

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 28 MAY 2025

DAY.

Wednesday

TABLED
BY:

Hon. Ousef Bays MP
Deputy head of the
majority Party

CLERK-AT
THE-TABLE:

Katrin Njirya

THE AUDITOR-GENERAL

ON

KENYENYA TEACHERS TRAINING COLLEGE

**FOR THE YEAR ENDED
30 JUNE, 2023**



KENYENYA TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2023

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

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1. Acronyms & glossary of terms

A/C	Account
BOG	Board of Governors
CPA	Certified public accountant
COVID-19	Corona Virus Disease
DECTE	Diploma in Early childhood teacher Education
DPTE	Diploma in Primary Teacher Education
FY	Financial Year
GOK	Government of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information and communication Technology
IPSAS	International Public Sector Accounting Standards
KUCCPS	Kenya universities and colleges Central placement services
MOE	Ministry of education
PAYE	Pay as you earn
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the entity

2. Key entity information and management

(a) Background information

Kenya TTC is situated in Bokimonge Location, Magena Division, Riokindo Zone, Kenya Sub-county in Kisii County in a 50 acres reserved Government land. It is located at the Border of Kisii and Narok Counties. It is 35 km from Kisii off the Kisii–Kilgoris Road. It is 4.5 km from Magena Market by tarmacked road. It was registered by the Ministry of Education, Science & Technology on 1st March 2012.

The college has the following departments under Dean of Curriculum: Performance Contract, Mathematics and ICT, Social Sciences, Creative, Sciences, Languages and under Dean of Students; Boarding co-curricular activities, Health, Guidance and Counselling. Currently the college is training teachers in Diploma in Primary Teacher Education (DPTE) and Diploma in Early Childhood Teacher Education (DECTE) upgrading programme. The college underwent the MOH Covid-19 protocols adherence inspection on 17th July 2021.

(b) Principal activities

The mandate of Kenya Teachers Training College is to provide quality training in teacher education.

Vision:

- To be a leading institution in Education Training.

Mission

To effectively implement teacher training curriculum in a stimulative environment in order to produce innovative and efficient educators.

Core objectives

- To graduate skilled manpower to support the implantation of competence based curriculum
- To reengineer processes for efficiency and effective use of resources
- To align the training programme to the labour market by incorporating ICT integration.

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(c) Key management

The Kenya Teachers Training College is under the following key organs:

- Board of Management.
- Principal
- Senior Management Team

(d) Fiduciary management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

NO.	DESIGNATION	NAME
1.	Chief Principal	Mr. John Nyedia
2.	Head of Finance	Ms. Harriet Mahasi
3.	Head of Procurement	Mr. Elkanah Juma
4.	Dean of Curriculum	Mr. Job Makori
5.	Dean of Students	Mr. George Ndemo

(e) Fiduciary oversight arrangements

The Board of Management performs its oversight role through the following committees:

- Academic subcommittee
- Finance/Procurement and Infrastructure sub-committee
- Human Resource / Disciplinary sub-committee
- Audit sub-committee.
- Executive sub-committee

(f) Entity headquarters

Kenya Teachers Training College
Along Kisii-Magena Road
P.O. Box 166 – 40211

KENYENYA

KISII, KENYA

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(g) Entity contacts

Telephone: (254) 0785750222 / 0721606582

E-mail: kenenyattc@gmail.com

(h) Entity bankers

1. Kenya Commercial Bank

Kisii Branch

P.O Box

KISIL

2. Co-operative Bank – Kisii Branch

Kisii Branch

P.O Box 2469 - 40200

KISIL

(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 members.

 <p>DR. MOSES. O MACHUKI (Chairman BOM)</p>	<ul style="list-style-type: none"> • Date of Birth 1972 • PhD –Human Resource • Member of the Board of Management. • Lecturer University of Nairobi • Chairman BOM
 <p>MR. JOHN. NYEDIA</p>	<ul style="list-style-type: none"> • Date of Birth 1971 • Masters in Education Curriculum • Principal since 2023 • Secretary BOM
 <p>MR. NELSON ORUMI</p>	<ul style="list-style-type: none"> • Date of Birth 1966 • Masters –Financial Management. • Finance Officer -KPLC • Chair Finance/Infrastructure BOM Committee
 <p>MRS RUTH OSIEMO</p>	<ul style="list-style-type: none"> • Date of birth 1959 • Diploma in education • Member of finance and human resource committees.

