plays a vital role in ensuring both quality learning and the well-being of learners. The committee monitors curriculum implementation, oversees learner performance, recommends strategies for improvement, supports teacher professional development, and ensures the provision of adequate teaching and learning resources, including co-curricular activities that enhance talent development. On the welfare side, the committee addresses learner safety, discipline, guidance and counselling, inclusivity for learners with special needs, as well as health, nutrition, sanitation, and child protection measures. It also considers staff welfare by recommending interventions that promote motivation and a conducive working environment. In addition, the committee advises the full Board of Management on academic standards and welfare matters, acting as a link between parents, teachers, and learners to foster harmony and holistic growth in the school.

iv. Senior Management Committee

The **Senior Management Committee (SMC)** is the top administrative team in the college charged with the day-to-day management and coordination of core functions. Its role is to implement policies and decisions made by the Board of Management and ensure the smooth running of academic, administrative, and financial operations. The committee provides leadership in planning, organizing, and monitoring institutional programs, including curriculum delivery, examinations, staff deployment, and student affairs. It also oversees financial management by monitoring budgets, resource utilization, and procurement processes, while ensuring accountability and adherence to regulations. On the welfare side, the SMC addresses issues affecting both staff and students, such as discipline, guidance and counselling, health, safety, and accommodation, to promote a conducive teaching and learning environment. In addition, it plays a key role in institutional development by coordinating infrastructure projects, fostering partnerships, and managing external relations with government agencies, the community, and other stakeholders. Overall, the Senior Management Committee serves as the operational engine of the college, translating policy into action and ensuring efficiency, quality, and accountability across all departments.

v. Audit and Risk Management Committee

This committee play a critical oversight role in ensuring accountability, transparency, and prudent management of institutional resources. Its primary responsibility is to review and monitor the financial reporting processes, internal controls, and compliance with relevant laws, regulations, and policies. The committee examines audit reports, both internal and external, and makes recommendations on corrective actions to strengthen financial integrity and prevent misuse of resources. It also oversees the identification, assessment, and management of risks that may affect the institution, including financial, operational, academic, governance, and reputational risks. In addition, the committee ensures that effective risk mitigation strategies and internal control systems are in place to safeguard the assets of the college or school. By providing independent and objective assurance, the Audit and Risk Management Committee supports the Board in making informed decisions, enhancing efficiency, and building stakeholder confidence in the institution's governance and operations.

vi. College Academic Board

The College Academic Board, comprising the top management and heads of departments, is the highest decision-making organ on academic matters within the institution. It provides leadership in curriculum implementation, ensuring alignment with national standards and the Competency-Based Curriculum (CBC), while reviewing departmental teaching plans, timetables, and instructional resources to guarantee quality delivery. The Board oversees assessments and examinations, approving frameworks and moderation procedures, and promoting authentic approaches such as projects, portfolios, and practical demonstrations to enhance trainee competence. It plays a vital role in quality assurance by monitoring academic performance, teaching methodologies, and learner outcomes across departments, while establishing benchmarks that meet Ministry of Education and regulatory standards. In mentorship and practicum, the Board guides the placement of trainees in partner schools, coordinates collaborative mentorship programs, and ensures meaningful professional exposure. It also promotes research, innovation, and continuous professional development of tutors through workshops, seminars, and partnerships. The Academic Board formulates, reviews, and updates academic regulations in line with emerging trends in education, while ensuring that co-curricular activities such as sports, drama, and music are integrated into the training program for holistic development. Additionally, the Board fosters stakeholder engagement with foundations, NGOs,

schools, and government agencies to support academic growth and ICT integration in teaching and learning. Through regular monitoring, evaluation, and reporting, it consolidates departmental progress and provides recommendations to the Board of Management, thereby safeguarding academic excellence and institutional growth.

vii. Government Oversight Activities

Government oversight activities are mechanisms through which the state supervises, regulates, and ensures accountability, compliance, and efficiency in the college. These activities include policy and regulatory oversight by agencies like the Ministry of Education, Teachers Service Commission, and Kenya Institute of Curriculum Development (KICD) to enforce standards in curriculum and teacher training; financial oversight through the National Treasury, the Office of the Auditor General, and internal audits to ensure proper use of public funds; and quality assurance inspections to monitor teaching, learning, and infrastructure. They also involve ethics and integrity oversight by the Ethics and Anti-Corruption Commission to curb misconduct, risk and compliance monitoring to safeguard against institutional vulnerabilities, and parliamentary oversight through committees that scrutinize performance and expenditure. Additionally, performance oversight is carried out through monitoring and evaluation frameworks such as performance contracting, while public complaints mechanisms like the Ombudsman provide avenues for stakeholder grievances. Collectively, these government oversight activities promote transparency, efficiency, and accountability, ensuring that education institutions fulfill their mandate

(f) Machakos Teachers College Headquarters

Machakos Teachers College
P.O. Box 124-90100
Miwani-College Road
Machakos, KENYA

(g) Machakos Teachers College Contacts

Telephone: (+254) 700 393 590, + (254) 735 360 330
E-mail: machakosteacherscollege@rocketmail.com
Website: www.mateco.ac.ke

(h) Machakos Teachers College Bankers

Kenya Commercial Bank, Machakos Branch

Fund Account	1107139120
Project Account	1106322991
Main Account	1106308166
Savings Account	1104105217

(i) Independent Auditors

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

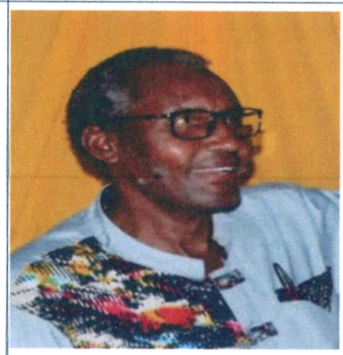
(j) Principal Legal Adviser

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

3.The Board of Management

The board of Management Members that was in place between 1st July 2024 and 30th June 2025 are:

	BOARD MEMBER	PROFILE
3.1	 **Prof. Francis Mathooko**	**Chairman Board of Management** Born in 1962, Prof. Mathooko has served as a member of the Board of Management of Machakos Teachers College representing various stakeholders where initially he joined as a co-opted member. He was elected as the Chairperson of the Machakos Teachers College Board of Management in 2022. Prof. Francis M. Mathooko is a Full Professor at Machakos University in the Department of Agricultural Sciences and specializes in Agricultural Technology. He holds a Ph.D. degree in Agriculture (Agricultural Technology) from Okayama University, Japan and also a Master of Business Administration (MBA) [Strategic Management Option] degree, [University of Nairobi]. Prof. Mathooko has served and continues to serve in academia and university management positions at various levels. He served as Director of Academic Quality Assurance at Jomo Kenyatta University of Agriculture and Technology, Deputy Principal at South Eastern University College, Ag. Deputy Vice-Chancellor, South Eastern Kenya University, Founding Principal, Machakos University College and Ag. Vice-Chancellor, Machakos University where he is credited for the many infrastructural developments witnessed during his tenure. Prof. Francis M. Mathooko is the Chair person of the BOM and the chair person to the Executive BOM Committee and an independent member of the BOM
3.2	 **Dr. Joyce Mwikali Mutinda, PhD, EBS,**	**Deputy Chairperson Board of Management** Born in 1956, Dr. Joyce Mwikali Mutinda, PhD, EBS has 45 years of distinguished service in civil and public appointments, with expertise in education quality management, gender analysis and training, mediation, management of development projects, and project monitoring and evaluation. She is the immediate former Chairperson of the National Gender and Equality Commission (NGEC) (2018 – 2024) where she led efforts to enhance the participation of Special Interest Groups (SIGs) - including women, children, youth, persons with disabilities (PWDs), older

	BOARD MEMBER	PROFILE
		members of society, minority and marginalised groups in nation affairs, in line with the Constitution of Kenya, 2010. In 2021, she was awarded the Head of State commendation of the Elder of the Burning Spear (EBS) for her contributions to promotion of equality and freedom from discrimination in Kenya. Dr. Mutinda remains deeply engaged in her community, serving on the Boards of Management for Machakos Teachers College and Kwakavoo Secondary School. She is a devoted parishioner at St. Augustine Catholic Church, Yaitha, Machakos and St. Paul's University Chapel, Nairobi. She is a passionate advocate for food sovereignty particularly for smallholder farmers in arid and semi-arid regions and a dedicated environmental conservationist. Dr. Joyce Mwikali Mutinda is the Deputy Chair person of the BOM and an independent member of the BOM
3.3	 **Mr. James Mwisa**	**Board of Management -Member** Born in 1959, Mr. James Mwisa is a seasoned Histopathologist and has served as a lecturer at Kenya Medical Training College for more than 30 years. He has undertaken several professional training including in Kenya School of Government and University of Nairobi. He has specialised in training on matters to do with People with Disabilities. Mr. Mwisa has served in several Boards of Management and gained a wealth of experience in institutional management. Mr. James Mwisa is an independent member of the BOM and member to College Infrastructure and development Committee.
3.4	 **Mrs. Benedicter N. Musau**	**Board of Management -Member** Born in 1957, Benedicter Ndunge Musau is a dedicated and accomplished professional with extensive experience in business management, education, and community leadership. With a diverse background spanning administration, financial management, and early childhood education, she has made significant contributions to both private and public institutions. As the Manager of Riverview House Nursery School, she has played a key role in shaping young minds while ensuring the institution's growth and success. Her expertise in financial management, leadership, and training is reinforced by certifications in Cash Flow Management, Investment Strategies, and Leadership Development from esteemed institutions

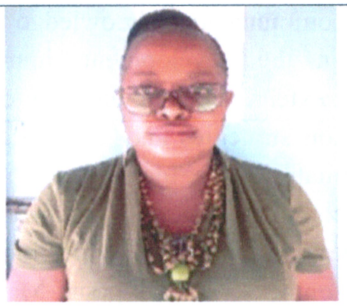
	BOARD MEMBER	PROFILE
		such as K-MAP and the National Democratic Institute for International Affairs (NDI), International Labour Organization (ILO) and GtZ. She has actively served on numerous Boards of Management (BOM), including Machakos Girls High School, Machakos Teachers Training College, Mbooni Girls High School, Bishop Kioko Hospital, Machakos Technical Institute (Now Machakos University) among others. Her commitment to empowering women and youth is evident in her long-standing membership and leadership roles in Maendeleo ya Wanawake, Kenya Red Cross Society, and the Kenya Girl Guides Association. Her extensive experience in education governance, community service, and professional development has earned her a reputation as a dedicated and impactful leader. Fluent in Kikamba, Kiswahili, and English, she effectively communicates and engages with diverse communities. Her unwavering commitment to excellence and service continues to inspire positive change in education, business, and social development. She also serves as a member of the Executive Board of Management of the College. Benedicter Ndunge Musau is a member of the Executive BOM committee, member to Finance, Procurement and general purposes BOM committee, and member to BOM Academic and welfare committee and an independent member of the BOM
3.5	 **Architect Petrovic Muthusi**	**Board of Management -Member** Born in 1967, Arch. Muthusi Petrovic is an architect with over 28 years post registration experience in both private and corporate practice and duly registered with the Board of Registration of Architects and Quantity Surveyors of Kenya. He has extensive and hands-on field practice having worked with the Special Projects and Building Management Services Sections of the United Nations Operation in Somalia. He has also served as a Consultant Architect for global NGOs including Family Health International (FHI 360), Pathfinder International and Jhpiego (a nonprofit organization for international health affiliated with the Johns Hopkins University) on their USAID funded Health Facility Renovation Projects spread across Kenya. Petrovic on being appointed as a Member of the Board of Management of Machakos Teachers College has provided extensive professional leadership in the initiation, design, planning and implementation of diverse renovations, new building and infrastructural projects at the

