

REPUBLIC OF KENYA



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REPORT

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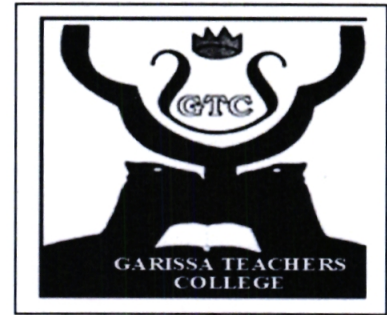
ON

GARISSA TEACHERS TRAINING COLLEGE

**FOR THE YEAR ENDED
30 JUNE, 2022**

| | |
|---|------------------------|
|  THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: 25 JUN 2025 | |
| DAY: WEDNESDAY | |
| TABLED BY: | MAJORITY LEADER |
| CLERK-AT THE-TABLE: | FINLAY |

OFFICE OF THE COMPTROLLER AND
CHIEF FINANCIAL OFFICER
NORTH RIFT VALLEY GOVERNMENT
17 DEC 2022
LILONGWE
TANZANIA



GARISSA TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2022**

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

Garissa Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2022

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1. Acronyms & Glossary of Terms

| | |
|----------------------|---|
| BOM | Board of Management |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards |
| PFM | Public Finance Management |
| PSASB | Public Sector Accounting Standards Board |
| TTI | Technical Training Institute |
| TTC | Teacher Training College |
| TVC | Technical Vocational College |
| Fiduciary Management | Key management personnel who have financial responsibility in |
| GTTC | Garissa Teachers Training College |

2. Key Entity Information and Management

(a) Background information

Garissa Teachers Training College is located in Garissa County, North Eastern region of Kenya within Garissa township along the Garissa – Kismayu road, on a 60-acre piece of land. The college was founded in 1992 by the government of Kenya and it opened its doors to the first batch of students in September 1996 with the mandate of training of primary school teachers in the cadre of P1 and P2. The P2 grade was phased out in 2004 and then P1 continued up to 2021 when Diploma in Primary Teacher Education (DPTE) and Diploma in Early Childhood Teacher Education (DECTE) was introduced in Teacher Education to align training with current curriculum (CBC) Competence Based Curriculum.

The college is focusing its training on DPTE, DECTE and upgrading of P1 and ECDE in conjunction with the Ministry of Education (MOE) and its agencies i.e. KNEC, KICD, TSC etc.

(b) Principal Activities

The principal activity of Garissa Teachers Training College is to provide teacher education and training.

VISION

A centre of Excellence in provision of quality teacher education training.

MISSION

To produce all round teachers capable of meeting demands of fast changing society.

MOTTO

Education for better life.

CORE VALUES

Professionalism: consistently offer quality training and related services that are society driven.

Team Work: Encourage positive team work and positive contribution from its Motivated and innovative workforce.

Quality Training: Provide training which is relevant to the current curriculum to meet the needs of 21st century learner.

Love and care: Always show care and love for all irrespective of the condition of the learner so as to give conducive learning environment.

Integrity: Always encourage honesty in all undertakings done in the college.

Justice: Encourage impartiality while dealing with issues concerning the workers and students.

Key Entity Information and Management (Continued)

Courtesy: Give everyone a chance to a fair hearing. To give everyone an hearing to contribute for the development of the college.

Efficiency: To provide training which make the teacher be in a position to give the best and make teaching more effective.

Improvement: Consistently upgrade resources required to improve training and teaching for improved results.

(a) OBJECTIVES:

1. To implement Competency Based Curricular (CBC)
2. To provide increased training opportunities for trainees that will enable them to be self reliant.
3. To develop Basic theoretical and practical knowledge about the teaching profession so as to enhance professional commitment and competence.
4. To develop in the teacher the ability to communicate effectively.
5. To provide teacher education that prepares teachers who are able to provide suitable learning opportunities and develop Child's 21st century skills i.e. self directed, globally aware a communicator, an innovator, financially and economically literate, information and media literate, civically engaged, a problem solver, a critical thinker and a collaborator.

The principal activity mandate of Garissa Teachers Training College is to provide teacher education and training.

(c) Key Management

Garissa Teachers Training College's day-to-day management is under the following key organs:

- Board of Management.
- Principal
- Management Committees

(d) Fiduciary Management

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

| SN. | Designation | Name |
|-----|---------------------------------|----------------------|
| 1. | Principal- Former | Mr. Peter Magoci- |
| 2. | Principal- Current | Mr. Noor Aden Dahir |
| 3. | Deputy principal Administration | Mr. Ali Abass Abdi |
| 4. | Head of Finance | Ms. Asli Farah |
| 5. | Dean of Curriculum | Mr. Hukha Abdub Guyo |
| 6. | Dean of Students | Ms. Maigwa Alice |

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

1. Board of Management Committee
2. Finance Committee
3. Infrastructure Committee
4. Projects Committee

(f) Entity Headquarters

Garissa Teachers' Training College
Along Garissa - Kismayu Road (A3)
Po Box 496 – 70100
Garissa, Kenya

(g) Entity Contacts

Telephone: 0725 718 234

Email: garissattc@gmail.com / garissattc@yahoo.com

(h) Entity Bankers

KCB Bank
Garissa Branch
Garissa

Equity Bank Kenya
Garissa Branch
Garissa

(i) Independent Auditors


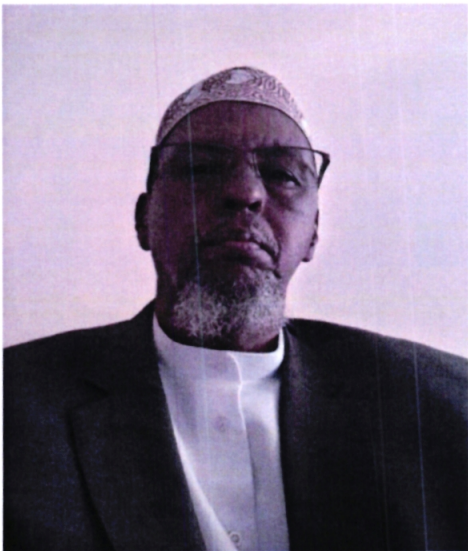
Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya



Key Entity Information and Management (Continued)