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 <p>MR. ZACHARY ONDERI</p>	<ul style="list-style-type: none"> • Date of Birth 1958 • BBA –Finance Option • Schools Auditor –Ministry of Education • Member of the Board of Management. • Member Finance/Infrastructure Sub-committee.
 <p>PROF. BOAZ ONYANCHA</p>	<ul style="list-style-type: none"> • Date of birth 1961 • Doctor of Philosophy • Lecturer Egerton University • Member of finance and academic Committee
 <p>MR. LAMECH BICHANG'A</p>	<ul style="list-style-type: none"> • Date of Birth 1957 • MBA • Retired KTDA Director • Curriculum support officer, AG Deputy DEO • Member Audit BOM Committee • Chair Human Resource BoM Committee
 <p>DR. RAEL MASAI</p>	<ul style="list-style-type: none"> • Date of Birth 1974 • Ph. D. Educational Planning & Research • Lecturer Kisii University • Chair Academic BoM Committee • Member Finance, Procurement & Infrastructure BoM Committee

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 <p>MRS.MALLION ONYAMBU</p>	<ul style="list-style-type: none">• Date of birth 1969• MA in History• Lecturer Kisii University• Member of executive and academic committees
 <p>DR.GEOFFREY OTOMU</p>	<ul style="list-style-type: none">• Date of birth 1974• MBCH (medicine)• Medical Doctor Kisii Hospital• Member of Human Resource committee
 <p>PROF. JUSTUS INYEGA</p>	<ul style="list-style-type: none">• Date of birth 1962• PhD Science Education• Lecturer University of Nairobi• Member of academic and audit committees

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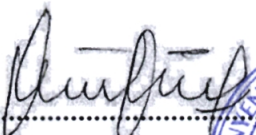
4. Key management team


 <p>MR. JOHN NYEDIA (Principal)</p>	<ul style="list-style-type: none"> • Date of Birth 1971 • Masters Education Curriculum • Principal since 2023 • Secretary BOM
 <p>MR. JOB MAKORI Dean of Curriculum</p>	<ul style="list-style-type: none"> • Date of Birth 1975 • Masters –Education Curriculum • Dean of Curriculum/Registrar in charge of Academics
 <p>MS. HARRIET MAHASI Finance Officer</p>	<ul style="list-style-type: none"> • Date of birth 1980 • MBA (Finance) • ICPAK member no.14825 • Finance Officer
 <p>MR. ELKANA I. JUMA Procurement Officer</p>	<ul style="list-style-type: none"> • Date of birth 1989 • BBA • Procurement Officer

Kenya Teachers Training College
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5. Chairman's statement

The FY 2022/2023 has been challenging in terms of financial constraints and political uncertainty. Government policy on admission and late reimbursement of the much needed grants hampered the implementation of various activities. The college managed to put into use the sanitation facilities. The highlights of the year being the inaugural graduation of the first Diploma in Primary Teacher Education. The BOM hope that the FY 2023/2024 will be a turning point in the infrastructural development of the college.


.....
DR MOSES O. MACHUKI
CHAIRMAN BOARD OF MANAGEMENT



6. Report of the principal

The year has made the college exploit its potential in various areas of income generating in order to meet its obligations. The challenges faced included low enrolment, poor fee collection, high food prices and frequent power outages. On the positive side, the college introduced the 3 year DECTE programme, held its 7th graduation ceremony and introduced E-assessment.

The initial report for the period ended 30 June 2023 includes the following:

- A complete set of financial statements:
- A statement of financial position;
- A statement of financial performance;
- A statement of changes in net assets values
- A cash flow statement;
- Statement of comparison of budget
- Comparison of budget and actual amounts for the period ended especially after adjustments due to supplementary budget



PRINCIPAL / BOM SECRETARY

Kenya Teachers Training College
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7. Statement of performance against predetermined of objectives

As per Section 83 Subsection 2 (f) of the Public Finance Management Act, 2012

Kenya Teachers Training College has Seven strategic pillars and objectives within its Five Year Strategic Plan for the between 2018-2022. These strategic pillars are as follows:

Pillar 1: Curriculum implementation

Pillar 2: Teaching Practice

Pillar 3: College Service Charter

Pillar 4: Nurture students' talents

Pillar 5: Infrastructural Development

Pillar 6: Human Capacity Development

Pillar 7: Financial Management

Kenya Teachers Training College develops its annual work plans based on the above 7 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets for the period ending 30 June, 2022 for its 7 strategic pillars, as indicated in the diagram below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar 1.	Curriculum implementation	To enhance curriculum implementation by timely curriculum design coverage	Remedial lessons Record of work Registered virtual groups Admission and graduation reports Appraisal reports Exam results analysis	Supervision of attendance Lesson attendance updated Termly appraisal of staff	E-assessments New design books
Pillar 2:	Teaching practice	Prepare teacher trainees for teaching practice in order to have competent teachers	-Improved TP mean -Appropriate learning resources. -Approved proportional documents.	Microteaching Preparation of professional documents	Intensive microteaching done Making of learning resources
Pillar 3:	College service charter	Cultivate a culture of adherence to the timelines in the college service	Customer satisfaction survey report. Displayed service charter	Services offered Set up public complaints	-enhanced customer engagement