	BOARD MEMBER	PROFILE
		College. He has served as a member in various BOM committee including the Executive BoM, Finance, Procurement and general purposes Committee and as the chair of the College Infrastructure and development Committee. His passion is to extend professional expertise in the Built Environment of Public Institutions to ensure they are almost at par with similar institutions in the private sector. Hes an independent member of the BOM
3.6	 **Mrs. Ruth Kalee**	**Board of Management -Member** Born in 1967, Ruth Kalee is a seasoned professional with a wealth of experience in both public health and community service. Born in Machakos and now 57 years old, she has dedicated much of her career to improving public health and making a meaningful impact in their community. Holding a Master's Degree in Community Health, Ruth has achieved the highest academic qualifications in the field. Professionally, she serves as the Assistant Director of Public Health at JKIA, within the Ministry of Health. Throughout her career, Ruth has been involved in various boards, including those for Ngelani High School, Katelembo COE, and Machakos School for the Deaf. Beyond her professional roles, she has served as the Director of the Machakos Water Company, contributing to the improvement of water services in the region. As a member of the County Development Committee, she has been integral in shaping the growth and development of Machakos. Additionally, Ruth has been the AIDS Coordinator for Machakos Town Constituency for 12 years, a role in which they worked tirelessly to raise awareness and provide support for those affected by HIV/AIDS. Ruth Kalee has also been involved in several community-based initiatives, including running a feeding program in Machakos, which has provided essential support to vulnerable populations. Ruth Kalee is an independent member of the BOM and a member of the College infrastructure development committee of BOM.
3.7	 **Dr. Beatrice Nzou**	**Board of Management -Member** Born in 1956, Dr. Beatrice Nzou is a seasoned Psychological Counselor and Mediator with over 20 years experience. As the founder of Angels Paradise Counseling & Mediation Center, she manages a broad range of counseling and mediation cases for individuals, groups, corporates and the judiciary under court Annexed Dispute Resolution (ADR). Dr. Nzou has substantial Counseling experience in family, adolescence guidance, Rehabilitation Guidance, Pre/post retirement guidance, health

	BOARD MEMBER	PROFILE
		management, trauma and debriefing therapies. She is also an apt psychometric and psychological assessor. Over the years, Dr. Nzou has spent her free time mentoring young people as they transition from primary to high school and/or high school to tertiary education. Dr. Beatrice regularly conducts trainings on counseling, mediation and Businesses Ethics. Her trainings are rated very highly even on cross-cultural platforms. Dr. Nzou is the Vice Chairperson of Counselors Psychologists Society of Kenya (CPS-K) and the Vice Chairperson of Institute of Chartered Mediators and Councilors (East Africa) (ICMC), and a member of Singapore Mediation Institute (SMI), Mediation Training Institute (MTI) and Christian Professional Mediators Association of Kenya (CPMAK). Dr. Nzou holds a Bachelor of Arts in Ministries with an emphasis in Counseling, Master of Arts in Christian Counseling and a Ph.D. in Counseling Psychology. Dr. Beatrice Nzou is the Chair person of Finance, Procurement and general purposes BOM committee and an independent member of the BOM
3.8	 **Prof. David Mulwa**	**Board of Management -Member** Born in 1972, Prof. David Mulwa is an Associate Professor of Educational Administration in the School of Education, Machakos University. He is a holder of a Doctor of Philosophy degree in Educational Administration from the University of Pune, a Master of Education degree in Educational Administration and Planning and a Bachelor of Education (Science) degree from Kenyatta University. He is also a holder of a postgraduate Diploma in Public Relations from Kenyatta University and a Certificate in Information and Communication Technology from the Jomo Kenyatta University of Agriculture and Technology. He has undergone management training including the Senior Management Course from the Kenya School of Government among others. Prof. Mulwa has a long work experience in the education sector, first as a high school teacher of Mathematics and Physics for a period of 10 years, a Senior Quality Assurance and Standards Officer in the Ministry of Education and teaching at various public universities for more than 10 years. He has held various university administrative responsibilities including examination coordinator, Chairperson of a Department, Dean of a School and currently the acting Registrar (Research, Innovation and Linkages) at Machakos University.

	BOARD MEMBER	PROFILE
		He has served the community in various capacities, currently he is th Chairperson of the Machakos County Education Board and a member of the Board of Management, Machakos Teachers College. Prof. David Mulwa is a member to Finance, Procurement and general purposes BOM committee and an independent member of the BOM
3.9	 **Mr George M, Mang'oka**	**Board of Management -Member** Born in 1974, Mr. Mangóka is a Certified Public Accountant with over 30 years post qualification experience. He has a wealth of consulting experience in various fields including financial audit, internal audit, public financial management, enterprise risk management, strategic management, corporate governance, taxation, training and capacity building. He has a Masters' degree in Business Administration and he is also a Certified Internal Auditor, Certified Information Systems Auditor and a Certified Fraud Examiner. George currently works as a Consultant at OAG, Rwanda and has previously worked at Public Sector Accounting Standards Board, Ministry of Finance Rwanda, PwC, EY and Kenya Airways Mr. Mangóka is an independent member of the BOM
3.10	 **Mr. Joelex M. Orora**	**Board of Management -Member** Born in 1967, Mr. Orora is a seasoned professional with over 28 years of managerial experience at the Kenya Revenue Authority (KRA), having retired upon reaching the mandatory retirement age. He has served in various institutions of higher learning, including Kisii National School, where he contributed to multiple committees of the Board of Management. Currently, he is a member of the Board of Governors at Konoin Technical Training Institute (TTI), where he chairs the Finance and Projects Committee. He holds a Bachelor of Commerce (B.Com) degree from Shivaji University and a Master of Business Administration (MBA) from the University of Eastern Africa, Baraton, with specialization in management. He is an active member of the Kenya Institute of Management (KIM) and the Chartered Management Institute (CMI-UK). An avid golfer, he enjoys the sport as a member of both Machakos and Kisii Golf Clubs. Mr. Orora is a member of the Executive BOM committee and an independent member of the BOM

	BOARD MEMBER	PROFILE
3.11	 **Ms. Sarah Munyao Ndonye**	**Board of Management -Member** Born in 1985, Sarah Ndonye is a Communication and Media Specialist with expertise in strategic communication, knowledge translation, and stakeholder engagement in the development, humanitarian, and research sectors. She has extensive experience in developing and implementing communication strategies and knowledge products for thematic areas including climate change, food security, natural resource management, intercultural communication, and localization. Sarah holds a M.A. in Development Communication from Daystar University, a B.A. in Environmental Planning and Management from Kenyatta University, and an Advanced Diploma from the Chartered Institute of Public Relations (CIPR). She is currently pursuing a Ph.D. degree in Development Communication, with research focus on knowledge management and communication in Agriculture Innovation Networks. With over a decade of experience, Sarah has served in various capacities coordinating and implementing communication, advocacy and media initiatives and stakeholder engagement in research institutions, network of local ASAL NGOs and also as a part-time lecturer in the School of Communication at Daystar University. Additionally, she served as a communication specialist for a multi-national climate change research project, and at the BioInnovate Africa Programme, where she supported the development and dissemination of African-based innovations. Sarah Ndonye is an independent member of the BOM
3.12	 **Mr. Cosmas Mululu**	**Board of Management -Member** Born in 1970, Cosmas Mululu is a highly accomplished professional with a strong academic and career background. He holds a Master's degree in Project Planning and Management, which has provided him with a solid foundation for his work in the public sector. Currently, Cosmas serves as the Chief Economist at the Ministry of Water, Sanitation, and Irrigation, within the State Department for Irrigation. In this role, he plays a key part in shaping policies and strategies that drive the development and management of water and irrigation systems, contributing significantly to the country's water security and sustainable development. Cosmas has been an active member of the BoM academic and Welfare Committee in Machakos Teachers College, where he works to enhance the well-being of others through various initiatives. Outside of his professional life, he is passionate about reading and is dedicated to engaging in community work, always looking for opportunities to give back and make a positive impact.

	BOARD MEMBER	PROFILE
		Cosmas Mululu is an independent member of the BOM
3.13	 **Dr. Anastacia Musembi**	**Board of Management -Member** Born in 1973, Dr. Annastacia Katumbi Musembi is a distinguished and dynamic professional with extensive experience in Education, Project Management, and Monitoring & Evaluation. Holding a PhD in Project Management from Jomo Kenyatta University of Agriculture and Technology, a Master degree in Project Planning and Management from the University of Nairobi, and a Bachelor's of Education (Science - Mathematics and Chemistry) from Egerton University, Dr. Musembi's academic background lays a strong foundation for her impactful career. Her credentials, including PMP certification and recognition as a certified Monitoring and Evaluation Specialist, highlight her technical expertise and versatility. Beyond her impressive qualifications, Dr. Musembi is a passionate advocate for community empowerment, particularly through mentorship, training, and facilitation for youth and students in Kenya. She is dedicated to fostering educational growth and leadership in the next generation. Dr. Musembi's exceptional organizational and project management skills, coupled with her leadership abilities, position her as a highly valued professional. Her ability to manage complex projects, focus on long-term impact, and ensure positive outcomes is evident in every endeavor she undertakes. Her personal commitment to positive change, supported by her research and organizational expertise, makes her an influential figure in both academic and professional settings. Her unwavering dedication to empowering others, combined with her hands-on approach to mentorship and development, further cements Dr. Musembi as a key contributor in the fields of Education and Project Management. With her comprehensive skill set, leadership qualities, and passion for meaningful change, she remains a respected and sought-after strategically focused professional. Dr. Annastacia Katumbi Musembi is a member to BOM Academic and welfare committee.