(j) Principal Legal Adviser

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



3.The Board of Management

| | Photo, Name and Position | Brief Profile |
|---|---|---|
| 1 |  <p>ABDI MOHAMED HASSAN (CHAIRMAN)</p> | <ul style="list-style-type: none"> - Date of birth (10/10/1978) - Businessman - Bachelor’s Degree in Business Administration in Omdurman Islamic University. - Diploma in Community Development from Thika Institute. - Diploma in BA from Islamic University - Board member in different institutions. - Worked as a Cashier in Garissa County Referral Hospital - Worked as In-charge of Sales and Marketing at First Community Bank |
| 2 |  <p>SHEIKH ABDISALAN (MEMBER)</p> | <ul style="list-style-type: none"> - Date of Birth (22/06/1960) - Businessman - Diploma in Social work from KIA. - Degree in Human Resource Management from Kenyatta University - Short courses/conferences such as project management, public service recruitment and selection in the UK, corporate governance in SA, leadership, mediation and arbitration amongst others. - Member of various Commissions and Boards - Worked with the Young Muslim Association. |




| | | |
|----------|--|---|
| <p>3</p> |  <p>MR. NOOR ADEN DAHIR (PRINCIPAL/SECRETARY BOM)</p> | <ul style="list-style-type: none"> - Date of Birth (25/7/1982) - Career Teacher and Teacher Trainer - Bachelor of Education at Kampala University - M&E at Mount Kenya University - Taught as a Teacher. - Accounting Officer - BOM Secretary |
| <p>4</p> |  <p>MRS. JAWAHIR KEINAN (MEMBER)</p> | <ul style="list-style-type: none"> - Businesswoman - Masters degree in Inclusion and Special needs from University of Birmingham (UK) - Bachelors degree in Education from Kenyatta University - Diploma in Special needs and a - Certificate in P1 from Shanzu TTC - Worked as a teacher - Executive BOM Member |



| | | |
|----------|--|---|
| <p>5</p> |  <p>AHMED MOHAMED ABDI (MEMBER)</p> | <ul style="list-style-type: none">- Date of Birth – 17/4/1952- Highridge Teachers College- Worked as a teacher- Worked at Nairobi as Assistant and Deputy Director.- Worked as a Provincial Director in North Eastern and Coast Province- Worked as District Adult Education Officer in Wajir, Hola, Lamu, Kilifi and Garissa- Worked as a Headteacher in Wajir Township Primary School- Worked as an Assistant Teacher in Wajir Primary School- Member of the Discipline/ Ethics/ Integrity/Human Rights/Student welfare Committee |
| <p>6</p> |  <p>ZEINAB GURE MURSAL (MEMBER)</p> | <ul style="list-style-type: none">- BOM Member- Businesslady and- Holds a Diploma |

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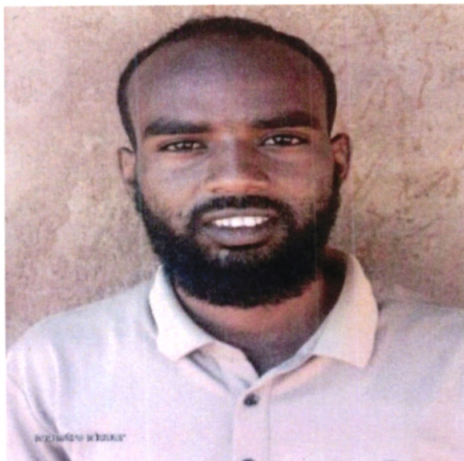


| | | |
|----------|---|---|
| <p>7</p> |  <p>HUSSEIN ABDI FARAH (MEMBER)</p> | <ul style="list-style-type: none"> - BOM Member - Audit Committee Chairman - Member of the Discipline/ Ethics/ Integrity/Human Rights/Student welfare Committee - Holds a masters in Medical microbiology |
| <p>8</p> |  <p>MR. IRERI LINCOLN (MEMBER)</p> | <ul style="list-style-type: none"> - Career Teacher and teacher trainer - Tutors Representative - Academic Committee member |

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| | | |
|------------|--|---|
| <p>9</p> |  <p>MOHAMED DUBOW ADEN (MEMBER)</p> | <ul style="list-style-type: none"> - BOM Member - Member of the Discipline/ Ethics/ Integrity/Human Rights/Student welfare Committee - Holds a masters |
| <p>10.</p> |  <p>ABDI NOOR DUBOW (MEMBER)</p> | <ul style="list-style-type: none"> - BOM Member - Member of the Accounts/ Finance/ Procurement/General Purpose Committee - Holds a Masters in ART |
| <p>11.</p> |  <p>ABDULLAHI MOHAMED ABDI</p> | <ul style="list-style-type: none"> - BOM Member - Member of the Accounts/ Finance/ Procurement/General Purpose Committee - Holds a Masters in Accounts |

| | | |
|-----|--|--|
| 12. |  <p>FARHIYA HAJIR HASSAN (MEMBER)</p> | <ul style="list-style-type: none">- BOM Member- Member of the Discipline/ Ethics/ Integrity/Human Rights/Student welfare Committee- Holds a degree |
| 13. |  <p>HUSSEIN HARET BORLE (MEMBER)</p> | <ul style="list-style-type: none">- BOM Member- Chairman of the Accounts/ Finance/ Procurement/General Purpose Committee- Degree in Bachelor of Arts |

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| | | |
|------------|---|---|
| <p>14.</p> |  <p>ABDIKHEIR OSMAN (MEMBER)</p> | <ul style="list-style-type: none"> - Students Representative - Member of the Discipline/ Ethics/ Integrity/Human Rights/Student welfare Committee |
| <p>15.</p> |  <p>EBLA HAJI ADEN (MEMBER)</p> | <ul style="list-style-type: none"> - Academic Committee member - Audit Committee member - BOM Member - Masters in Education |
| <p>16.</p> |  <p>MAHAT ISSACK HASSAN (MEMBER)</p> | <ul style="list-style-type: none"> - BOM Member - Academic Committee Chairman - Holds a Master's in Art |

4. Key Management Team



1. MR. NOOR ADEN DAHIR

THE PRINCIPAL

- Accounting Officer
- Secretary BOM



2. MR. ALI ABASS

**-DEPUTY PRINCIPAL-
ADMINISTRATION**
-Administrative Duties



3. MR. HUKHA ABDUB GUYO

DEAN OF CURRICULUM

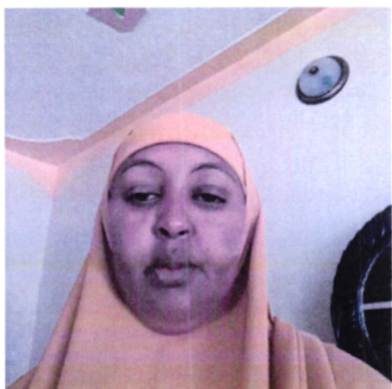
Head of Academic affairs



4. MRS. ALICE MAIGWA

- DEAN OF STUDENTS

-Students welfare



5. MRS. ASLI SALAH FARAH

- HEAD OF FINANCE

- Financial Management and reporting

5. Chairman's Statement

During the year under review, the Office of the Chairperson of the Board of Management at Garissa Teachers Training College made notable progress in managing the affairs of the institution. The Board remained focused on addressing key challenges and enhancing the quality of teacher training in the region, with a steadfast commitment to advancing the college's mission.