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		charter	Enhanced complaints mechanism Improved access to information	mechanism and access to information	-Improve service delivery .complaints handling committee
Pillar 4:	Students' talents	Identify, nurture and develop students talents	List of co-curricular activities Evidence of participation	Athletics ,ball games	Participates in athletics and ball games to national level
Pillar 5	Infrastructural development	To ensure infrastructural academic performance.	Project completion rate Establishment of e-learning.	Integration of ICT in learning	Bought 2 printers Virtual groups formed
Pillar 6	Human capacity development	To enhance human resource development and college staff to improve efficiency	-Appraisal report -Training programmes -certificate of training.	Seminars Inset training Needs assessment	Trainings in finance
Pillar 7	Financial management	Audit reports. Approved budget and procurement plan Trial balances reports	Regular sub-mission of reports to PPDA. Preparation of the budget at the appropriate time. Ensure all financial transactions are accounted for.	Budgeting, preparation of financial statements	Historical bills and non-payment of fees was a challenge

8. Management discussion and analysis

The Board of Management is guided by both internal guidelines and government guidelines during its meetings and performance. The Board has held meetings as follows

Type of meeting	Number of meetings	Attendance
Executive	3	5/5
Finance	2	5/5
Full	3	12/16

The meetings were to ratify the adjustments in budget and ensure prudent financial managements.

9. Environment and sustainability reporting

Kenya Teachers Training College does its share of responsibility. It is surrounded by various stakeholders. Through interaction the college strives at creating a positive, beneficial and cordial relationship with all stakeholders. Our service charter spells out what we are expected to do when offering services. The college is fully aware that it is guarded by the seven pillars to improve its image and attain its commitments to various stakeholders. The following are some activities done during the third quarter on the pillars listed below.

Sustainability strategy and profile

The college will strive to ensure activities are sustainable through budgeting, innovations and use of available local resources. Two internships were offered.

Environmental performance

In an effort to ensure our activities are environmental friendly we strictly adhere to the NEMA regulations and guidelines when developing any project. The environmental impact analysis done for the twin water towers is adhered to. The college has maintained and improve its environment by planting trees on the compound. The college is situated on a water catchment area hence the careful disposal of waste products. The continuous maintenance of the bio-digester is fundamental in proper waste disposal. The college has storage tanks to harvest water thus reduce pressure on the pumped water. Solar lighting has been done to reduce reliance on electricity.

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For the Period ended 30 June, 2023

Employee welfare

The college is fully aware that its human resource is a vital cog in ensuring all the objectives are met. This is further illustrated through having the human resource as one of the pillars of our strategic plan.

a) Hiring process.

The college's hiring plan is guided by the existing labour laws and guidelines from the human resource department of the Ministry of Education. The one third gender ratio has been followed but the Challenge has been having 5% labour force be with persons with disability and skewed regional balance.

b) Skills improvement

As per our performance contract, the college frequently sends its staff for inset training and seminars. The finance and procurement department went for a training during the period.

c) Appraisal

This has been done for the teaching staff. The process of appraisal was initiated for the support staff after sensitization.

d) Occupational; Safety and Health Act (2007)

The college adheres to this as stipulated through Ministry of Labour and guidelines from Ministry of Education. All activities are aimed at ensuring the staff are safe.

Market place practices-

a) Responsible competition practice.

The college has values that it strives to achieve including professionalism, fairness and diligence. Therefore, all students are assured of fairness during assessments of their work. The college also has internal mechanism to ensure professionalism is maintained through checks and balances. To ensure fair competition in supply of goods and services, the college follows the procurement procedures as spelt by PPRA.

b) Responsible supply chain and supplier relations

The college ensures that the suppliers are selected fairly as per the procurement procedures and given a valid contract. Upon supplying the goods and services are accepted as per the specifications and payment made. The period in question, all contracts are honoured and payments made as per the payment schedules.

c) Responsible marketing and advertisement

The college advertises its courses through posters distributed to local areas while the national government does the advertisement through the national newspapers.

d) Product stewardship

The college has 12 democratically elected student representatives who manage and coordinate student affairs. The student council has internal conflict resolution mechanism and often communicate directly to the administration over any issue. Communication is done through assemblies, notices, texts, or through suggestion boxes. The Dean of Studies office is tasked with student's welfare and often report to the management team. A functioning guidance and counselling office assist solve students group or personal issues. To ensure that the strategic pillar of talent developing is realised, co-curricular activities i.e. music, games and sports was done. Though COVID 19 regulations affected the performance of most activities. The students right and obligations are stated in our service charter and college Rules and Regulations.

Community Engagements-

The college shares its playing field with the neighbouring primary and secondary schools. It seeks to create a beneficial relationship with the community. The college has engaged the local administration in security and boundary disputes. The local community is also sensitized on procurement requirements to enable them apply during tendering. For research purposes, there is collaboration with institutions like health centres, special schools, market centres and primary schools.

Kenya Teachers Training College
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10. Report of the board of management

The Board submitted their report together with the audited financial statements for the period ended 31 June 2023, which show the state of Kenya TTC affairs.

Principal activities

The principal activity of the entity is to train Teachers.