	BOARD MEMBER	PROFILE
3.14	 Mrs. Veronicah M. Musau	**Board of Management -Member** Born in 1957, Veronica M. Musau, 67 years old, is a teacher trainer of 34 years in both Diploma and P1 certificate teacher training colleges in various parts of Kenya. She rose through the ranks and retired as Chief Principal. She holds a Masters degree in Educational Leadership and Management and a Diploma in Counselling Psychology. Veronica has attended numerous management courses and workshops and participated in exchange programme in Windesheim University of Applied Sciences in Zwole, Holland. She has served as a co-opted BoM member of Machakos Teachers College since year 2022 where she was a member of the Academic and Welfare BoM Committee. She has also previously served in secondary schools as the BOM Deputy Chairperson Veronica M. Musau is an independent member of the BOM is an independent member of the BOM
3.15	 **Mr Watson Kanuku**	**Board of Management -Member** Born in 1978, Watson Musyoki Kanuku has a vast experience in the area of ICT, having acquired Bachelors degree in Computer Information Systems, Master degree in Computer Systems and currently pursuing a Ph.D, in Information Technology. He has a rich experience in both technical and teaching background. Having worked in the technical and administrative areas for more than 10 years and taught at university level since 2018. He is a lecturer in various universities including Machakos University, Daystar University and St. Pauls University. In addition, Watson has served as a co-opted member of the College BoM and Kathemboni Secondary School, and in administrative roles within the Anglican Church of Kenya. Watson Musyoki Kanuku is the chair person of the academic and welfare committee of the BOM and an independent member of the BOM

	BOARD MEMBER	PROFILE
3.16	 **Advocate Grace Omari**	**Board of Management -Member** Born in 1991, Advocate Grace Omari is a highly skilled and results-oriented legal professional with extensive experience in legal research, litigation support, and government service. Since May 2020, Grace has been serving at the Office of the Attorney General as Senior State Councel where she honed her expertise in legal drafting, case analysis, and advisory services. Between February 2021 and January 2022, she was attached to the Tax Appeals Tribunal as a Legal Researcher, gaining in-depth knowledge of tax law, tribunal procedures, and statutory interpretation. Grace has also worked as an Associate at Ochieng' & Alago Company Advocates and John N. Mugambi and Associates, where she was responsible for legal drafting, case analysis, and representing clients in court. Additionally, her role as a Legal Consultant and Human Resource Assistant Manager at Cedars Restaurant has enhanced her skills in employment law, contract drafting, and tax compliance. With previous experience as an advocate she developed strong research, analytical, and case management skills in delivering precise and well-researched legal solutions while upholding the highest standards of integrity and professionalism. Grace has served as a co-opted member and legal advisor for the College BoM. Advocate Grace Omari is an independent member of the BOM
3.17	 **Mrs Mabwai Joyce**	**Board of Management – Secretary and Principal** Born in 1966, Mrs Mabwai Joyce is the Chief Principal Machakos Teachers College and Secretary to the Board of Management. She holds a Master of Education degree and Diploma in School Leadership and Management from Kenya Educational Management Institute (KEMI). She is a dynamic and visionary educational leader with extensive experience of over 34 years in teaching, teacher training, curriculum development and institutional management. She is passionate about improving teacher education through innovative pedagogies, ICT integration and capacity building initiatives in an inclusive environment. Additionally, she is committed to fostering a culture of academic excellence and vibrant community engagement, prioritizes student support and development by creating a supportive learning environment to develop transformative, creative and ethical teachers. Her greatest desire is to foster stakeholders' engagement and partnership by collaborating with Government agencies, communities and non-governmental organizations to promote achievement of National Goals of Education. Mrs Mabwai is also a certified professional mediator, a trained counsellor and a life member of the Kenya Red Cross Society-Kenya Mrs Mabwai Joyce is the secretary of BOM committees of the following; Executive BoM, Finance, Procurement and general purpose Committee, College Infrastructure, development Committee and the academic and welfare committee.

4. Key Management Team

S/N	NAME OF STAFF	RESPONSIBILITY
4.1	 Mrs Joyce Mabwai	**Chief Principal** Lead person in implementation of the College strategic activities to ensure the college delivers on its mandate. Motivates and develops the College staff highest standards of performance and customer service She holds a Master of Education, Bachelor of Education, Diploma – School Leadership and Administration
4.2	 David Musau Katule	**Deputy Principal.** Work in liaison with the principal in implementing the BoM strategic decisions, in charge of student's discipline. He holds a Master of Education, Bachelor of Education
4.3	 Keziak Nyakio Munioh	**Dean of Students.** In charge of student's welfare and students' governance, ensure and make recommendations for provision of conducive environment for teacher trainee. She holds a Bachelor of Education degree.
4.4	 Mrs Sarah Mwirigi	**Dean of Curriculum.** In charge of implementation of the core functions of the College She holds a Master of Education, M.ED Education
4.5	 CPA Justin Kariuki	**Finance Officer** Administering routine financial functions ensuring all works is carried out in accordance with established procedures and systems. He holds a BBA/CPA (K)

5. Chairman's Statement



On behalf of the Board of Management, I am honored to present the Annual Financial Report for the financial year 2024/2025. This report demonstrates our commitment to accountability, transparency, and responsible stewardship of the institution's resources. It provides a clear reflection of our financial performance, the challenges we encountered, and the strategic priorities that guided our decisions during the year.

5.1 Financial Performance Overview

During the year under review, the institution maintained a steady financial position despite the challenges posed by increased operational costs and delays in the disbursement of funds. We recorded notable progress in enhancing revenue collection mechanisms and managing expenditure prudently in line with institutional priorities. Internal controls were further strengthened to ensure compliance with government financial regulations, while the adoption of digital financial management systems significantly improved reporting accuracy and accountability.

5.2 Strategic Focus

The Board of Management anchored its financial decisions on the institution's strategic plan, with a deliberate emphasis on sustainability and accountability. Our focus was directed towards promoting long-term stability by diversifying revenue streams, while at the same time enhancing efficiency through automation and digitization of financial processes. We prioritized investment in teaching, learning, and infrastructure improvement to support academic excellence, while ensuring strong governance and accountability through rigorous oversight and risk management practices. In addition, we invested in human capital by supporting both staff and students, recognizing that their well-being and productivity remain central to institutional success.

5.3 Infrastructure and Institutional Projects

Several projects were initiated and progressed during the year to support teaching, learning, and general welfare. The ERP system was rolled out to strengthen administrative processes. A borehole project was undertaken to improve water security for the college community. Construction of a new administration block began, aimed at expanding office space and improving service delivery. Additionally, solar lighting installations were introduced across the institution to promote sustainability, reduce power costs, and enhance security. These projects reflect our commitment to creating a conducive learning and working environment.

5.4 Appreciation of Stakeholders

The achievements recorded during the financial year could not have been realized without the unwavering support of our stakeholders. We extend deep appreciation to the Government of Kenya for its timely policy guidance and financial support, and to the Ministry of Education for continued collaboration in implementing reforms that shape the education sector. We acknowledge the College Senior Management Team for its diligent oversight, and we commend the academic and non-academic staff for their dedication to delivering quality services within the available resources. We are grateful to students and parents for their resilience and contribution to financial stability, and to our development partners and donors for their investment in infrastructure, innovation, and capacity building. The wider community and alumni have also remained steadfast in their support, reinforcing the institution's growth and progress.

5.5 Conclusion

As we transition into the 2025/2026 financial year, the Board remains steadfast in its resolve to ensure transparency, prudent financial management, and strategic investment in key institutional priorities. We reaffirm our commitment to strengthening accountability, building sustainability, and fostering excellence in education for the benefit of all stakeholders and for future generations. Thank you.

Signed by:

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Date: 28.08.2025

Prof. Francis Mathooko

Chairperson Board of Management

6. Report of the Chief Principal



(It gives me great pleasure to present the Chief Principal's Report for the financial year 2024/2025. This report highlights the milestones achieved in academic delivery, mentorship, assessment, co-curricular engagements, institutional development, and stakeholder collaborations. Guided by our mission of producing competent and values-driven teachers, the college has continued to uphold quality standards in training while investing in innovation and infrastructure to support holistic growth.

6.1 Curriculum Implementation and Assessment of Trainees

The college successfully implemented the teacher education curriculum with a strong emphasis on competency-based methodologies. Trainees were assessed both continuously and summatively through various assessments , practical activities, and teaching demonstrations. In addition, we embraced authentic assessment approaches, particularly the use of projects, portfolios, and reflective journals, which allowed trainees to demonstrate mastery of skills, creativity, and problem-solving in real-life teaching contexts.

6.2 Mentorship and Teaching Practicum

Mentorship remained central to our training program, providing trainees with professional guidance and nurturing their growth as future educators. During the year, the college successfully placed trainees in various practicum schools, ensuring they gained hands-on classroom experience in real teaching environments. Beyond placement, we also organized collaborative activities with our linked schools such as peer-learning forums.

6.3 Co-Curricular Achievements

In line with our holistic approach to education, the college recorded remarkable success in co-curricular activities. Our students participated in the National Inter-Collegiate Olympics, where they showcased excellence in athletics, team sports, earning recognition at the national stage. In addition, the college took part in the National Drama and Music Competitions, where our participants excelled, winning awards and commendations for their creativity, talent, and performance. These achievements not only brought pride to the institution but also affirmed our commitment to nurturing well-rounded graduates who excel both academically and in co-curricular pursuits.

6.4 Stakeholder Collaboration and Engagement

The institution deepened its engagement with key stakeholders during the year, building strong partnerships that enhanced teacher training and institutional development. We worked closely with the Zizi Afrique Foundation, which provided support to tutors and teacher trainees in integrating core competencies and values into teaching and learning. In addition, the college partnered with the Kilimanjaro Blind Trust, which supported our visually impaired trainees to master the use of technology in learning. The College has partnered with the Kenya Red Cross Society to train teacher trainees on basic first aid skills, equipping them with essential life-saving competencies that enhance their preparedness to respond to emergencies within the school and community environment.

6.5 ICT Investment and Integration

The college continued to prioritize ICT as a driver of modern education. Significant investments were made in upgrading computer laboratories, internet connectivity, and digital learning platforms. Training sessions for staff and students further enhanced digital literacy, enabling the effective integration of technology in teaching, learning, and assessment. The rollout of the Enterprise Resource Planning (ERP) system also streamlined administration, financial management, and academic record-keeping, thereby improving institutional efficiency and transparency.

6.6 Conclusion

The financial year 2024/2025 has been marked by growth, innovation, and resilience. We have made significant strides in curriculum implementation, mentorship, authentic assessment, co-curricular excellence, stakeholder engagement, ICT integration, and infrastructure development. As we move forward into the 2025/2026 academic year, the college remains committed to nurturing highly competent, innovative, and values-driven teachers who will contribute meaningfully to the transformation of education in Kenya and beyond.

Signed By:



..... Date: 28-08-2025

Joyce Mabwai
Chief Principal

7. Statement of Performance against Predetermined Objectives

Machakos Teachers College proactive implementation of its strategic plan for FY 2021/22-2025/26 is a crucial Key Performance Indicator (KPI) aligned with the Ministry of Education Goals. The Strategic Plan (SP) has five strategic pillars and objectives.

7.1 Performance against the Strategic Objectives

The strategy pillars/Key Result Areas (KRAs) for the 2021-2026 SP are as follows:

i. Provide teacher education and training programmes.

ii. Diversify financial sources and ensure efficient utilization of resources.

iii. Enhance effective management and administration of the College.

iv. Develop and enhance College infrastructure and facilities on suitable and needs basis.

v. Strengthen Capacity building on Professional skills and emerging issues.

Machakos Teachers College has 5 strategic goals within the current strategic plan for the year 2021- 2026. These strategic goals are as follows:

Strategic Goal 1: Provide teacher education and training programmes.

Strategic Goal 2: Diversify financial sources and ensure efficient utilization of resources.

Strategic Goal 3: Enhance effective management and administration of the College.

Strategic Goal 4: Develop and enhance College infrastructure and facilities on suitable and needs basis.

Strategic Goal 5: Strengthen Capacity Building on Professional skills and emerging issues.

To implement its strategic plan, the college abided by Government Policy for Performance Contract (PC) management through the Ministry of Education.

The College achieved its financial performance targets set for the FY 2024/2025 period for its 5 Strategic Goals as indicated in the diagram below.

Y RESULT EA	STRATEGIC OBJECTIVE	STRATEGY	TARGET	ACHIEVEMENT FY 2024-2025
A 1: ining of ality basic	Strategic Objective 1: To provide teacher	Initiate action research in learning	Competent teacher in Action Research	All teacher trainees carried out action research projects, with findings presented during lessons.