Despite significant obstacles, including limited infrastructure, inadequate learning resources, and a shortage of both academic and non-academic staff, the Board has demonstrated unwavering dedication to overcoming these issues. A major impediment to fully leveraging available technical resources has been budgetary constraints. To address this, the college continues to collaborate with national and county government agencies as well as private sector partners to close resource gaps and provide students with access to improved training facilities.

Security also remains a pressing concern in the region. While several measures have been implemented to enhance safety for staff and students, the college requires additional fencing to ensure a secure learning environment.

In response to these challenges, the Board has launched robust outreach and community engagement initiatives within Garissa Township Constituency and neighboring areas. These programs aim to raise awareness about the importance of teacher training and to address cultural attitudes that may hinder educational progress. By engaging local leaders and community groups, the Board is fostering greater appreciation of the vital role teachers play in shaping the county's future and driving enrollment growth.

The college, with the support of the Ministry of Education and the Teachers Service Commission, has made significant progress in admitting new students and enriching its curriculum. To further operationalize the institution, efforts are underway to recruit additional qualified teaching staff and to expand access to learning materials.

I extend my heartfelt gratitude to the Ministry of Education, the Teachers Service Commission, the area Member of Parliament, and private sector partners for their invaluable support in advancing the college's objectives. I also wish to convey my sincere appreciation to my fellow Board Members and the Management Staff for their dedication and hard work in ensuring the fulfillment of our mandate.

Looking ahead, we are confident that Garissa Teachers Training College will continue to grow as a center of excellence in teacher education. By equipping future generations of educators, the college is poised to make a lasting contribution to the development of our community and the nation as a whole.



Abdi Mohamed Hassan
Chairman/Board of Management

6. Report of the Principal

Pursuant to Section 83 of the Public Finance Management Act, 2012, I am pleased to present the College's Annual Report and Financial Statements for the period ending 30 June 2022. This report outlines the College's strategic focus, including curriculum development, infrastructure improvements, human resource development, student enrollment growth, resource mobilization, partnerships, and ICT integration. These efforts are part of our alignment with national Teacher Training Education reforms aimed at enhancing quality, competitiveness, and innovation in teacher education.

Challenges

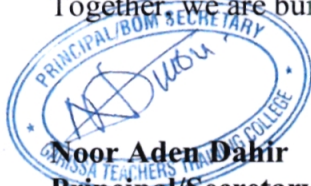
The College continues to face staffing challenges, particularly with a shortage of qualified trainers across all departments. During the 2021/2022 financial year, the College employed six trainers under the Board of Management (BOM), paid through the College's limited resources. However, as enrollment increases and programs expand, there is a growing need for more trainers. Additionally, security remains a concern due to the College's remote location, necessitating the urgent need for fencing to protect staff and students. Furthermore, the College requires reliable internet connectivity and a Management Information System (MIS) to improve efficiency in student admissions, fee payments, and exam registration.

Looking Ahead

As we move forward, the College is committed to addressing the challenges of staffing and security. We are focused on fencing the compound and improving the overall infrastructure to ensure a safe and conducive learning environment. Our strategic plan includes the continued integration of ICT solutions, enhancing operational efficiency and supporting the College's management processes. These initiatives will ensure that Garissa Teachers Training College remains a leader in teacher education in the region.

Acknowledgments

I would like to express my gratitude to the Ministry of Education, the Teachers Service Commission, the Board of Governors, and our dedicated staff for their unwavering support and commitment. Special thanks to our students for their perseverance and dedication to their studies. Together, we are building a brighter future for teacher education in Garissa County.



Noor Aden Dahir
Principal/Secretary, Board of Governors

7. Statement of Performance against Predetermined Objectives

In accordance with Section 81 Subsection 2(f) of the Public Finance Management Act, 2012, Garissa Teachers Training College presents its statement of performance against predetermined objectives for the year ended June 2023. The college operates under a strategic plan that encompasses two primary strategic pillars.

Strategic Pillars

Pillar 1: Quality Teacher Education and Training

This pillar focuses on enhancing the quality of teacher education programs to ensure that graduates are well-equipped to meet the educational needs of the community.

Pillar 2: Community Engagement and Support

This pillar emphasizes building strong relationships with local communities and stakeholders to promote education and support the implementation of educational initiatives.

Garissa Teachers Training College develops its annual work plans based on these strategic pillars. The Board assesses performance against the annual work plan on a quarterly basis. For the fiscal year 2022/2023, the college achieved its performance targets set for its two strategic pillars, as summarized in the table below.

| Strategic Pillar | Objective | Key Performance Indicators | Activities | Achievements |
|---|--|--|--|---|
| Quality Teacher Education and Training | Enhance the quality of teacher training programs. | - % increase in student satisfaction rates | - Curriculum review and updates | - 85% satisfaction rate among graduates |
| | | - % of graduates securing teaching positions | - Professional development workshops for faculty | - 90% of graduates employed within 6 months |
| | | - Number of accredited programs | - Implementation of new teaching methodologies | - 3 new programs accredited |
| Community Engagement and Support | Strengthen partnerships with local schools and stakeholders. | - Number of community outreach programs | - Workshops and seminars for local educators | - 5 outreach programs conducted |

| Strategic Pillar | Objective | Key Performance Indicators | Activities | Achievements |
|------------------|-----------|---|---|--|
| | | - % increase in community participation | - Collaborations with NGOs and local government | - 30% increase in community engagement |

Performance Analysis

Pillar 1: Quality Teacher Education and Training

The college successfully enhanced its teacher training programs through a comprehensive curriculum review and the introduction of new teaching methodologies. This initiative resulted in an 85% satisfaction rate among graduates and a remarkable 90% employment rate within six months of graduation. Additionally, the college achieved accreditation for three new programs, expanding its offerings and improving the quality of education provided.

Pillar 2: Community Engagement and Support

Garissa Teachers Training College strengthened its community engagement efforts by conducting five outreach programs aimed at enhancing local educational practices. These initiatives increased community participation in educational activities by 30%, demonstrating the college's commitment to fostering partnerships that support educational advancement.