Results

The results of the entity for the year period ended 30 June 2023 are set out on 1 to 27

Board of management

The members of the Board who served during the period are shown on page vi to viii

Auditors

The Auditor General is responsible for the statutory audit of the college in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board


.....
Chairman of Board of Management
Kenya
Date: 16/12/2024



11. Statement of board of management responsibilities

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

The Board Members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs as at the end of the period ended on 30thJUNE 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the college (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

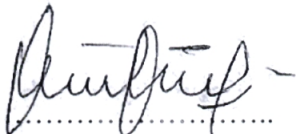
The Board Members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 The board members are of the opinion that the college's financial statements give a true and fair view of the state of transactions during the period r ended 31stMarch 2022, and of the college's financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

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

Kenya Teachers Training College
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Approval of the financial statements

Kenya Teachers Training college's financial statements were approved by the Board on 16/12/2024 and signed on its behalf by:



.....
Chairperson of the Board



REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KENYENYA TEACHERS TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2023

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 Kenyenia Teachers Training College set out on pages 1 to 27, which comprise of the statement of financial position as

Report of the Auditor-General on Kenyenia Teachers Training College for the year ended 30 June, 2023

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kenya Teachers Training College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of comparison of budget and actual amounts reflects actual on comparable basis revenue of Kshs.17,983,383 and expenditure of Kshs.25,300,057. However, the amounts have not been adjusted for timing and entity differences contrary to Paragraph 47(b) of the International Public Sector Accounting Standards Number 24. Further, the statement of cash flows reflects opening balance as at 1 July, 2023 of Kshs.13,112,471 which was not supported.

In the circumstances, the accuracy and completeness of these amounts and balances reflected in the financial statements could not be confirmed.

2. Unsupported Recurrent Grants

The statement of financial performance reflects recurrent grants amount of Kshs.8,880,937 as disclosed in Note 6 to the financial statements. However, the amount was not supported with validated capitation beneficiaries' allocation lists, the capitation grants were not posted in students' fees registers and there was no evidence that capitation returns were prepared and submitted to the director technical education using prescribed template within fourteen days from the date on the disbursement letter.

In the circumstances, the accuracy and completeness of recurrent grants amount of Kshs.8,880,937 could not be confirmed.

3. Unsupported and Non-Disclosure of Other Incomes

The statement of financial performance reflects other income amount of Kshs.424,846 as disclosed in Note 8 to the financial statements. However, the amount was not supported

by revenue receipts, revenue registers and schedules. Further, the College has biological assets in respect to cows and plants whose income generated in the year was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of other income amount of Kshs.424,846 could not be confirmed.

4. Inaccuracies in Employee Costs

The statement of financial performance reflects employee costs amount of Kshs.12,295,652 as disclosed in Note 10 to the financial statements. However, the schedules reflect Kshs.10,017,973 resulting to an unexplained variance of Kshs.2,277,679. Further, the salaries for eighteen (18) teaching staff paid on behalf of the College by the Teachers Service Commission was not recognized in the financial statements.

In the circumstances the accuracy and completeness of employee costs amount of Kshs.12,295,652 could not be confirmed.

5. Inaccuracies in Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.93,536,288 as disclosed in Note 18 to the financial statements. However, the ledger reflects a balance Kshs.97,718,024 resulting to unreconciled variance of Kshs.4,181,736. Further, there was no evidence of valuation of assets and opening balance of Kshs.94,628,795 was not supported. In addition, the non-current assets register provided for audit lacked details including asset tag number, serial/log book number, location, opening balances, additions, dates of acquisitions, disposals, depreciation charged, accumulated depreciation to date and net book values.

In the circumstances, the accuracy and completeness of property plant and equipment balance of Kshs.93,536,288 could not be confirmed.

6. Unconfirmed Biological Assets

The statement of financial position reflects biological assets balance of Kshs.346,000 as disclosed in Note 19 to the financial statements while the ledger reflects a balance of Kshs.1,046,000 resulting to an unexplained variance of Kshs.700,000. Further, the asset register did not contain unique identifier such as animal tagging, opening balances, additions, dates of acquisitions, disposals and closing balances. In addition, there was no evidence of valuation of biological assets in accordance with the International Public Sector Accounting Standards (IPSAS) 27.

In the circumstances, the accuracy and completeness of the biological assets balance Kshs.346,000 could not be confirmed.

7. Unconfirmed Valuation of Inventories

The statement of financial position and as disclosed in Note 17 to the financial statements reflects inventories balance of Ksh.1,068,332. However, the inventory stock taking report was not provided for audit to confirm valuation in accordance with International Public Sector Accounting Standards (IPSAS) 12 and to determine the basis of arriving at this balance.

In the circumstances, the accuracy and valuation of inventories balance of Kshs.1,068,332 could not be confirmed.

8. Unsupported and Long Outstanding Receivables

The statement of financial position reflects receivables from exchange transactions balance of Kshs.23,824,632 as disclosed in Note 16 to the financial statements. However, receivables ledger indicating the opening balance, billings for the year, receipts and adjustments to arrive at the reported closing balance was not provided for audit. Further, the balance includes Kshs.3,009,629 which has remained outstanding for over three (3) years and whose recoverability is doubtful and there was no evidence of measures taken to recover them and the College did not have a debt recovery plan.

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions balance of Kshs.23,824,632 could not be confirmed.