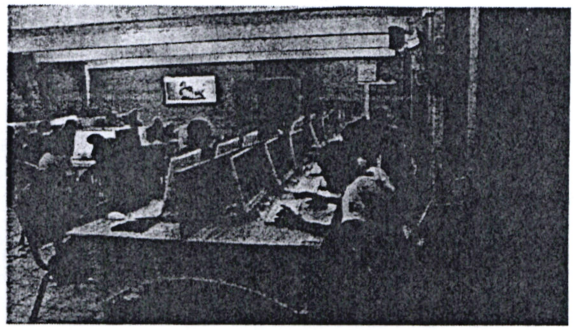
RESULT AREA	STRATEGIC OBJECTIVE	STRATEGY	TARGET	ACHIEVEMENT FY 2024-2025
education teachers	education and training programmes	Develop skills for community service learning	Competent teacher in CSL	100% of third year teacher trainees actively participated in community service-learning activities across 17 local primary schools and community projects.
		Provide learning assessment skills	Competent teacher in assessment	100% of tutors participated in developing and administering end-of-term assessments, while all trainees undertook various forms of assessments.
		Develop facilitation skills to teacher trainees	Teacher with facilitation skills	100% of third year teacher trainees prepared, presented, and received feedback on Microteaching and practicum.
KRA 2: Wellness and personality development	Strategic Objective 1: To develop a teacher with a balanced personality and wellness	Equip students with life skills	Socially balance students	Three life skills sessions were conducted, reaching 99% of teacher trainees trainees.
		Enhance guidance and counselling	Improved inter and intra personal relationships	95% of teacher trainees (998) benefited from group counselling sessions, while others received individual counselling support.
		Enhance effective students governance	Improved governance	100% of student council members underwent two-day capacity building trainings, and 4 governance meetings were held during the academic year.
		Instill student discipline	Disciplined student	Parental engagement forums were held to support trainees with discipline issues.
		Improve recreational facilities	Improved recreational facilities	Six inter-house sports competitions and 3 friendly matches with neighboring institutions were organized, engaging trainees.
		Enhance health care services	Health of students improved	100% of teacher trainees health cases and facilitated 1 medical outreach programs within the year.
KRA 3: Talent development	Strategic Objective 1: To bring out and nurture learner individual talents	Bring out and nature learners individual talents	Talents developed	Trainees showcased talents in sports tournaments, 2 music festivals, and through ICT club projects such as video recording and editing.
		Provide support services in learners with talents	Enhanced talents	Talented trainees represented the College in external competitions, including the Red Cross First Aid Contest, French competitions winning awards.
		Organize talents forums	Talent forums	Four inter-house competitions and one annual Culture Day were organized, attracting participation of over trainees.
		Develop motivation strategies for	Motivation programs	Trainees with talents were given opportunity to showcase their talents

KEY RESULT AREA	STRATEGIC OBJECTIVE	STRATEGY	TARGET	ACHIEVEMENT FY 2024-2025
		learners with talents		during culture day, Drama festivals, Music and sports. Were provided with students' upkeep.
KRA 4: Institutional Capacity	Strategic Objective 1: To diversify financial sources and ensure efficient utilization of resources	Diversify existing programmes/ projects	Programmes and projects	Installation of solar security lights in the college to reduce reliance on mains electricity Installation of ERP to improve college processes and administration.
		Install and operationalize Financial Management Information System	Operational financial management system and financial reports	Finance module of ERP operationalized in the college.
		Sensitize students on prompt fees payment	Updated fees register	Appointment of Fees collection committee.
		Comply with Public Procurement and Assets Disposal Act and other legislations	Adverts, tender documents and minutes	All procurement posted on the Public Procurement Portal with strict compliance with government regulations.
	Strategic Objective 2: To enhance effective management and administration of the College	Improve management systems and structures	Integrated Information Management System	Installation of a integrated collage management information system running on Microsoft Dynamics 365, Moodle and KOHA for library management
		Carry out internal and external quality audits	Audit reports	The college embracing Quality management by implementing ISO 9001:2015 Carrying out internal audit of the various departments and sections
		Develop and implement annual Performance Contract.	Signed performance contract	Successfully implemented the vetted FY 2024/2025 PC and submitted periodic report to various regulatory agencies
		Train staff on performance management and appraisal.	Training schedules, certificates, and list of participants	Always having an agenda on Performance contracting and TPAD in every staff meeting to capacity build staff on appraisal
		Provide team building programmes.	Report and schedules	Tutors and non-teaching staff taken for a team building activity in Mombasa
	Strategic Objective 3: To	Develop project proposals	Projects proposal	Proposals for removal of Asbestos roof developed and shared.

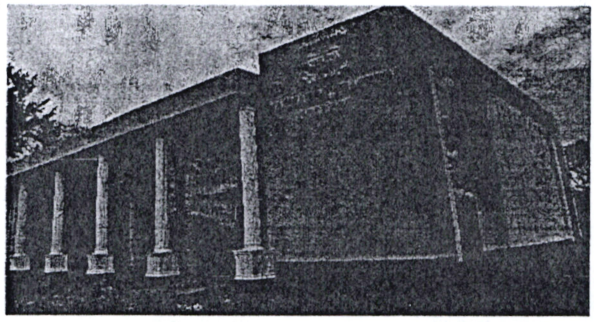
RESULT AREA	STRATEGIC OBJECTIVE	STRATEGY	TARGET	ACHIEVEMENT FY 2024-2025
	develop and enhance the College infrastructure and facilities on a suitable and needs basis	Rehabilitate the existing infrastructure and facilities	Renovated infrastructure	Renovations in the hostels and staff houses done
		Develop required infrastructure on priority basis	New structures	Completed and operationalized the ultra-modern administration block
	Strategic Objective 4: To Strengthen capacity building on professional skills and emerging issues	Conduct training needs assessment	Questionnaires and needs assessment reports	Questionnaire on training needs assessment developed
		Train and sensitize staff in line with professional gaps and emerging issues	Minutes, attendance list and reports	Tutors trained on core values and life skills in conjunction with Zizi Afrique Foundation
		Implement internal appraisal systems and rewards	Appraisal reports and awards register	Staff appraisal reports for tutors under the TPAD system by TSC.
	Strategic Objective 5: To enhance a conducive working and learning environment for effective service delivery	Provide infrastructure to improve work environment	Improved infrastructure	Renovated and assigned staff to various offices to enhance staff output
		Review the Service Delivery Charter	Revised service charter	Service charted revised and posted on various strategic locations in the college
		Implement ministry of education guidelines on safety and security	Safety equipment and structures	Ensured all classes have no grills to enhance security



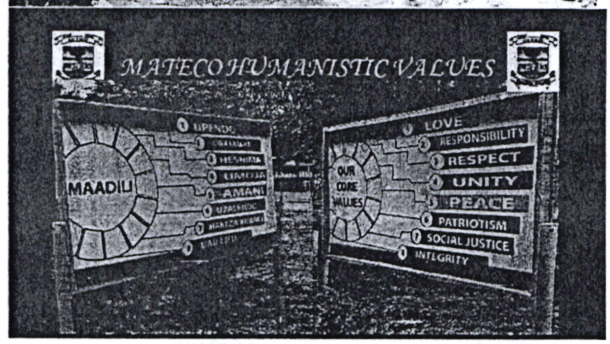
The Chairman BoM breaking Ground for construction of the new Tuition Blocks



Teacher Trainees in the I-Hub carrying out an online lesson







8. Corporate Governance Statement

The College affirms that good corporate governance is key to any Institution of learning. The College commits to ensure that here is compliance with the legal and statutory requirements. It also commits to meet the set deadlines.

1. On behalf of the Cabinet Secretary, Ministry of Education, the College is managed by the Board of Management comprising of fourteen (14) Members. The Board assumed office in March, 2021.
2. The process of appointment and mandate of the Board of Management is clearly outlined in CAPS 14 of the Basic Education Act of 2013

(a) Appointment of Board of Management Members

The members of the Board of Management are appointed by the Cabinet Secretary, Ministry of Education following recommendations of the Nomination Committee. The Board comprises of fourteen (14) members and serves for three (3) years.

(b) Composition of Board of Management.

The Board of Management established under section 55 of the Basic Education Act consists of the following members appointed by the County Education Board:

i). Six persons elected to represent local community.
ii). One person nominated by the County Education Board.
iii). One representative of the teaching staff in the school elected by the teachers.
iv). Three representatives of the sponsors of the school.
v). One person to represent special interest groups in the community.
vi). One person to represent persons with special needs.
vii). A representative of the students' council who shall be an ex officio member.

(c) Roles and functions of the Board of Management

As stipulated in The Basic Education Act No. 14 of 2013, Section 59, the functions of the Board of Management shall be to:-

i). Promote the best interest of the Institution and ensure its development.
ii). Promote quality education for all pupils in accordance with the standards set under this Act or any other written law.
iii). Ensure and assure the provision of proper and adequate physical facilities for the Institution.
iv). Manage the Institution's affairs in accordance with the rules and regulations governing the occupational safety and health.
v). Advise the County Education Board on the staffing needs of the Institution.
vi). Determine cases of pupils' discipline and make reports to the County Education Board.
vii). Prepare a comprehensive termly report on all areas of its mandate and submit the report to the County Education Board.
viii). Facilitate and ensure the provision of guidance and counselling to all learners.
ix). Provide for the welfare and observe the human rights and ensure safety of the pupils, teachers and non-teaching staff at the Institution.

x). Encourage a culture of dialogue and participatory democratic governance at the Institution.
xi). Promote the spirit of cohesion, integration, peace, tolerance, inclusion, elimination of hate speech and elimination of tribalism at the Institution.
xii). Encourage the learners, teachers and non-teaching staff and other parents and the community, and other stakeholders to render voluntary services to the Institution.
xiii). Allow reasonable use of the facilities of the Institution for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may determine including the charging of a fee.
xiv). Administer and manage the resources of the Institution.
xv). Receive, collect and account for any funds accruing to the Institution.
xvi). Recruit, employ and remunerate such number of non-teaching staff as may be required by the Institution in accordance with this Act.
xvii). Perform any other function to facilitate the implementation of its functions under Basic Education Act No. 14 of 2013 or any other written law.

(d) Board of Management Induction and Training.
Members of the Board were inducted by officers from the Ministry of Education and National Treasury on 16th December, 2022.
Board and members allowances.

The College pays allowances to Board members to facilitate their travel to and from the College.
(e) Meetings.
i). Full Board meetings – Held once a term, but if there is an urgent need, a meeting can be convened.
ii). Board Committee meetings – Once every term.
iii). Executive Board meetings – Once every term and when need arises.
iv). Special Board of Management meeting - May be held on need basis.