Conclusion

The achievements outlined above reflect the college's alignment with its strategic objectives and its commitment to fulfilling performance contracts. The management of Garissa Teachers Training College will continue to focus on these strategic pillars to ensure the sustained growth and effectiveness of its educational programs and community engagement efforts. Moving forward, the college aims to build on these successes, addressing any challenges that may arise and continuously improving its offerings to better serve the educational needs of the region.

8. Corporate Governance Statement

Garissa Teachers Training College is committed to upholding the highest standards of corporate governance, which are essential for our mission to provide quality education. The current Board, appointed in June 2023, consists of the following members 16 members.

Throughout the 2023-2024 financial year, the Board has convened several meetings to address key issues and set strategic direction for the College. These discussions have laid the groundwork for effective governance and have helped identify priority areas for improvement.

The Board has also initiated the development of a succession plan to ensure a robust pipeline of future leadership and continuity within the College. A comprehensive Board Charter is being finalized, outlining the roles, responsibilities, and functions of the Board to guide our governance practices.

Our appointment process for Board members remains transparent, focusing on qualifications and alignment with the College's mission. Procedures for removal will comply with legal and regulatory standards to ensure fairness. The Board is responsible for overseeing management performance, ensuring compliance with legal obligations, and safeguarding stakeholder interests.

To facilitate effective governance, an induction program has been organized for all new Board members to familiarize them with the College's operations and governance framework. Ongoing training will be provided as needed, and the Board plans to implement regular assessments of its performance and that of individual members to foster continuous improvement.

Policies to manage conflicts of interest have been established, requiring members to disclose any potential conflicts and recuse themselves from related decision-making processes. Board remuneration is aligned with industry standards to attract and retain qualified members while ensuring accountability. The Board is committed to maintaining ethical conduct and integrity in all dealings, guided by a Code of Conduct that informs decision-making.

An independent governance audit will be conducted annually to evaluate the effectiveness of our governance framework and identify areas for improvement. The new Board will serve a term of

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three years, focusing on strengthening governance practices and advancing the mission of Garissa Teachers Training College.

Thank you for your continued support.



Sincerely,

Noor Aden Dahir

Principal/Secretary, Board

9. Management Discussion and Analysis

SECTION A

The entity's operational and financial performance

During the period ended 30 June 2022, the College continued to execute its mandate of teacher training in DPTE, DECTE and Upgrade (UPDPTE). In adherence to the government policies the college was able to collect and receive Kshs.30,000,290 from fees collection and government grants.

The following projects are in progress, Tiling of female hostels, Installation of 4no. water tanks, Sub-division of both male and female hostels in to cubicles.

The college has documented its operational policies on diverse aspects that will assist in governance; these are Academic Policy, Finance Policy, Students Fees Policy, Alcohol and Drug Abuse policy, HIV/Aids policy among others.

SECTION B

Entity's compliance with statutory requirements

During the Quarterly Period under review, the college complied with the following statutory requirements among others; Public Audit Act 2015, Education Act 2012, Labour Relations Act 2007, PSC Act 2017, PFM Act 2012. We have not been able to submit the National Social Security Funds (NSSF), Pay As You Earn (PAYE), National Hospital Insurance Fund (NHIF) dues on behalf of our BOM workers in time and there are pending dues which are in arrears. This is because the workers have not been paid their salaries since February 2022 to date.

SECTION C

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

Garissa Teachers Training College is in the process of renovating, tiling, sub-dividing 4no. water tanks in the college which will go along way in improving and making learning environment conducive with grants from MOE.

Garissa Teachers Training College

Annual Report and Financial Statements for the year ended 30th June 2022

The college is also planning the construction of modern ICT infrastructure with a video room, Learning resource centre and 5no. smart classrooms when funds become available.

SECTION D

Major risks facing the entity

The major risks facing the college include the following among others:

1. Low student enrolment
2. Non-payment of BOM salaries
3. High cost of foodstuffs and other resources for learning.

The Ministry has demanded for strict adherence to the fees guidelines given yet the cost of living is at its high, this has a negative effect on the budgetary estimates yet the college has to maintain high standards.

SECTION E

Material arrears in statutory/financial obligations

Garissa Teachers Training College has not been able to submit/honour its statutory obligations to State Corporations or agencies because the BOM workers have not received their salaries since February 2022 which comes as a grant from the MOE. The college does not have any Court Order that affect its running.

SECTION F

The entity's financial probity and serious governance issues

During the period ended the College did not have serious governance issues apart from sometimes the BOM workers have low morale and are always walking to the Principal's office to raise up the issue of their delayed salaries which is beyond the BOM.

10. Environmental And Sustainability Reporting Statement

Sustainability Strategy and Profile

At Garissa Teachers Training College, we are committed to embedding sustainability into our educational practices and campus operations. Under the guidance of our management team, particularly our accounting officer, we have embraced a sustainability strategy that reflects both local needs and international best practices.

Key Achievements

- **Green Campus Initiative:** We have successfully implemented a green campus initiative that has led to a 15% reduction in energy consumption through the installation of solar panels and energy-efficient lighting.
- **Community Engagement:** Our outreach programs have fostered partnerships with local schools to promote environmental education, reaching over 1,000 students in the region.

Shortcomings

Despite our progress, challenges remain. Limited resources have hindered our ability to scale up sustainability projects, and we recognize the need to enhance our engagement with local communities and stakeholders.

Environmental Performance **Environmental Policy**

Our college has established a comprehensive environmental policy aimed at minimizing our ecological footprint and promoting sustainability in teacher education. This policy guides our operations and serves as a framework for continuous improvement.

Evidence of Policy Implementation

- **Waste Management:** We have introduced a recycling program that has successfully diverted 25% of waste from landfills, promoting a culture of sustainability among students and staff.
- **Water Conservation:** Initiatives to collect rainwater for irrigation have been implemented, reducing water usage significantly, especially given the arid climate of Garissa.

Successes and Shortcomings

While we have made strides in waste management and water conservation, further efforts are needed to address issues such as single-use plastics and overall environmental awareness within our community.

Employee Welfare

Hiring Policies

Our hiring practices prioritize diversity and gender balance, actively promoting an inclusive workplace. We engage stakeholders in reviewing these processes to ensure they are effective and equitable.

Skill Development

We provide ongoing professional development opportunities for our staff, including training in sustainable practices relevant to teacher education. Our appraisal system rewards contributions to both individual and institutional sustainability goals.