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

Emphasis of Matters

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final income budget of Kshs.19,658,890 and actual on comparable basis of Kshs.17,983,383 resulting in underfunding of Kshs.1,675,507 or 9% of the budget. However, the College spent Kshs.25,300,057 against actual income of Kshs.17,983,383 resulting to over-expenditure of Kshs.7,316,674 or 40% of the income.

The underfunding affected the planned activities and may have impacted negatively on the activities of the College while the over expenditure may have resulted in implementation of programs and activities without necessary approvals.

2. Long -Term Outstanding Account Payables

The statement of financial position and as disclosed in Note 20 to the financial statements reflects trade and other payables balance of Kshs.130,754 in respect of Nation Social Security Fund deductions. Review of the aging analysis and other records revealed that the debt has been outstanding for over two years.

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

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page iii to xix which comprises Key Entity Information and Management, The Board of Management, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against College's Predetermined Objectives, Management Discussion Analysis, Environmental Sustainability Reporting, Report of the Board of Management and Statement of Board of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I

confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the financial year ended 30 June, 2023 were received on 28 November, 2023 being two (2) months late from the statutory submission date of 30 September, 2023. This was contrary to Section 47(1) of the Public Audit Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

2. Unbalanced Budget

The statement of comparison of budget and actual amounts reflects income budget of Kshs.19,658,890 and expenditure budget of Kshs.32,336,894 resulting in an unbalanced budget of Kshs.12,678,004. This was contrary to the provisions of Regulation 33 (c) of the Public Finance Management (National Government) Regulations, 2015 which states that budget shall be balanced.

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

3. Non-Compliance with Law on Ethnic Composition

Review of the staff data revealed thirty-seven (37) non-teaching staff members out of whom thirty-six (36) or 97% belong to the dominant ethnic community in the county. This was 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 employment of staff and that no public institution shall have more than one third of its staff establishment from the same ethnic community".

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

4. Failure to Specify the Terms and Conditions of Service

Review of appointment letters for the thirty-seven (37) non-teaching staff revealed that they did not specify the terms and conditions of service whether on contract or on permanent and pensionable terms. This was contrary to Paragraph B.10 (1)(2) of Public Service Human Resource Policy, 2016 which states that an officer appointed to a position in the public service shall be issued with a letter of appointment specifying the terms and conditions of service. A letter of appointment shall state particulars of

employment which should include the name and address of the employee, job title, date of commencement of appointment, terms and duration of employment, place of work, remuneration, terms and conditions of employment and terms of separation.

In the circumstances, Management was in breach of the public service human resource policy.

5. Non-Compliance with the One Third Basic Salary Rule

Analysis of the payrolls revealed that five (5) members of staff earned net salaries that were less than one third ($\frac{1}{3}$) of their basic pay. This was contrary to Section 19(3) of the Employment Act, 2007 which stipulates that the total amount of all deductions by an employer from the wages of his employee at any one time shall not exceed two thirds of such wages.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy

During the year under review, Management had not developed and implemented a disaster recovery plan and risk management policy or framework to guide on risk assessment and mitigation processes. Further, Management had not carried out risk assessment and did not have an updated risk register.

In the circumstances, the effectiveness of identification of risks and risk management could not be confirmed.

2. Lack of an Imprest Register

Review of College operations revealed that Management did not maintain an imprest register for issuance and surrender of imprest. This is contrary to Regulation 93(4)(c) of the Public Finance Management (National Government) Regulations, 2015 which states that before issuing temporary imprests under paragraph (2), the accounting officer shall ensure that the applicant has been recorded in the imprest register including the amount applied for.

In the circumstances, the effectiveness of management of imprests in respect to issuance and surrender could not be confirmed.

3. Lack of Internal Audit Function

During the financial year under review, it was observed that the College did not have an internal audit department. This was contrary to Section 73(1)(a) of the Public Finance Management Act, 2012 which states that every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the existence of effective internal controls, risk management and governance could not be confirmed.

4. Non-Functional Audit Committee

Review of records revealed that the College has an audit committee that was appointed on 8 April, 2022 but there was evidence that the committee held any meeting or make recommendations on nonexistence of the internal audit.

In the circumstances, Management did not get assurance on effectiveness of the operations and necessary policy direction from the Audit Committee.

5. Lack of an Approved Staff Establishment

Review of human resources records revealed that the College operated without an approved staff establishment. Therefore, Management was yet to determine the skills and optimal staffing levels required to achieve the set goals and objectives.

In the circumstances, the effectiveness of internal controls on management of human resources including optimal staffing levels could not be confirmed.