9. Management Discussion and Analysis

Machakos Teachers College operational and financial performance

9.1 Operational performance

Machakos Teachers College has continued to demonstrate great resilience, as reflected in our operational and financial performance in financial year ending 30th June 2025. The College was able to deliver on its mandate. Below are some notable achievements;

i. The College successfully graduated the first cohort of 268 DPTE and DECTE trainees, including repeaters, after three years of rigorous training and mentorship, marking a significant milestone in producing competent teachers for the effective implementation of the CBC.
ii. The College maintained a high transition rate of teacher trainees, attributed to strong support systems including mentorship, guidance and counselling, and continuous trainee support that ensured retention and progression.
iii. To address water challenges, the College invested in the sinking of a second borehole, significantly improving access to clean and reliable water.
iv. To expand learning spaces and promote a more conducive study environment, the College procured three (3) spacious one-hundred-seater tents, which now serve as vital study and preparation areas for teacher trainees.
v. Installation of solar lighting in the college to help reduce reliance on the mains electricity. This will assist at night to ensure the college is well light with minimal operating cost.
vi. To enhance flexibility in teaching and learning, the College procured one hundred (100) lecture chairs for use in the Smart Class as a breakout room, thereby creating a modern and learner-friendly space for group work and collaborative learning.
vii. In the financial year ending 30th June 2024, the College successfully maintained timely salary payments for non-teaching staff, strengthening staff morale and institutional stability.
viii. Compliance with the statutory requirements by promptly submitting the dues to various government entities in time.
ix. Continuous Certification on Quality Management Systems by Kenya Bureau of Standards (KEBS).
x. To strengthen institutional management and service delivery, the College initiated the construction of a state-of-the-art administration block that will greatly improve administrative efficiency.

xi. The College provided structured mentorship to teacher trainees through Mentorship and Practicum programmes in the linked primary schools, equipping them with practical classroom experience, professional guidance, and confidence to implement the CBC effectively.

xii. The College is actively implementing Competency Based Teacher Education (CBTE), aligning training with national reforms to ensure that teacher trainees acquire the pedagogical skills, values, and competencies required for effective delivery of the CBC in schools.

xiii. Hosting workshops and trainings for various organizations. Such as TSC, KNEC, Public Service Commission.

xiv. The College partnered with Zizi Afrique Foundation to build the capacity of lecturers and students on core competencies and life skills, thereby strengthening the integration of values and competency-based approaches in teacher education.

xv. Partnership with Red Cross society to offer First Aid training to all teacher trainees.

xvi. Participation of four (4) ball games teams to the National level. The teams were Hockey women, Netball Men and Goalball men and women. The college was also represented by 24 athletes at the inter collegiate games in Kibabii Teacher Training College in Bungoma.

xvii. Participation of Eight (8) Music and drama items to the national level.

9.2 Financial Performance

The College operates on fees received from students and government's grants. In the FY 2024/2025 the College targeted to raise Kshs. **93,587,812.00** from students and Ksh **16,446,200.00** from Government Grants. By the end of the 30th June 2025, the total revenue of Kshs. **90,524,380.00** was received from students, Ksh **13,882,952.00** from government for four quarters.

Machakos Teachers College compliance with statutory requirements

The College complies with statutory requirements by timely remittance of Pay as you Earn (PAYE), National Social Security Fund (NSSF), and National Hospital Insurance Fund (NHIF), Affordable Housing Levy (H/L) and National Industrial Trading Authority (NITA) levy as required, Employment Act Cap 229 2007, Basic Education act 2013.

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

In FY 2024/2025, Machakos Teachers College plans to implement projects that enhance effective delivery of the new Competency Based Teacher Education curriculum. The Board has plans to undertake renovations of Classes. To improve facilitation of learning, the College with the support of the Ministry of Education, will establish I-Hub, Studio, Smart Classrooms and DLP Laboratory. This will facilitate ICT integration, Creativity, research and enhance access to information for the teacher trainees and staff.

To enhance and ensure effective, efficient and consistent service delivery, the college is implementing an Enterprise Resource Planning at cost of Kshs. **5,975,160.00.**The project is nearing completion and sign out.

As an inclusive institution that admits Teacher Trainees with visual, Physical, hearing and multiple impairment. The college seeks to ensure accessibility of learning resources for Teacher Trainees with visual impairment, by ensuring they are able to access internet and other resources. The College will seek support from partners in training of staff and students on use of orbit readers KSL and Braille Proficiency. Moreover, the College will ensure Teacher Trainees with hearing impairment acquire digital literacy competency to enable them carry out research.

Major risks facing Machakos Teachers College

The principle risks identified within the College are:

i. Transition rates. Most teacher trainees are from very humble background and since bursaries are not adequate, some of them may not be able to transit from one year to the next.
ii. The affordability of education in Teacher Training Colleges is a major challenge, since teacher trainees are not eligible for HELB loans unlike their counterparts in universities and TVET institutions.
iii. The bursary allocation from NG-CDF is insufficient, leaving many trainees struggling to meet the cost of education.
iv. Delay in disbursement of funds from the Government for payment of Non-teaching staff salaries.
v. The land dispute with Machakos Golf Club Limited presents a major risk to the College, jeopardizing the use of critical acreage and potentially affecting long-term growth.

vi. The negative perception of some teacher trainees towards education poses a significant risk to the College, as it affects attendance, reduces active participation in the learning process, and ultimately undermines the quality of training and professional preparation.

vii. The College faces inadequate ICT resources, which limits effective teaching, learning, and administrative functions.

viii. Asbestos roofing on 95% of the College buildings poses a significant health risk to the community, and its safe removal and disposal—estimated at approximately Ksh. 40 million—remains a major financial challenge.

ix. Inadequate staffing in Music, Art, and Craft poses a major challenge to the successful implementation of the CBC curriculum.

x. Insecurity remains a challenge due to the porous boundary, while ongoing encroachment by the Machakos Golf Club Limited and a court injunction barring the College from utilizing about 26.3 acres of its land have further constrained development and expansion efforts.

xi. The physical facilities, though functional, are timeworn and in need of refurbishment to meet modern standards.

xii. Inadequate physical and human resource facilities for Special Needs Education students hinder effective training and inclusion, as the College lacks sufficient specialized infrastructure, adaptive learning materials, and trained personnel to adequately support learners with diverse needs.

xiii. Poor soil and uneven terrain at the College negatively affect the quality of games facilities.

Material arrears in statutory/financial obligations

At the end of the period ended June 30, 2025 the Trade payables total totalled to 2,242,090.00

Machakos Teachers College financial probity and serious governance issues

Machakos Teachers College, observe financial integrity by ensuring due procurement regulations are followed in acquisition of services or goods. Integrity is one of the core values of the College. Based on absolute honesty in handling public funds, the College staff maintain strict obedience to code of ethics for public servants.

To protect the College from legal and financial risk, tenders were advertised, opened and evaluated as per the Public procurement and Assets Disposal Act 2015 (PPAD). Tender participants are treated fairly and equally; their confidential information is maintained. The College currently advertises tenders through the Public Procurement and Information Portal (PPIP). The College has established and functioning tender opening and evaluation committee.

The College financial records are well maintained and accurate and timely financial statements can easily be generated. Payments are made only for goods received and services provided and the College Inspection and Acceptance Committee play a critical role in ensuring there is no loss of funds by the college by ensuring quality and quantity of goods and services.

The Finance and Procurement staff have the right qualifications for their positions. To enhance effective and timely service delivery, the staff were in serviced in September 2023

10. Environmental And Sustainability Reporting Statement

Sustainability strategy and profile

Machakos Teachers College is located in close proximity to Machakos town which is the headquarters of Machakos County. In addition, it is about 65 km from Nairobi. Its location thus provides opportunities for her growth as demonstrated in the income earned from hosting activities.

To ensure the College meet expectation as it delivers on its mandate, the College:

a) Adheres strictly to established procurement procedures to guarantee transparency, accountability, and value for money.
b) Implements an annual tree-planting program as part of its commitment to environmental sustainability.
c) Conducts regular sensitization programs to create awareness within the college community on the prudent use and conservation of water and electricity.
d) Undertakes rainwater harvesting from iron-roofed buildings to enhance water resource management.
e) Promotes the use of energy-efficient cooking technologies, such as energy-saving jikos, to reduce fuel consumption and protect the environment.
f) Aligns all procurement activities to approved requisitions to ensure efficiency and minimize resource wastage.

Environmental performance

The College has two parcels of land; Machakos Block 1/27 and Block 1/26. The Land Parcel Block 1/26 was donated by the Machakos Golf Club to the College in 1970's. However, FY 2020/2021, Golf Club took the College to Court to restrain the college from carrying out any activity on the aforementioned piece of land. The Case is yet to be concluded.

During the last financial year, Safaricom Foundation facilitated removal and safe disposal of asbestos from the ICT Laboratories. Subject to availability of funds, the College plans to undertake in phases safe removal and disposal of asbestos from the college buildings.

Employee welfare

The college uses guidelines and regulations provided by the ministry of Education to hire and

manage its employees. The number of staff recruited is as per the Non-teaching staff establishment approved by the ministry of education. The Board of Management hires the services of non-teaching staff on permanent basis according to the college needs and ability to pay salaries. The non-teaching staff salaries is funded by the government grants and trainee's fees. On recruitment, the board of management seeks to ensure highest standards of efficiency, competence and integrity without discrimination based on sex, religion, ethnic origin or disability. The board commits to uphold equal opportunity to all.

11. Report of the Board of Management

The Board members submit their report together with the audited financial statements for the period ended June 30, 2025 which shows the state of Machakos Teachers College financial affairs.

Principal activities

The core mandate of the College is to prepare and develop competent, reflective, and ethical Primary and Early Childhood Education teachers. This is achieved through providing high-quality training that equips trainees with relevant pedagogical knowledge, practical skills, professional attitudes, and positive values. The College further nurtures innovation, research, and community engagement to ensure that graduates are not only responsive to the needs of learners but are also adaptable to the demands of a dynamic education system and the broader society.

Results

The results of Machakos Teachers College for the year ended June 30 ,2025 are set out on page 1-34

Board of management

The members of the Board who served during the year are shown on page xiii-xxii

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Auditors

The Auditor General is responsible for the statutory audit of Machakos Teachers College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the Machakos Teachers College for the period ended June 30, 2025 in accordance to the section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an audit on his behalf.

By Order of the Board

.....

Joyce Mabwai
Secretary of the Board of Management
Machakos Teachers College

Date: 28-08-2025

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

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 - require the Board members to prepare financial statements in respect of that College, which give a true and fair view of the state of affairs of the College at the end of the financial year/period and the operating results of the College for that year/period. The Board members are also required to ensure that the College keeps proper accounting records which disclose with reasonable accuracy the financial position of the College. The Board members are also responsible for safeguarding the assets of the College.

The Board members are responsible for the preparation and presentation of the Machakos Teachers College financial statements, which give a true and fair view of the state of affairs of the College for and as at the end of the financial year (period) ended on June 30th 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the College, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the College, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the College's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act, and the TVET Act) – entities should quote applicable legislation as indicated under). The Board members are of the opinion that the College's financial statements give a true and fair view of the state of College's transactions during the financial year ended June 30, 2025, and of the College's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the College, which have been relied upon in the

preparation of the College's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the College's ability to continue as a going concern (disclose as applicable, matters relating to the use of going concern basis of preparation of the financial statements.) Nothing has come to the attention of the Board of Management members to indicate that the College will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The College's financial statements were approved by the Board on 28th August 2025 and signed on its behalf by:

.....	.....
Prof. Francis Mathooko	**Joyce Mabwai**
Chairperson of the Board of Management	**Accounting Officer/ Chief Principal**
Date: 28.08.2025	**Date:** 28-08-2025

REPUBLIC OF KENYA

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

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

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

PREAMBLE

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

A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;

B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,

C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Machakos Teachers College set out on pages 1 to 41, which comprise of the statement of financial position as at 30 June, 2025, the statement of financial performance, statement of changes in net

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

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

Basis for Qualified Opinion

1. Long Outstanding Trade Receivables

The statement of financial position and as disclosed in Note 18 to the financial statements reflect current portion of receivables from exchange transactions balance of Kshs.32,165,665. Included in the balance are receivables totaling Kshs.12,000,171 which have remained outstanding for over three (3) years. The amount further includes Kshs.1,002,315 in respect to fees arrears owing from former students who presented fake receipts in the financial year 2016/2017 which are unlikely to be recovered. No evidence was provided to confirm measures put in place to recover the debts. In addition, the College has no Policy for bad and doubtful debts.

In the circumstances, the accuracy, recoverability and validity of the receivables totaling Kshs.12,000,171 could not be confirmed.