Safety and Compliance

We strictly adhere to the Occupational Safety and Health Act of 2007 (OSHA), ensuring a safe working environment through regular training sessions and compliance audits.

Marketplace Practices

Responsible Competition Practices

Garissa Teachers Training College fosters a culture of integrity, adhering to principles of fair competition and transparency. Our policies include anti-corruption measures and ethical guidelines for interactions with other educational institutions.

Responsible Supply Chain

We prioritize maintaining strong relationships with our suppliers, ensuring that contracts are honored and payments made promptly, which supports local businesses and fosters community trust.

Ethical Marketing Practices

Our marketing strategies emphasize truthfulness and respect for our audience, promoting our educational programs ethically while safeguarding consumer rights.

Product Stewardship

We are committed to protecting the rights and interests of our students, ensuring that all educational materials and resources provided meet high standards of quality and sustainability.

Corporate Social Responsibility / Community Engagements

Corporate Social Responsibility at Garissa Teachers Training College

Over the past year, Garissa Teachers Training College has actively undertaken several impactful CSR initiatives, reinforcing our commitment to the community and sustainable development.

Key highlights of our efforts include:

- **Charitable Contributions:** We supported local health initiatives with financial donations and educational materials, directly benefiting a range of community organizations.
- **Environmental Education:** Through targeted outreach programs, we conducted workshops on environmental sustainability in schools, reaching and inspiring over 500 local students to adopt eco-friendly practices.
- **Community Service Projects:** Our students played a vital role in tree planting and neighborhood clean-up campaigns, raising awareness about environmental conservation and fostering a cleaner, greener community.

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These initiatives underscore our dedication to promoting sustainability, community engagement, and leadership in teacher education within North Eastern Kenya. Garissa Teachers Training College remains steadfast in its pursuit of meaningful collaboration and continuous improvement, aiming to serve as a beacon of sustainability and societal contribution.

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11. Report of the Board of Management

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of Garissa Teachers Training College's affairs.

Principal activities

The principal activity of Garissa Teachers Training College is to provide teacher education and training

Results

The results of Garissa Teachers Training College for the year ended 30 June 2022 are set out on page 1

Board of Management

The members of the Board who served during the year are shown on pages vii to xiii. In the year 2022 the directors who served have also been disclosed as former members as their term ended.

Auditors

The Auditor General is responsible for the statutory audit of Garissa Teachers Training College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2021, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Secretary of the Board

Date:.....



SENIOR PRINCIPAL, B.O.M SECRETARY
GARISSA TEACHERS TRAINING COLLEGE
P. O. Box 446 - 70100, GARISSA
Date: 17/12/2021

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12. Statement of Board of Management’s Responsibilities

Section 83 of the Public Finance Management Act, 2012 require the Board members to prepare financial statements in respect of that entity, which give a true and fair view of the state of affairs of the College at the end of the financial period and the operating results of the for that year. The Board members are also required to ensure that the College keeps proper accounting records which disclose with reasonable accuracy the financial position of the College. The Board members are also responsible for safeguarding the assets of the College.

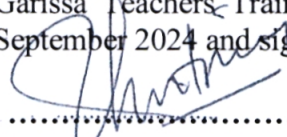
The Board members are responsible for the preparation and presentation of the College’s financial statements, which give a true and fair view of the state of affairs of the College for and as at the end of the financial period ended on 30 June 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the College; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the College; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Board Members accept responsibility for the College’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. . The Board Members are of the opinion that the College’s financial statements give a true and fair view of the state of College’s transactions during the financial year ended June 30, 2022, and of the College’s financial position as at that date. The Board members further confirms 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. The Board members further confirm the completeness of the accounting records maintained for the College, which have been relied upon in the preparation of the College financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

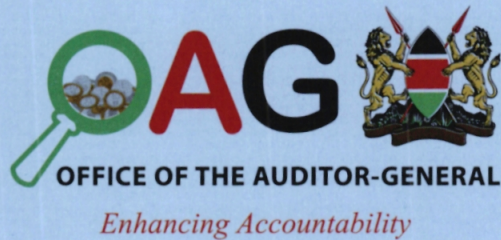
Garissa Teachers Training College’s financial statements were approved by the Board on 30 September 2024 and signed on its behalf by:


.....
Name: Abdi Mohamed Hassan
Chairperson of the Board


.....
Name: Noor Aden Dahir
Principal

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GARISSA TEACHERS TRAINING COLLEGE OR THE YEAR ENDED 30 JUNE, 2022

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.
- 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 Garissa Teachers Training College set out on pages 1 to 29 which comprise of the statement of financial position as

at 30 June, 2022 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 Garissa Teachers Training College as at 30 June, 2022 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. Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects a balance of Kshs.1,585,201 in respect of receivables from exchange transactions as disclosed in Note 15 to the financial statements. Based on analysis provided in Note 15 to the financial statements the account receivables balance represents 100% students' debtors' outstanding for more than three years. Management did not provide evidence of measures put in place to ensure recovery of debts. In addition, there was no provision for bad and doubtful debts to take care of debts that may not be collected.

In the circumstances, the accuracy and recoverability of the account's receivables balance of Kshs.1,585,201 could not be confirmed.

2. Unconfirmed Property Plant and Equipment Assets

The statement of financial position reflects a balance of Kshs.97,900,000 in respect of property, plant and equipment and as disclosed in Note 16 to the financial statements. Although the Management maintained a fixed asset register, the register did not contain all information required including Identification or serial numbers, acquisition date, description of asset, location, class, cost of acquisition, accumulated depreciation, net book value and assets tag identification codes. In addition, ownership documents for land of unknown size and value owned by the College were not provided for audit.

Further, inspection of the assets owned by the college revealed that four (4) unserviceable vehicles were grounded and continued to deteriorate in value due to wear and tear. Although Management had sought an approval in August, 2020 from the Principal Secretary, Ministry of Education, Science and Technology to dispose of the vehicles. However, no response had been received by the time of audit in December, 2024.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.97,900,000 could not be confirmed.

3. Unsupported Trade Payables

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.36,538,229 and as disclosed in Note 17 to the financial statements. Included in the balance is Kshs.17,926,241 in respect of trade payables, Kshs.3,754,863 in respect of gratuity and Kshs.14,857,125 in respect of salary arrears. However, the schedule provided for audit did not indicate details including contract number, local purchase order and local service order for the trade payables amounting to Kshs.17,926,241.

Review of the records provided revealed that payables were outstanding for more than three (3) years. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Governments) Regulations, 2015 which provides that debt service payments shall be a first charge on the Consolidated Fund and the accounting officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.36,538,229 could not be confirmed.