6. Failure to Prepare Reports

During the year under review, Management did not provide the Project Implementation Status Reports for audit. Further, there was no evidence to indicate development and approval of systems to monitor and report on non-financial performance contrary to

Regulation 136(3) of the Public Finance Management (National Government) Regulations, 2015. In addition, quarterly Procurement reports were not prepared contrary to Regulation 40(6) of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, the effectiveness on internal controls on monitoring project implementations 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 the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

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14. Statement of financial performance for the year ended 30 June 2023

Tuition and other related charges	Notes	2022-2023 Kshs.
Revenue from non- Exchange Transaction		
Recurrent Grants	6	8,880,937
		8,880,937
Revenue from Exchange Transaction		
Tuition and Other Related Fees	7	8,677,600
Other Income	8	424,846
		9,102,446
Total Revenue		17,983,383
Expenditure		
Employee cost	10	12,295,652
General Expenses	14	1,454,196
Repairs and Maintenance	13	798,725
Amortisation and Depreciation	12	1,440,510
Use of goods and services	9/11	10,751,484
Total Expenditure		26,740,567
Operating Surplus		(8,757,184)

(The notes set out on pages 6 to 27 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 27 were signed by:



Chairman of Board


Date 16/12/2024




Finance Officer

ICPAK No. 14825

Date 16/12/2024



Principal

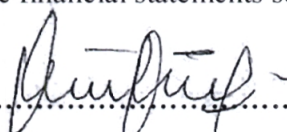

 KENYA TEACHERS TRAINING COLLEGE
 P. O. Box 166 - 40211, KENYA
 Date 16/12/2024
 5 DEC 2024

Kenya Teachers Training College
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For the year ended 30 June, 2023

15. Statement of financial position as at 30 June 2023

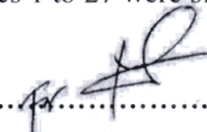
	Notes	2022-2023
ASSETS		Kshs.
Current Assets		
Cash and cash equivalents	15	4,269,841
Receivables from exchange transactions	16	23,824,632
Inventories	17	1,068,332
		29,162,805
Non-current assets		
Property, plant and equipment	18	93,536,288
Biological Assets	19	346,000
Total Non-Current Assets		93,882,288
Total assets		123,045,093
Equity and liabilities		
Current Liabilities		
Trade and Other Payables	20	130,754
Refundable deposits from customers		-
Total Current Liabilities		130,754
Non-Current Liabilities		
Net Assets		122,914,339
Capital Grants Reserves		131,671,523
Revenue Reserve	21	(8,757,184)
Total Equity		122,914,339

The financial statements set out on pages 1 to 27 were signed by:




Chairman of Board

Date 16/12/2024



Finance Officer

ICPAK No. 14825
 Date 16/12/2024


 Principal
 Date 16/12/2024

Kenya Teachers Training College
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16. Statement of changes in net assets for the year ended 30 June 2023

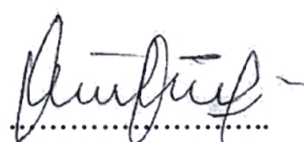
	Capital Reserves	Revenue Reserve	Total Equity
	Kshs.	Kshs.	Kshs.
Balance as at 1 July 2022	-	-	-
Surplus for the period		(8,757,184)	(8,757,184)
Creditors written off	-	-	-
Balance as at 30 June 2023	131,671,523	(8,757,184)	122,914,339

Kenya Teachers Training College
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17. Statement of cash flows for the year ended 30 June 2023

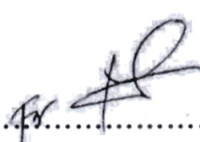
		2022-2023
	Note	Kshs
Cash flows from operating activities		
Receipts		
Transfers from other Government entities/Govt. grants	6	8,880,937
Rendering of services- Fees from students	7	6,677,600
Other incomes	8	424,846
Total Receipts		15,983,383
Payments		
Compensation of employees	10	12,295,652
Use of goods and services	9/11	8,230,235
Repairs and maintenance	13	798,725
General expenses	14	1,454,196
Total Payments		22,778,808
Net Cash flows from operating activities		(6,795,425)
Cash flows from investing activities		
Purchase of property, plant, equipment and intangible assets		(2,047,205)
Net cash flows used in investing activities		(2,047,205)
Cash flows from financing activities		
Increase in deposits - capital grants		-
Net cash flows used in financing activities		-
Net increase/ (decrease) in cash and cash equivalents		(8,842,630)
Cash and cash equivalents at 1 July		13,112,471
Cash and cash equivalents at 30 June 2023		4,269,841

The financial statements set out on pages 1 to 27 were signed by:



Chairman of Board

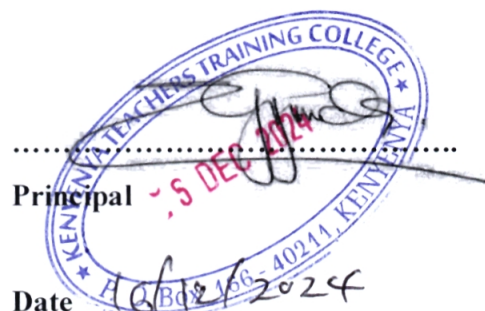
Date 16/12/2024



Finance Officer

ICPAK No. 14825

Date 16/12/2024



Principal

Date 16/12/2024



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18. Statement of comparison of budget & actual amounts for the year ended 30 June 2023