2. Inaccuracies in the Financial Statements

2.1 The Statement of Cashflows

The statement of cash flows reflects net cash flows from operating activities of Kshs.22,741,441. However, Note 23 to the financial statements reflects net cash flows of Kshs.24,018,144 resulting to unexplained variance of Kshs.1,276,703.

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

2.2 The Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects total income and total expenditure final budget of Kshs.130,310,388 and Kshs.134,732,509 respectively resulting in unbalanced budget. No explanation was provided for the budget deficit of Kshs.4,422,121.

In the circumstances, the accuracy and completeness of the statement of comparison of budget and actual amounts could not be confirmed.

3. Unconfirmed Property, Plant and Equipment

The statement of financial position and as disclosed in Note 19 to the financial statements reflect property, plant and equipment balance of Kshs.2,043,965,470. However, the assets register provided for audit review was in a summarised form and did not provide the details of the assets such as historical cost, revalued amount, depreciation charge and residual value. In addition, Note 19 to the financial statements reflects adjustments for valuation as at 30 June, 2025 of Kshs.8,614.699 being revaluation loss on plant and equipment. However, IPSAS 17 on revaluation loss require revaluation loss to be expensed in the statement of financial performance.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.2,043,965,470 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects actual expenditure of Kshs.104,352,741 against actual receipts of Kshs.128,106,325 resulting to under absorption of Kshs.23,753,584 or approximately 19% of actual receipts.

The under absorption 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. Except for the effect of the matters described in the basis for qualified opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the prior years' audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the

status during the audit of the financial year 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Lack of Higher Education Loans to Students
2	2023/2024	Use of Manual System
3	2023/2024	Weak Information Communication and Technology Controls

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Submit Quarterly Reports

Management did not prepare quarterly reports for the second and third quarters of the financial year 2024/2025. This is contrary to Regulation 65. (1) and (4) of the Public Finance Management (National Government) Regulations, 2015 which require the

Accounting Officer or Receiver of Revenue or Collector of Revenue to prepare quarterly reports not later than the 15th day after the end of the quarter and to submit to The National Treasury with a copy to the Auditor-General.

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

2. Long Outstanding Trade and Other Payables

The statement of financial position and as disclosed in Note 20 to the financial statements reflect trade and other payables balance of Kshs.10,966,813. Included in the balance is Kshs.8,587,723 for payables aged over three (3) years. This is contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that debt service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

3. Late Disbursement of Operational Grants by the National Government

The statement of financial performance and as disclosed in Note 6 to the financial statements reflect transfers from Other National Government entities totaling Kshs.13,882,952. However, review of the supporting documents revealed Kshs.3,603,220 was received from the Ministry of Education on 4 July, 2025.

In the circumstances, late release of the grants hindered the College's ability to implement planned programmes and may have negatively impacted on service delivery to the public.

4. Non-Compliance with Law and Effectiveness on Procurement Planning

Review of procurement processes revealed that the College had a consolidated Annual Procurement Plan for financial year 2024/2025 which was approved by the Board. However, user requirements for financial year seven (7) departments with total planned procurements of Kshs.25,838,371 were not provided for audit review. This is contrary to Section 40(3) of the Public Procurement and Assets Disposal Regulations, 2020 which states that the head of user department shall submit an annual departmental Procurement Plan to the Accounting Officer prior to commencement of the financial year and shall be implemented in accordance with the timelines set out therein.

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

5. Non-Compliance with Law on Ethnic Composition

Review of the payroll database for non-teaching and subordinate staff revealed that out of 44 members of staff, thirty-two (32) employees or approximately 72% of the total workforce were from the dominant ethnic community in the County. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the

employment of staff and that no public Institution shall have more than one-third of its staff establishment from the same ethnic community".

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

6. Lack of an Approved Human Resource Policy Manual

Review of the human resources records revealed that the College did not have an approved Human Resource Management Policy Manual. This is contrary to Section B.2 (1) and (2) of the Human Resource Policies and Procedures Manual for Public Service, 2016 which require Management to prepare Human Resource Plans to support achievement of goals and objectives in their strategic plans and form basis for development of annual Recruitment Plans.

In the circumstances, Management did not comply with Section B.2 (1) and (2) of the Human Resource Policies and Procedures Manual for Public Service, 2016.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Failure to Maintain an Updated Fixed Assets Register

As previously reported, the statement of financial position and as disclosed in Note 19 to the financial statements reflect property, plant and equipment balance of Kshs.2,042,199,932. However, the register provided in support of the assets did not reflect details such as date of revaluation, basis of revaluation, valuer, asset code, original cost and revalued amounts.

In the circumstances, existence of effective internal controls on the fixed assets could not be confirmed.

2. Understaffing

As previously reported, review of records on staff establishment revealed in-post teaching staff of forty-five (45) against an authorized establishment of one hundred and fifty-one (151) resulting to staff shortage of one hundred and six (106). Further, review of the College's non-teaching staff revealed in-post staff of forty-five (44) against an authorized establishment of sixty-six (66) resulting to staff shortage of twenty-two (22).

In the circumstances, the College is not likely to effectively and efficiently carry out its mandate.

3. Lack of Risk Management Policy and Disaster Recovery Plan

The College Management had not put in place a Risk Management Policy, strategies and a risk register to mitigate against risks. It was therefore not clear how risk exposure was managed. This is contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which states that "The Accounting Officer shall ensure that the National Government entity develops; (a) risk management strategies, which include fraud prevention mechanism; and (b) a system of risk management and internal controls that builds robust business operations".

Further, the College did not have disaster recovery and business continuity plans required for identifying, preventing and mitigating against disasters and ensuring that its operations are not interrupted.

In the circumstances, Management's preparedness towards responding to risk could not be confirmed.

7. Inadequate Imprest Management Controls

Review of imprest management records revealed that the imprest register maintained did not indicate the officer's names, outstanding imprest, amount advanced, date advanced, surrender date and outstanding imprest (if any). In addition, review of a sample of surrenders amounting to Kshs.938,700 which had been issued to eighteen (18) officers revealed that the imprests were not supported with memos requesting to undertake the exercises, imprest warrants, back to office reports upon completion of the workshop and official work tickets or bus tickets as proof of having undertaken the journey.

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

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 Board of Management

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

Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In conducting the audit, Article 229(6) of the Constitution also require 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

11 November, 2025

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

Description	Notes	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	13,882,952	15,000,929
		13,882,952	15,000,929
Revenue from Exchange transactions			
Rendering of services- fees from students	7	90,524,380	57,120,785
Rental revenue from facilities and equipment	8	1,744,869	1,706,670
Finance income	9	1,276,703	966,741
Miscellaneous income	10	27,090,188	36,614,750
Revenue from Exchange transactions		120,636,140	96,408,946
Total Revenue		134,519,092	111,409,875
Expenses			
Use of goods and services	11	79,354,052	62,759,270
Employee costs	12	17,048,344	17,380,266
Board of Management Expenses	13	2,187,485	828,000
Depreciation and amortization expense	14		9,648,019
Repairs and maintenance	15	3,267,239	2,570,545
Contracted services	16	1,411,353	
Total Expenses		**103,268,473**	**93,186,100**
surplus/(deficit) for the year before Tax		**31,250,619**	**18,223,775**
Income tax		264,560	208,478
Net surplus/(deficit) for the year		**30,986,059**	**18,051,297**

The Financial Statements set out on pages 1 to 4 were signed by:

Prof. Francis Mathooko	Joyce Mabwai	Justin Kariuki
Chairperson of the Board of management	Chief Principal	Finance Officer
		ICPAK No 20658
Date: 28.08.2025	Date: 28-08-2025	Date: 28/08/2025

5. Statement of Financial Position As At 30 June 2025

Description	Notes	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	19,258,180	21,928,545
Current portion of receivables from exchange transactions	18	32,165,665	34,559,114
Receivables from non-exchange transactions	18C	3,603,220	
Total Current Assets		55,027,065	56,487,659
Non-Current Assets			
Property, plant, and equipment	19	2,043,965,470	65,703,462
Total Non-Current Assets		**2,043,965,470**	**65,703,462**
Total Assets (A)		**2,098,992,535**	**122,191,121**
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	20	10,966,813	19,593,350
Refundable deposits from customers	21	2,777,560	1,647,246
Payments received in advance	22	2,769,159	1,031,110
Total Current Liabilities		**16,513,532**	**22,271,706**
Non-Current Liabilities			
Total Liabilities (B)		**16,513,532**	**22,271,706**
Net Assets (A-B)		**2,082,479,003**	**99,919,414**
Represented By:			
Revaluation Reserves		1,974,406,192	22,832,662
Accumulated Surplus		77,086,752	59,071,455
Surplus for the year		30,986,059	18,015,297
Net Assets		**2,082,479,003**	**99,919,414**

The Financial Statements set out on pages 1 to 4 were signed by:

Prof. Francis Mathooko	Joyce Mabwai	Justin Kariuki
Chairperson of the Board of management	Chief Principal	Finance Officer
		ICPAK No 20658
Date: 28.08.2025	Date: 28-08-2025	Date: 28/08/2025

16. Statement of Changes in Net Asset For The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023				
Revaluation gain Adjustment	22,832,662	59,071,455		77,086,752
Surplus/(deficit) for the year		18,015,297		18,015,297
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings				
At June 30, 2024	**22,832,662**	**77,086,752**		**99,919,414**
At July 1, 2024	**22,832,662**	**77,086,752**		**99,919,414**
Revaluation gain	1,951,573,530		-	1,951,573,530
Surplus/(deficit) for the year		30,986,059	-	30,986,059
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings				
At June 30, 2025	**1,974,406,192**	**108,072,811**		**2,082,479,003**

Note:
In the 2023/2024 FY assets were reported using a fair value however as at 30th June 2025 were valued resulting to a gain value of Ksh 1,951,573,530

17. Statement of Cash Flows For The Year Ended 30 June 2025

Description	Note	2024/2025 FY Kshs	2024/2025 FY
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		10,279,732	15,000,929
Grants from donors and development partners			
Transfers from other levels of government			
Public contributions and donations			
Rendering of services- fees from students		82,511,838	55,499,954
Rental revenue from facilities and equipment		1,744,869	1,706,670
Miscellaneous income		32,293,183	24,110,626
Total Receipts		**126,829,622**	**96,318,179**
Payments			
Use of goods and services		80,209,960	63,989,344
Employee costs		17,012,144	17,279,466
Board /Council Expenses		2,187,485	828,000
Repairs and maintenance		3,267,239	2,570,545
Contracted services		1,411,353	845,994
Total Payments		**104,088,181**	**85,513,349**
Net Cash Flows from operating activities	**23**	22,741,441.00	10,804,830
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-26,423,949	-21,848,085
Proceeds from sale of property, plant and equipment			
Interest income		1,276,703	966,741
Interest income tax		-264,560	
Net cash flows used in investing activities		-25,411,806	966,741
Net Increase/(Decrease) in Cash and Cash equivalents		-2,670,365	-10,076,514
Cash and Cash equivalents at 1 JULY	**26**	**21,928,545**	**32,005,060**
Cash and Cash equivalents at 30 JUNE	**26**	**19,258,180**	**21,928,545**

The cash flow for comparative year was prepared using indirect method

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance Difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Ksh	%
	a	b	c=a+b	d	e=(c-d)	f=d/c*100
Receipts						
Transfers from other Govt entities Govt grants	16,446,200		16,446,200	10,279,732	6,166,468	63
Rendering of services- Fees from students	77,347,900	16,239,912	93,587,812	82,511,838	11,075,974	88
Hire of facilities	1,556,920		1,556,920	1,744,869	-187,949	112
Interest Income	637,516		637,516	1,276,703	-639,187	200
Miscellaneous Income	3,500,000	14,581,940	18,081,940	32,293,183	-14,211,243	179
Total Receipts	**99,488,536**	**30,821,852**	**130,310,388**	**128,106,325**	**2,204,063**	**98**
Payments						
Use of Goods and services	82,185,928	28,065,431	110,251,359	80,209,960	30,041,399	73
Employees costs	17,366,123		17,366,123	17,012,144	353,979	98
Board of Management Allowance	2,040,000		2,040,000	2,187,485	-147,485	107
Repair and Maintenance	3,000,000	261,000	3,261,000	3,267,239	-6,239	100
Contracted Service	1,718,400		1,718,400	1,411,353	307,047	82
Income Tax	95,627		95,627	264,560	-168,933	277
Total expenditure payments	**106,406,078**	**28,326,431**	**134,732,509**	**104,352,741**	**30,379,768**	77
Capital expenditure payments		37,920,949	37,920,949	26,423,949	11,497,000	70
Surplus				**(2,670,365)**		

Budget notes

i. The college budgeted grants based on the previous years total disbursement, however the Ministry of Education disbursed grants lower than budgeted however college does not have control of the amounts disbursed.
ii. The college hosted more workshops than budgeted hence more revenue.
iii. The college invested in more profitable means than budgeted.

iv. The college hired out more facilities than budgeted

v. The BOM held more meetings due to various college activities. e.g. Graduation ceremony, working retreat (to do BOM exit report)

vi. There were no major expenditure on hire of facilities.