4. Unapproved Long-Term Borrowings

The statement of financial position reflects non-current borrowings balance of Kshs.8,447,317 and as disclosed in Note 18 to the financial statements. Review of records provided revealed that the non-current borrowings balance related to a loan principal amount of Kshs.20,000,000 borrowed from a Commercial Bank for development of staff houses in the year 2016, with additional charges and profit for the loan facility of Kshs.8,855,145. However, Management did not provide documentary evidence of approval by the Cabinet Secretary as required by Section 51(2) of the Public Finance Management Act, 2012 which provides that a national government entity shall obtain the approval of the Cabinet Secretary for its intended program of borrowing, refinancing and repayment of loans (a) over the medium term and (b) for the forthcoming financial year, prior to the beginning of that financial year.

In the circumstances, regularity and validity of long-term loan balance of Kshs.8,447,317 could not be confirmed.

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

Emphasis of Matter

Budget Performance and Control

The statement of comparison of budget and actual amounts for the year ended 30 June, 2022 reflects budgeted total receipts and actual total receipts of Kshs.30,000,000 and Kshs.30,000,290 respectively. Further, the statement reflects expenditure budget and actual expenditure as Kshs.30,000,000 and Kshs.23,605,508 respectively, resulting in under expenditure of Kshs.6,394,492 or 21% of the budget.

The under-utilization affected the planned activities and may have impacted negatively on the operations of the College.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the 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 xxviii which comprise of Key Entity Information, the Board of Management, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting Statement, Report of the Board of Management, and Statement of Board of Managements' 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.

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 effects 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 the Financial Statements

The financial statements for the financial year ended 30 June, 2022 were submitted to the Auditor-General on 30 September, 2024 which was two (2) years after the statutory deadline of 30 September, 2022. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

2. Non-Disclosure of Finance Officer's ICPAK Membership Number

The Institute of Certified Public Accountants of Kenya (ICPAK) membership number for the finance officer who signed the financial statements was not disclosed in the relevant sections of the financial statements. This was contrary to the requirements by the Annual Financial Reporting Template issued by the Public Sectors Accounting Standards Board (PSASB).

In the circumstances, the presentation of the financial statements did not fully comply with the PSASB prescribed format.

3. Lack of Ethnic Diversity in Staff Composition

Review of employees' records revealed that 81% of the College's employees were from the dominant ethnic community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment shall have more than one third of its staff from the same ethnic community.

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

The audit was conducted in accordance with ISSAIs 3000 and 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 effects 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. Non-Compliance in Constitution of the Audit Committee

Review of records and information obtained from Management revealed that the audit committee in place lacked a member with background in audit, financial management, or accounting with experience in public service or devolved system of government and knowledge in risk management. This was contrary to Section 4.1(b) of Gazette notice Vol. CXVIII—No. 40 dated 15th April, 2016 on Audit Committee Guidelines for National Governments which requires that the board should satisfy itself that at least one member of the audit committee has relevant qualifications and expertise in audit, financial management, or accounting with experience in public service or devolved system of government and knowledge in risk management and is a member of a professional body in good standing.

In the circumstances, the competence and effectiveness of the Audit Committee could not be confirmed.

2. Ineffective Internal Audit Arrangements

Review of the internal controls and governance structure at the College revealed that the College had an arrangement with the Ministry of Education in compliance with the requirement of Section 73(1)(a) of Public Finance Management Act, 2012 for the County Internal Audit Unit to conduct internal audit. However, Management did not provide evidence of any internal audit conducted during the year under review.

In the circumstances, the effectiveness of the internal controls and risk management systems in the College could not be confirmed.

3. Lack of Risk Management Policy

Review of the internal control environment revealed that Management had not established risk management policy, fraud prevention mechanism and operational and disaster recovery plan. This was contrary to Regulation 165 of the Public Finance Management (National Governments) Regulations, 2015 which states that the Accounting Officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal controls that builds robust business operations.

In the circumstances, the existence and effectiveness risk management systems in the College could not be confirmed.

The audit was conducted in accordance with ISSAIs 2315 and 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 the Board of Management

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the College 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 for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

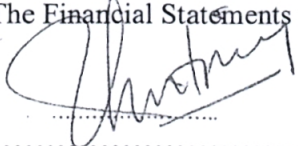
19 December, 2024

Garissa Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2022

14. Statement of Financial Performance For The Year Ended 30 June 2022

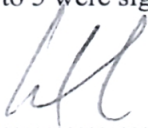
| | Notes | 2021-2022 |
|---|-------|--------------------|
| | | Kshs |
| Revenue from Non-Exchange transactions | | |
| Transfers from other National Government entities | 6 | 20,272,289 |
| | | 20,272,289 |
| Revenue from Exchange transactions | | |
| Rendering of services- fees from students | 7 | 5,993,001 |
| Rental revenue from facilities and equipment | 8 | 190,000 |
| | | 6,183,001 |
| Total Revenue | | 26,455,290 |
| Expenses | | |
| Use of goods and services | 9 | 7,477,926 |
| Employee costs | 10 | 15,717,562 |
| Depreciation and amortization expense | 11 | 6,100,000 |
| Repairs and maintenance | 12 | 410,020 |
| Finance costs | 13 | 12,259 |
| Total Expenses | | 29,717,767 |
| | | |
| Net surplus/(deficit) for the year | | (3,262,477) |

The Financial Statements set out on pages 1 to 5 were signed by:



Abdi Mohamed Hassan
Chairman of Board

Date 17/6/24



Asli Farah
Finance Officer
ICPAK No

Date 17/6/24



Noor Aden Dahir
Principal

Date 17/6/24

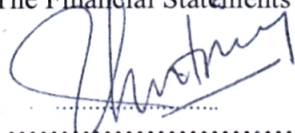
Garissa Teachers Training College

Annual Report and Financial Statements for the year ended 30th June 2022

15. Statement of Financial Position as At 30th June 2022

| Description | Notes | 2021-2022 |
|---|-------|--------------------|
| | | Kshs |
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | 14 | 4,163,093 |
| Current portion of receivables from exchange transactions | 15 | 1,585,201 |
| Total Current Assets | | 5,748,294 |
| Non-Current Assets | | |
| Property, plant, and equipment | 16 | 97,900,000 |
| Total Non-Current Assets | | 97,900,000 |
| Total Assets | | 103,648,294 |
| Liabilities | | |
| Current Liabilities | | |
| Trade and other payables from exchange transactions | 17 | 36,538,229 |
| Total Current Liabilities | | 36,538,229 |
| Non-Current Liabilities | | |
| Non- Current Borrowings | 18 | 8,447,317 |
| Total non- current liabilities | | 8,447,317 |
| Total Liabilities | | 44,985,546 |
| Net Assets | | 58,662,748 |
| Represented By: | | |
| Accumulated Surplus | | (3,262,477) |
| Capital Fund | | 61,925,225 |
| Net Assets | | 58,662,748 |