	Original budget	Adjustments	Final Budget	Actual Outcome	Performance Difference	Performance difference %	Remarks
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023		
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs		
Recurrent Grants	9,364,000	-	9,364,000	8,880,937	483,063	-5%	Unfavourable
Tuition and Other Related Fees	9,677,600		9,677,600	8,677,600	1,000,000	-10%	Unfavourable
Other Income I.G.A	617,290	-	617,290	424,846	192,444	30%	Unfavourable
Total Income	19,658,890		19,658,890	17,983,383	1,675,507	9%	Unfavourable
Expenses							
Employee Costs	10,649,167	-	10,649,167	12,295,652	1,646,485	17%	Unfavourable
General Expenses	520,240	-	520,240	1,454,196	933,956	180%	Unfavourable
Repairs and Maintenance	300,000	-	300,000	798,725	498,725	166%	Unfavourable
Use of goods and services	18,820,282	-	18,820,282	8,704,279	(10,116,003)	53%	Unfavourable
Property, plant and equipment	-	2,047,205	2,047,205	2,047,205	-	100%	Favourable
Total Expenditure	30,289,689	2,047,205	32,336,894	25,300,057	(7,036,837)	22%	Unfavourable

Budget notes

1. Tuition and other related fees went down by 10% due to the increased number of deferred students
2. General expenses went up by 180% due to increase in the purchases of animal feeds and farm inputs for the expanded farming area
3. Use of goods decreased by 53% due to decrease in expenditure per vote head i.e. teaching practice, medical, P.E and other votes went down

Kenya Teachers Training College
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For the year ended 30 June, 2023

19. Notes to the Financial Statements

1. General Information

Kenya Teacher Training College is established by and derives its authority and accountability from Basic Education Act. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is to train 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 judgement in the process of applying the College's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in the notes.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the College.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the Basic Education Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the periods presented.

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.

Standard	Effective date and Impact
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an College's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash

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	<p>flows and the objective for which the asset is held;</p> <ul style="list-style-type: none"> • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an College’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting College provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the College. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the College’s financial performance, financial position and cash flows.</p>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008). • IPSAS 39: Employee Benefits. Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

**Kenya Teachers Training College
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ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact
IPSAS 43	<p>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 the College.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

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 College and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

The 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.

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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 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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the College's right to receive payments is established.

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 2022/2023 was approved by the Council or Board on 30/06/2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the College upon receiving the respective approvals in order to conclude the final budget. Accordingly, the College recorded no additional appropriations on the FY 2022/2023 budget.

The college's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the

Kenya Teachers Training College
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For the year ended 30 June, 2023

approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section **xxx** of these financial statements.

c) Taxes

Current income tax

The College is exempted from paying taxes as per the first schedule of the **income tax** Act cap 470

Sales tax / Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of 99 years.

Kenya Teachers Training College
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Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

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

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the College will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

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

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

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

i) Financial instruments

Financial assets

Classification

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

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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 College has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the 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 College 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 College 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 College recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out.

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Financial liabilities

Classification

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

j) Inventories

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

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

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

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

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

k) Provisions

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

Contingent liabilities

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

Contingent assets

The college does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the college in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial

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statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Social Benefits

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

m) Nature and purpose of reserves

The college creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

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

p) Foreign currency transactions

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

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q) Borrowing costs

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

r) Related parties

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

s) Service concession arrangements

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

t) Cash and cash equivalents

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

u) Comparative figures

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

v) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the college's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues,

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expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

Government grant	2022-2023 Kshs.
Quarter ending 30 Sept	-
Quarter ending 31st Dec	2,277,679
Quarter ending 31st March	2,225,365
Quarter ending 30 June	4,377,893
Total	8,880,937

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7. Rendering of Services

Tuition and Other Related Charges	2022-2023 Kshs
Activity Fee	200,000
Computer and Internet connectivity	400,000
Examination Fee	1,570,000
Teaching practicum	-
Tuition Equipment and Stores/Library Books	200,000
Motor Vehicle repair and insurance	600,000
Boarding Fees	3,000,000
Gratuity	-
Contingency/Admin	250,000
Electricity water and conservancy	395,600
Student council	60,000
Uniform	-
Club and environmental	60,000
Repairs and maintenance/Rehabilitation	300,000
Bank Charges	-
Registration fee/Guide book	-
Students ID	30,000
Personal Emoluments subsidy	862,000
Domestic travel and substance/LTT	400,000
Teaching practise	250,000
Medical/COVID-19	100,000
Total	8,677,600

8. Miscellaneous Income

Other Incomes	2022-2023 Kshs
Farm Income	0.00
Income Generating Activities (IGA)	367,952
Graduation fees	52,894
Tender fee	4,000
Total	424,846

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9. Use of goods and services

	2022-2023 Kshs
Transport and travelling	1,570,472
Learning materials and training	255,325
Boarding related expenses	2,896,624
Electricity and water (Utility)	1,037,858
Contingencies (Admin cost)	759,254
Examination fees to third parties	125,760
Medical related expenses	47,005.00
Teaching practise	838,173
Sports Activity expenses	462,690
ICT expenses	962,717
Gratuity	200,000
Uniform	-
Refunds	975,606
Total	10,131,484