19. Notes to the Financial Statements

1. General Information

Machakos Teachers College is established by the Government of Kenya and derives its authority and accountability from the Basic Education Act No. 14 of 2013.The College is wholly owned by the Government of Kenya and is domiciled in Kenya. Machakos Teachers College principal activity is to train quality engaged, empowered and ethical Diploma Primary and Early Childhood education teachers

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Machakos Teachers College accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Machakos Teachers College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the Basic Education Act of 2013, legal notice no 14 of 2013 laws of Kenya and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

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

IPSAS 43: Leases	**Applicable 1st January 2025** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44:	**Applicable 1st January 2025**

Non- Current Assets Held for Sale and Discontinued Operations	The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	**Applicable 1st January 2025** The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	**Applicable 1st January 2025** The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	**Applicable 1st January 2026** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	**Applicable 1st January 2026** The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.

IPSAS 49: Retirement Benefit Plans	**Applicable 1st January 2026** The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	**Applicable 1st January 2027** The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

The Machakos Teachers College did not early adopt any new or amended standards in year 2025

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board of Management on 20th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Machakos Teachers College upon receiving the respective approvals to conclude the final budget. Accordingly, the Machakos Teachers College recorded additional appropriations of Ksh 68,742,801 on the FY 2024/2025 budget following the Board's approval. The Machakos Teachers College budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

c) Taxes

Current income tax

The Machakos Teacher College is exempt from paying taxes as per schedule of the TAX ACT

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

e) Property, plant and equipment

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

	Depreciation Rate	Reducing Balance
Leasehold Buildings	2%	√
Motor Vehicles	25%	√
Computer Equipment	30%	√
Office Equipment	12.5%	√
Furniture	12.5%	√
Fittings and Partitions	12.5%	√

f) Leases

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

recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the College will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to Machakos Teachers College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The College does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. . A financial instrument is any contract that gives rise to a financial asset of one College and a financial liability or equity

Financial assets

Classification

The Machakos Teachers College classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Machakos Teachers College classifies its financial

assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net

assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

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

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) Borrowing costs

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

s) Related parties

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

t) Service concession arrangements

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

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available.

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

6. Transfers from other National Government entities

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Unconditional Grants		
Operational grant	13,631,920	14,606,450
SNE grants	251,032	394,479
Total unconditional Grants	**13,882,952**	**15,000,929**
Conditional Grants amortised/ recognised in revenue		
Total Government Grants and Subsidies	**13,882,952**	**15,000,929**

NOTE:

i. The college had received three quarter grants for the financial year 2024/2025

ii. The college had recognized the 4th quarter grant in the financial statements 2024/2025 FY

7. Rendering of Services

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Tuition fees	1,891,410	2,137,661
Activity fees	2,421,500	1,935,950
Teaching Practicum	1,046,000	1,359,607.00
Medical	1,070,000	872,654.00
BES	30,790,000	21,843,150.00
RMI	2,896,500	2,491,714.00
EWC	4,209,995	3,189,501.00
LTT	4,257,000	3,785,764.00
Administrative Cost	2,659,250	2,670,052.00
VRM /Replacement	6,376,000	4,926,307.00
Students council	207,645	341,389.00
ICT Equipment	4,257,000	3,089,600
Personal Emolument	9,168,730	6,699,067
Students ID	125,200.00	171,600
Clubs and Societies	251,700	
Track Suits	1,037,500	
Hockey Stick	1,242,000	
Teaching Practicum, Lesson Plan and Assessment Book	622,500	
Microteaching Lesson Plan and Assessment Book	415,000	
Examination fees	13,224,950	1,407,406
Extra Courses		122,750

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Graduation fee	2,500	
Unclaimed Assets		76,500
KUCCPS Validation	1,686,000	
First Aid Training (Kenya Red cross)	622,500	
KNEC Assessment, SBA And Summative	43,500	
Bank Charges		112
Total good and services	**90,524,380**	**57,120,785**

8. Rental revenue from facilities and equipment

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Hire of facilities and equipment	550,964	595,162
Hire Of Playing Ground	160,000	
Contingent rental	1,033,905	1,111,508
Total	**1,744,869**	**1,706,670**

NB:

i. The College leased out of Safaricom mobile signal booster

ii. There was hire out of Fields and the Guest Houses in the 2024/2025 F/Y

9. Finance Income

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Cash investments (interest on fixed deposits)	1,276,703	966,741
Total finance income	**1,276,703**	**966,741**

The college earned income from fixed deposit accounts and money market fund.

10. Miscellaneous Income

Description	2024/2025 FY	2023/2024 FY
	KShs	KShs
Income from Disposal	1,380,100	11,800
Income from sale of tender	5,000	-
Student Fines	65,552	-
Seminars and courses	25,639,536	28,255,711
National Games		8,347,240
Total other income	**27,090,188**	**36,602,951**

i. The college hosted KNEC marking and training in the financial year 2024/2025
ii. The college received income from the sale of college bus (KAR 098L).

11. Use of Goods and Services

Description	2024/2025 FY	FY 2023/2024 FY
	KShs	KShs
Tuition fees	910,878	1,797,394.00
Activity Expenses	6,787,322	4,048,850
Practicum Expenses	585,550	983,950.00
Medical Expenses	413,196	442,582.00
BES	19,844,185	16,164,408.00
EWC	2,721,691	2,816,161.00
Local Travelling and Travels	2,826,990	3,442,125.00
Administrative Costs	5,597,833	1,701,304
Motor Vehicle Replacement	1,261,721	1,694,487
Students council	490,500	66,500.00
ICT	1,583,030	1,077,348.00
Rent		217,750.00
Students ID	90,640	124,700.00
Examination fees	8,417,630	2,888,800.00
Graduation Expenses	492,010	
Seminars and Workshop	19,595,756	17,513,009
Performance contract	299,107	30,000
National Games		5,504,857
KUCCPS	1,152,000	1,500
ISO 9001:2015 certification		168,820
Hire of facilities	21,600	58,700
Bank Charges	48,633	45,181
Extra Courses		95,600
Capacity Building	4,030,760	
NITA	26,650	31,700
Stationary		221,800
KNEC Registration Expense	40,650	
Borehole		40,000
Farm account		1,581,744
Clubs and Societies Expense	219,475	
Hockey Expense	208,200	
Tracksuit Expense	983,845	
Practicum Book Expense	89,200	
First Aid Training Expenses	615,000	
Total good and services	**79,354,052**	**62,759,270**

12. Employee Costs

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Salaries and wages	16,056,060	17,380,266
Casual Wages	992,283	
Employee Costs	**17,048,344**	**17,380,266**

i. Salaries and wages were timely paid.
ii. The casual wages for the month of June 2025 were paid in July 2025.

13. Board of Management Expenses

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Chairman's Honoraria	360,100	58,000
Board of Management Allowance	1,827,385	770,000
Total	**2,187,485**	**828,000**

Note:
i. Members of the Board are not paid for services rendered. They only receive allowances to facilitate their travel to and from college for official engagements.
ii. In the F/Y 2024/2025, more meetings were held due to various college activities. e.g. Graduation ceremony, working retreat (to do BOM exit report)

14. Depreciation and Amortization expense

The college assets were valued as at 30/6/2025 hence no depreciation was charged for the year.

15. Repairs and Maintenance

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
General repairs	3,267,239	2,570,545
Total Repairs and Maintenance	**3,267,239**	**2,570,545**

The college undertakes normal general repairs

16. Contracted Services

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Security Services	1,261,353	
Property valuations	150,000	
Total contracted services	**1,411,353**	

Note:

i. The College had Contracted security firm for the provision of security services 2024/2025 F/Y

ii. The college had initiated valuation of college assets.

17. Cash and Cash Equivalents

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Current Account	19,219,662	18,041,144
Saving account - KCB Bank	29,762	3,884,917
Cash in hand	8,756	2,485
Total Cash and Cash Equivalents	**19,258,180**	**21,928,545**

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

		2024/2025 FY	2023/2024 FY
Financial institution	**Account number**	**KShs**	**KShs**
a) **Current account**			
Fund account - KCB Bank	1107139120	15,640,562	13,482,432
Farm account - KCB Bank	1106322991	3,413,962	3,685,705
Main account - KCB Bank	1106308166	165,139	873,006
Sub- total		**19,219,663**	**18,041,143**
b) Savings account			
Saving account - KCB Bank	1104105217	29,762	3,884,917
Sub- total		**29,762**	**3,884,917**
Cash in hand		8,756	2,485
Sub- total		**8,756**	**2,485**
Grand total		**19,258,180**	**21,928,545**

18. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	21,092,749	19,547,902
Rent Debtors	147,500	147,500
Sundry Debtor	9,568,779	14,771,775
Disposal Debtors	1,262,100	
Other Exchange Debtors	91,937	91,937
Salary Advance Debtor	2,600	
Total Current Receivables	**32,165,665**	**34,559,114**

18 (b) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	13,924,815	44	28,049,203	75
Between 1- 2 years	6,240,679	19	1,092,945	3
Over 3 years	12,000,171	37	8,198,710	22
Total	**32,165,665**	**100**	**34,559,114**	**100**

18 (c) Receivables from Non-Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Government Grants	3,603,220	
Total Current Receivables	3,603,220	

Receivables on capitation grants were recognised for monies received after year end.