The Financial Statements set out on pages 1 to 5 were signed by:



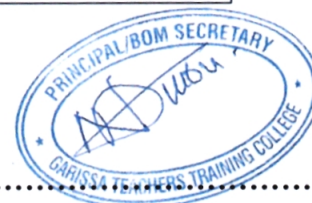
Abdi Mohamed Hassan
Chairman of Board

Date 17/12/2024



Asli Farah
Finance Officer
ICPAK No

Date 17/12/2024



Noor Aden Dahir
Principal

Date 17/12/2024

Garissa Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2022

16. Statement of Changes in Net Asset for The Year Ended 30 June 2022

| Description | Accumulated Fund | Capital Fund | Total |
|---|-------------------------|---------------------|-------------------|
| At July 1, 2021 | 0 | 0 | 0 |
| Surplus/(deficit) for the year | (3,262,477) | 0 | (3,262,477) |
| Capital Fund | 0 | 58,380,225 | 58,380,225 |
| Capital grants received during the year | 0 | 3,545,000 | 3,545,000 |
| At June 30, 2022 | (3,262,477) | 61,925,225 | 58,662,748 |

17. Statement of Cash Flows For The Year Ended 30 June 2022

| Description | | 2021-2022 |
|--|------|--------------------|
| | Note | Kshs |
| Cash flows from operating activities | | |
| Receipts | | |
| Transfers from other National Government entities | | 23,817,289 |
| Rendering of services- fees from students | | 5,993,001 |
| Rental revenue from facilities and equipment | | 190,000 |
| Total Receipts | | 30,000,290 |
| Payments | | |
| Use of goods and services | | 7,477,926 |
| Employee costs | | 17,012,049 |
| Repairs and maintenance | | 410,020 |
| Total Payments | | 24,899,995 |
| Net Cash Flows from operating activities | | 5,100,295 |
| Cash flows from investing activities | | |
| Purchase of property, plant, equipment and intangible assets | | - |
| Net cash flows used in investing activities | | - |
| Cash flows from financing activities | | |
| Repayment Of Borrowings | | (1,490,703) |
| Penalty loan repayment | | (12,259) |
| Net cash flows used in financing activities | | (1,502,962) |
| Net Increase/(Decrease) in Cash and Cash equivalents | | 3,597,333 |
| Cash and Cash equivalents at 1 JULY | 14 | 565,760 |
| Cash and Cash equivalents at 30 JUNE | | 4,163,093 |

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2022

| Description | Original budget | Adjustments | Final Budget | Actual on comparable basis | Performance difference | Utilization Difference |
|---|-------------------|-------------|-------------------|----------------------------|------------------------|------------------------|
| Revenue | Kshs | Kshs | Kshs | Kshs | Kshs | % |
| Transfers from other National Government entities | 24,000,000 | 0 | 24,000,000 | 23,817,289 | 182,711 | 99% |
| Rendering of services- fees from students | 8,000,000 | 0 | 6,000,000 | 5,993,001 | 6,999 | 100% |
| Rental revenue from facilities and equipment | - | 0 | - | 190,000 | (190,000) | 100% |
| Total Income | 30,000,000 | 0 | 30,000,000 | 30,000,290 | (290) | 100% |
| Expenses | | | | | | |
| Use of goods and services | 9,500,000 | 0 | 9,500,000 | 7,477,926 | 2,022,074 | 79% |
| Employee costs | 20,200,000 | 0 | 20,200,000 | 15,717,562 | 4,482,438 | 78% |
| Repairs and maintenance | 300,000 | 0 | 300,000 | 410,020 | (110,020) | 137% |
| Total Expenditure | 30,000,000 | 0 | 30,000,000 | 23,605,508 | 6,394,492 | 79% |
| Surplus For the Period | - | - | - | 6,394,782 | 6,394,782 | |
| Capital Expenditure | 2,000,000 | - | 2,000,000 | 0 | 2,000,000 | 100% |

19. Notes to the Financial Statements

1. General Information

Garissa Teachers Training College is established by and derives its authority and accountability from Technical and Vocational Education and Training Act, 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. the College's principal activity is to provide teacher education and training.

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. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

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 Entity'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 flows and the objective for which the asset is held; • 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 Entity'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 Entity 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> <ol style="list-style-type: none"> (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. |
| 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. |

Garissa Teachers Training College

Annual Report and Financial Statements for the year ended 30th June 2022

| Standard | Effective date and impact: |
|-----------------------------|--|
| | <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>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.</p> |
| 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. |

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</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</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</p> <p>The Standard requires,</p> <p>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:</p> <p>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> |

iii. Early adoption of standards

Garissa Teachers Training College did not early-adopt any new or amended standards in year 2022.

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. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that 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.

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.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2021/2022 was approved by the Board on July 2021. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the College upon receiving the respective approvals to conclude the final budget. The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

c) Taxes

Current income tax

The College is exempt from paying taxes.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 50-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the 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.

| Class of Assets | Depreciation Rate |
|------------------------|--------------------------|
| Buildings | 2.5% |
| Motor Vehicles | 25% |
| Furniture and Fittings | 12.5% |
| Computers | 33 1/3% |

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 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

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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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Intangible assets

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

h) Research and development costs

The 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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 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 cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 in Note 4.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

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

p) Foreign currency transactions

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

q) Borrowing costs

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

r) Related parties

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

s) Service concession arrangements

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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, 2022.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

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

Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

| Description | 2021-2022 |
|--|-------------------|
| | Kshs |
| Unconditional Grants | |
| Capitation Grants | - |
| Recurrent Grants | 20,272,289 |
| Unconditional Development grants | |
| Total unconditional Grants | 20,272,289 |
| Total Government Grants and Subsidies | 20,272,289 |

(a) Transfers from other Government entities (Categorized)

| Name of Entity Sending the Grant | Amount recognized to Statement of Financial performance * | Amount deferred under deferred income | Amount recognised in capital fund. | Total grant income during the year |
|---|---|---------------------------------------|------------------------------------|------------------------------------|
| | Kshs | Kshs | Kshs | Kshs |
| Min. of Education – State Dept. of TVET | 20,272,289 | 0 | 3,545,000 | 23,817,289 |
| Total | 20,272,289 | 0 | 3,545,000 | 23,817,289 |