10. Employee costs

Employee Costs	2022-2023 Kshs.
Salaries and wages	12,295,652
Total	12,295,652

11. Board expenses

Description	2022-2023 Kshs
Chairman's Honoraria	0
Directors Emoluments	0
Other Allowances	0
Other Board/Council Expenses	620,000
Total	620,000

12. Depreciation and amortization expense

Amortization and Depreciation	2022-2023 Kshs
Depreciation expenses	1,440,510
Amortization	0
	1,440,510

13. Repairs and maintenance

	2022-2023
Repairs and maintenance	798,725
Total	798,725

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14. General expenses

	2022- 2023 Kshs
Tender expenses	0
Student union related expenses	304,554
Production unit (IGA)	1,149,642
Total	1,454,196

15. Cash and cash equivalents

Cash and Cash Equivalents	2022-2023 Kshs.
KCB 1183509774-Main	809,623
KCB 1183509642-IGA	713,800
Co-operative Bank 01129476355000-Main	1,254,870
Co-operative Bank 01139422970400-Salary	868,295
Co-operative Bank 01120422970400-Development	298,114
Co-operative Bank 01139476355000-Gratuity	294,240
Cash in hand	30,900
Total	4,269,841

16. Receivables from exchange transactions

16(a) Current Receivables from exchange transactions

Receivables from Exchange Transactions	2022-2023 Kshs
Students Debtors	23,824,632
Salary Advances	-
Total	23,824,632

17. Inventories

	2022-2023 Kshs
Stationery	645,360
Electricity	28,985
Housekeeping	23,279
Plumbing	277,590
Medical supplies	17,670
Repair & maintenance	11,948
Foodstuffs	63,500
	1,068,332

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18. Property, plant and equipment

Current year	Land	Buildings and Structures	Equipment and Machinery	Motor Vehicles	Furniture & Fittings	Computers	Library Books	Total
At 1 July 2022	50,000,000	36,566,888	1,196,867	6,112,500	326,281	277,579	148,680	94,628,795
Additions	-	2,047,205	-	-	-	-	-	2,047,205
At 30 June 2023	50,000,000	38,614,093	1,196,867	6,112,500	326,281	277,579	148,680	96,676,000
Depreciation								
At 1 July 2022	-	567,595	141,400	902,680	24,092	54,651	8,784	1,699,202
Charge for the year	-	482,676	119,687	764,063	20,393	46,258	7,434	1,440,510
At 30 June 2023	-	1,050,272	261,087	1,666,742	44,485	100,909	16,217	3,139,712
Net Book Value								
At 30 June 2023	50,000,000	37,563,821	935,780	4,445,758	281,797	176,669	132,463	93,536,288
At 1 July 2022	50,000,000	36,566,888	1,196,867	6,112,500	326,281	277,579	148,680	94,628,795
Depreciation	-	2.5%	20%	25%	12.5%	33.33%	10%	

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). These amounts were adopted in the financial statements on 0.

18 (b) Property, plant and equipment at cost

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

Description	Cost Kshs	Accumulated Depreciation Kshs	NBV Kshs
Land	50,000,000	0	50,000,000
Buildings	38,614,093	1,050,272	37,563,821
Equipment and machinery	1,196,867	261,087	935,780
Motor vehicles including motorcycles	6,112,500	1,666,742	4,445,758
Furniture, and fittings	326,281	44,485	281,797
Computers	277,579	100,909	176,669
Library books	148,680	16,217	132,463
Total	96,676,000	3,139,712	93,536,288

19. Biological assets

	2022-2023 Kshs.
Biological Assets	
Cows	240,000
Heifer	40,000
Calves	36,000
Bulls	30,000
Total	346,000

20. Trade and other payables from exchange transactions

	2022-2023 Kshs
Accounts Payable	130,754
Prepaid fees	-
	130,754

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21. Revenue reserve

Description	2022-2023 Kshs
Opening balance	0
Prior year adjustment(Depreciation)	0
Transfer to capital reserve	0
For the year	(8,757,184)
Total Deposits	0

22. Cash Generated from Operations

	2022-2023 Kshs
Surplus for the year before tax	(8,757,184.33)
Adjusted for:	
Depreciation	1,440,510.43
Non-Cash grants received	-
Working Capital Adjustments	-
Increase in Inventory	726,286.00
Increase in Receivables	(1,489,368.42)
Increase in Deferred Income	-
Increase in Payables	1,284,331.36
Increase in Payments received in advance	-
Net Cash Flow from Operating Activities	(6,795,424.96)

24. Financial Risk Management

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

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

(i) Credit risk

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

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

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

The College has significant concentration of credit risk on amounts.

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

(ii) Liquidity risk management

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

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

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

Foreign currency sensitivity analysis

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

b) Interest rate risk

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

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Management of interest rate risk

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

Sensitivity analysis

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

25. Related Party Balances

Nature of related party relationships

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

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

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26. Appendices

Appendix 1: Projects

Projects implemented by Kenya Teachers Training Savings

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. Modern Toilets		Institution Savings	1 year		No	

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1.	Modern Toilet	2047205	2047205	100%	2047205	2047205	Institution Savings