18 (d) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,603,220	100	-	-
Total	**3,603,220**	**100**		

19. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Other Assets (Cutlery, Electronics & devices, Office equipment, water and sanitation)	Plant and Equipment	Capital Work in progress	Total
Cost	**shs**	**Shs**	**Shs**	**Shs**	**Shs**	**Shs**	**Shs**	**Shs**	**Shs**
As At 1st July 2023		9,044,121	4,789,267		1,149,589	1,494,034	4,984,297		21,461,310
Additions		23,573,360					7,484,148		31,057,508
Adjustment			22,832,662						22,832,662
At 30 June 2024		32,617,481	27,621,930	-	1,149,589	1,494,034	12,468,445	-	75,351,481
Depreciation and impairment		652,350	6,905,483		344,877	186,754	1,558,556		9,648,019
Net book values									-
At 30th June 2024		**31,965,131**	**20,716,448**	**-**	**804,712**	**1,307,279**	**10,909,889**	**-**	**65,703,462**
As At 1st July 2024		31,965,131	20,716,448	-	804,712	1,307,279	10,909,889	-	65,703,462
Additions as at 30th June 2025		17,262,495		3,450,827				5,975,160	26,688,482
Adjustments for Valuation At 30 June 2025	1,492,000,000	420,977,912	11,464,942	11,736,133	13,786,628	10,222,614	-8,614,699		1,951,573,530
Net book values									
At 30th June 2025	**1,492,000,000**	**470,205,538**	**32,181,389**	**15,186,960**	**14,591,340**	**11,529,893**	**2,295,190**	**5,975,160**	**2,043,965,470**
At 30th June 2024	-	**31,965,131**	**20,716,447**	**-**	**804,712**	**1,307,279**	**10,909,889**	**-**	**65,703,462**

Notes to the Financial Statements (Continued)

Valuation

i. The college is in the process of renewing its lease.

ii. As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Machakos County Government valuers on 30/6/2025. These amounts were adopted in the financial statements on 30/6/2025.

iii. The college land is valued at Ksh 1,492,000,000.00 as at 30/6/2025. The value of college land has been incorporated in the financial statement

iv. No depreciation was charged in the year because all assets were valued as at 30/6/2025

v. The college disputed land was valued at ksh 590,000,000 as at 30/6/2025

19 (a) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	1,492,000,000		1,492,000,000
Buildings	470,205,538		470,205,538
Plant And Machinery	2,295,190		2,295,190
Motor Vehicles including Motorcycles	32,181,389		32,181,389
ICT & Computers	14,591,340		14,591,340
Office Equipment	4,025,369		4,025,369
ERP and associated works	5,975,160		5,975,160
Cutlery	1,438,564		1,438,564
Electronics & devices	4,928,460		4,928,460
Water and sanitation	1,137,500		1,137,500
Furnitures & fittings	15,186,960		15,186,960
Total	**2,043,965,470**		**2,043,965,470**

20. Trade and Other Payables

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
Trade payables	2,242,090		11,005,627	
Funded Accounts	8,514,745		8,514,745	
Other Payables	72,978		72,978	
Accrued casual wages	137,000			
Total Trade and Other Payables	**10,966,813**		**19,593,350**	
Ageing analysis:	**Current FY**	**% of the Total**	**Comparative FY**	**% of the Total**
Under one year	2,379,090	22	11,005,627	56
Over 3 years	8,587,723	78	8,587,723	44
Total (to tie to totals above)	**10,966,813**	**100**	**19,593,350**	**100**

21. Refundable Deposits from Customers/Students

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
Students deposits	1,647,246		1,647,246	
CDF Account and Other Bursaries	215,142			
Refundable Deposits	236,000			
HELB Control A/C	25,000			
Unidentified Deposits	654,172			
Total Deposits	**2,777,560**		1,647,246	
Ageing analysis:	**Current FY**	**% of the Total**	**Comparative FY**	**% of the Total**
Under one year	1,130,314	41		
Over 3 years	1,647,246	59	1,647,246	100
Total (to tie to totals deposits above)	**2,777,560**	**100**	1,647,246	**100**

22. Payments received in advance.

Description	2024/2025 FY		2024/2025 FY	
	Kshs		Kshs	
Fees received in advance	2,769,159		1,031,110	
Ageing analysis:	**Current FY**	**% of the Total**	**Comparative FY**	**% of the Total**
Under one year	2,769,159	100	1,031,110	100
Total	2,769,159	**100**	1,031,110	**100**

23. Cash generated from operations.

	2024/2025 FY	2023-2024 FY
	Kshs	Kshs
Surplus for the year before tax	30,986,059	29,252,560
Adjusted for:		
Depreciation		
Non-Cash grants received		
Contributed assets		(31,057,508.70)
Impairment		
Gains and Losses on Disposal of Assets		
Contribution to provisions		
Contribution to impairment allowance		
Finance Income		
Finance Cost		
Working Capital Adjustments		
Decrease in Receivables exchange transactions	2,393,449	16,290,181
Increase in Receivables non exchange transactions	(3,603,220)	
Increase in refundable customer deposits	1,130,314	
Decrease in trade and other Payables	(8,626,537)	(24,561,748)
Increase in Payments received in advance	1,738,049	
Net Cash Flow from Operating Activities	**24,018,144**	**(10,076,514)**

24. Related Party Balances

Nature of related party relationships

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

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

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

25. Events After The Reporting Period

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

26. Ultimate And Holding Entity

The Machakos Teacher College is a Public Teacher Training College under the State Department of Basic Education in the Ministry of Education

27. Currency

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

20. Appendices

Appendix I: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.1 Inaccuracies in cash and cash equivalents	In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Ksh.21,928,546 could not be confirmed;	The management acknowledges that there have been inaccuracies in the Financial Statements for the year ended 30th June, 2024. This is because of the challenges attributed to change from cash to accrual reporting of Financial Statements. Key Staff have been trained. However more strategic training of staff would be undertaken. Now that the College has been upgraded to a Diploma awarding College, a review of the staffing requirements of the Finance Department is being undertaken to ensure adequate staffing. The ongoing automation of college processes through acquisition of ERP will ensure high level of inaccuracy and completeness of the financial statements.	Resolved	
1.2 Unsupported receivables from exchange transactions	In the circumstances, the accuracy, completeness and recoverability of the receivables from the exchange transactions balance of	The College management agrees with the auditors on the importance of recovering all receivables. The College has maintained efforts to continually communicate with such debtors some of	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Ksh.34,559114 could not be confirmed.	which are historical in nature. To ensure greater compliance levels across all ongoing cohorts, we have adopted a fee payment policy and constituted fees collection committee. Use of ERP that is currently being installed will ensure timely payment of fees balances by Teacher Trainees and consequently greater compliance. Inter account borrowing has been addressed in subsequent years. The college will initiate appropriate measures towards writing off of unrecoverable amounts.		
1.3 Inaccuracies in Property, Plant and Equipment	In the Circumstances the accuracy, existence, completeness and ownership of property, plant and equipment balance of Ksh.65,703,462 could not be confirmed.	The College acknowledges that it is obtaining economic benefits from the use of the afore stated assets that have been depreciated and impaired in our statements. This is attributed to the gaps in the financial policy in use. The College will develop a Financial Policy that outlines the depreciation policy to be adopted. Additionally, the College will further build capacity of relevant Staff on financial reporting. Renewal of College Land leasehold will be undertaken. Relating to the pending court case on encroachment of the land, the College has	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		sought services of a State Counsel to ensure College Land is secured.		
1.4 Unsupported trade and other payables from exchange transactions	In circumstances, the accuracy, existence and completeness of the trade and other payables from exchange transactions balance of Ksh.22,271,706 could not be confirmed.	Whereas the College acknowledges Ksh.22,271,706 in respect of trade and other payables from exchange transactions, the aforesaid amount arose mainly due to inter account borrowing which has been addressed. The College will put in place strategies to ensure timely payment for works done or goods supplied by ensuring timely remittance of relevant documentation for payments.	Resolved	
1.5 Inaccuracy in the statement of comparison of budget and actual amount	In the circumstances, the accuracy and completeness of the statement of comparison of the budget and actual amounts could not be confirmed.	The Management agrees with auditors that the College should execute her approved budget. Though not easy to determine, the College will develop a budget that factors in expenses for hosting workshops and seminars. Monitoring of expenses per vote head would be made easier once automation of College procedures is completed trough installation of ERP.	Resolved	
2.1 Un balanced Budget	In the circumstances, Management was in breach of the law	Budget making procedures will be refined to include additional pre-approval stage.	Unresolved	31st December, 2025
2.2 Lack of HELB Loans to students	In the circumstance, the needy students may be disadvantaged and drop out due to lack of fees and	The College management supports the above recommendation since majority of Teacher Trainees comes from humble	Unresolved	Until the government policy is reviewed.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	contradict the HELB Act, on access to loans by all students.	backgrounds while other are Persons with disabilities. Their inability to pay fees has contributed to a large extent to the high payables' accounts. Also, their failure to report to college as scheduled impacts negatively on their training.		
2.3 Non-compliance with national cohesion and integration Act	In the circumstances, Management was in breach of the law.	The gaps that are in the staff establishment in the year under review are historical. The College has undertaken minimal recruitment in the year. However, going forward, the College would ensure adherence to Section 7 (1) and (2) of the National Cohesion and Integration Act, 2008 by ensuring diverse ethnic representation in the staff establishment. The College will take advantage of various medium of communication on advertising vacant positions.	Unresolved	To be addressed in future recruitment
3.1 Failure to update the fixed assets register	In the absence of an updated assets register, the effectiveness of internal controls on identification, accountability and monitoring of the College's assets could not be confirmed.	The College agrees with the auditors that the College Assets Register lacks some information. To ensure greatest levels of compliance, the College has initiated the process of valuation of College Assets and will ensure the Assets Register is updated once valuation process is complete. The College confirms that there are records for individual assets including their locations	Unresolved (Ongoing)	31st December, 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		and users responsible for their custody. The management will progressively comply with the National Treasury guidelines on the Fixed Assets Management.		
3.2 Use of manual system	In the circumstances, the effectiveness of internal controls on using manual system could not be confirmed and may limit real time processing or reporting which can delay decision making.	It is true that the College had not automated process and relied on manual system due to the financial constraints. Currently the College is in the process of automating her operations through procurement of an Enterprise Resource Planning (ERP).	Unresolved	30th October 2025
3.3 Understaffing	In the circumstances, due to understaffing the College is not likely to effectively and efficiently carry out its mandates.	The establishment is as in the year 2021/2026 College Strategic Plan, hence a projection. The College uses an approved establishment for non-teaching staff from the Ministry of Education. A review of the staffing requirements has been initiated. The College looks forward to having increased capitation to facilitate employment of additional staff. Teachers Service Commission has the mandate to ensure adequate staffing of the College based on Curriculum Based Establishment (CBE).	Unresolved	1st January, 2026 for non-teaching staff. Staffing of teachers TSC's mandate.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
3.4 Weak information communication and technology controls	In the circumstances, lack of effective ICT controls could affect critical operations of the College including student registration, billing and accounting books and records.	The College has an operational ICT Committee comprising of five (5) members. The team spearheaded development of ICT data and backup policy. As cited earlier, the College has procured an ERP to automate her operations and improve on ICT controls.	unresolved	30th October 2025

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Joyce Mabwai
Accounting Officer
Chief Principal/ Board Secretary
Date

Appendix II: Projects Implemented by Machakos Teachers College

Projects

Projects implemented by the State Corporation/ SAGA Funded by development partners.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

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

There were no projects undertaken by the College funded by development partners in the Financial Year

Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity……..

Name of beneficiary entity……...

Confirmation of amounts received by Machakos Teachers College as at 30th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing Entity:

Name …… Sign …… Date ……

Head of Accounts Department - Beneficiary Entity:

Name …… Sign …… Date……

There were no inter entity transfer of funds in the financial year.

Appendix IV: Reporting of Climate Relevant Expenditures

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

There were no expenditures incurred by the college on climate change in the Financial Year

Appendix V: Reporting on Disaster Management Expenditure

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

There were no expenditures incurred by the college towards disaster management in the Financial Year