7. Rendering of Services

| Description | 2021-2022 |
|---|------------------|
| | Kshs |
| Tuition Fees | 5,993,001 |
| Total Revenue from The Rendering of Services | 5,993,001 |

8. Rental revenue from facilities and equipment

| Description | 2021-2022 |
|--------------|----------------|
| | Kshs |
| Rentals | 190,000 |
| Total | 190,000 |

Notes to the Financial Statements (Continued)

9. Use of Goods and Services

| Description | 2021-2022 |
|--------------------------------|------------------|
| | Kshs |
| Boarding Equip. And Stores | 3,457,580 |
| Electricity and Water | 1,167,450 |
| Tuition Equip. And Stores | 804,207 |
| Local Transport & Travelling | 1,162,514 |
| Medical Fund | 6,200 |
| Activity | 249,375 |
| PTE Examination | 630,600 |
| Total good and services | 7,477,926 |

10. Employee Costs

| Description | 2021-2022 |
|---|-------------------|
| | Kshs |
| Personal Emolument - Non - Teaching Staff | 2,993,764 |
| Personal Emolument Subordinate Staff | 11,147,701 |
| Advance to staff | 174,000 |
| Welfare | 123,000 |
| PAYE | 296,097 |
| Gratuity | 740,000 |
| NHIF | 139,000 |
| NSSF | 104,000 |
| Employee Costs | 15,717,562 |

11. Depreciation and Amortization expense

| Description | 2021-2022 |
|--|------------------|
| | Kshs |
| Property, plant and equipment | 6,100,000 |
| Total depreciation and amortization | 6,100,000 |

Notes to the Financial Statements (Continued)

12. Repairs and Maintenance

| Description | 2021-2022 |
|--------------------------------------|----------------|
| | Kshs |
| Repairs Maintenance and Improvement | 104,920 |
| Vehicle Repairs and Maintenance | 305,100 |
| Total Repairs and Maintenance | 410,020 |

13. Finance Costs

| Description | 2021-2022 |
|--|---------------|
| | Kshs |
| Penalty on Loans from Commercial Banks | 12,259 |
| Total Finance Costs | 12,259 |

14. Cash and Cash Equivalents

| Description | 2021-2022 |
|--|------------------|
| | Kshs |
| Current Account | 3,770,868 |
| Cash in Hand | 392,225 |
| Total Cash and Cash Equivalents | 4,163,093 |

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

| Financial Institution | Account number | 2021-2022 |
|-----------------------------------|----------------|------------------|
| | | Kshs |
| a) a) Current Account | | |
| Kenya Commercial Bank-Main | | 535,609 |
| Equity Bank | | 3,233,962 |
| Kenya Commercial Bank-Development | | 1,297 |
| b) Sub- Total | | 3,770,868 |
| b) Others | | |
| Cash in Hand | | 392,225 |
| Sub- Total | | 392,225 |
| Grand Total | | 4,163,093 |

Notes to the Financial Statements (Continued)

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

| Description | 2021-2022 |
|----------------------------------|------------------|
| | Kshs |
| Current Receivables | |
| Student Debtors | 1,585,201 |
| Total Current Receivables | 1,585,201 |

15 (b) Ageing Analysis of Receivables from Exchange transactions

| Description | 2021-2022 | |
|--------------------|------------------|----------------|
| | Kshs | |
| | 2021-2022 | % of the total |
| Less than 1 year | 0 | 0% |
| Between 1- 2 years | 0 | 0% |
| Between 2-3 years | 0 | 0% |
| Over 3 years | 1,585,201 | 100% |
| Total | 1,585,201 | 100% |

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Notes to the Financial Statements (Continued)

16. Property, Plant and Equipment

| Cost | Buildings | Motor vehicles | Furniture and fittings | Computers | Total |
|-------------------------------------|-------------------|-----------------------|-------------------------------|------------------|-------------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| | 2.5% | 25% | 12.5% | 33 1/3% | |
| At 30th June 2021 | 84,000,000 | 12,000,000 | 6,000,000 | 2,000,000 | 104,000,000 |
| Additions | - | - | - | - | - |
| At 30th June 2022 | 84,000,000 | 12,000,000 | 6,000,000 | 2,000,000 | 104,000,000 |
| Depreciation And Impairment | | | | | |
| At 1 July 2021 | 0 | 0 | 0 | 0 | 0 |
| Depreciation | 2,100,000 | 3,000,000 | 750,000 | 250,000 | 6,100,000 |
| At 30th Jun 2022 | 2,100,000 | 3,000,000 | 750,000 | 250,000 | 6,100,000 |
| Net Book Values | | | | | |
| At 30th Jun 2022 | 81,900,000 | 9,000,000 | 5,250,000 | 1,750,000 | 97,900,000 |

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Notes to the Financial Statements (Continued)

16 (b) Property, Plant and Equipment at Cost

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

| Description | Cost | Accumulated Depreciation | NBV |
|---|--------------------|--------------------------|-------------------|
| | Kshs | Kshs | Kshs |
| Buildings | 84,000,000 | 2,100,000 | 81,900,000 |
| Motor Vehicles including Motorcycles | 12,000,000 | 3,000,000 | 9,000,000 |
| Office Equipment, Furniture, And Fittings | 6,000,000 | 750,000 | 5,250,000 |
| Computers and Related Equipment | 2,000,000 | 250,000 | 1,750,000 |
| Total | 104,000,000 | 6,100,000 | 97,900,000 |

17. Trade and Other Payables

| Description | 2021-2022 | |
|---------------------------------------|-------------------|-----------------------|
| | Kshs | |
| Trade payables | 17,926,241 | |
| Gratuity | 3,754,863 | |
| Salary arrears | 14,857,125 | |
| Total Trade and Other Payables | 36,538,229 | |
| Ageing analysis: | Current FY | % of the Total |
| Under one year | - | % |
| 1-2 years | - | % |
| 2-3 years | | % |
| Over 3 years | 36,538,229 | 100% |
| Total (to tie to totals above) | 36,538,229 | % |

18. Borrowings

| Description | 2021-2022 |
|---|------------------|
| | Kshs |
| Balance at beginning of the year | 9,938,020 |
| Repayments of domestic borrowings during the year | (1,490,703) |
| Balance at end of the year | 8,447,317 |

18 a) Analysis of External and Domestic Borrowings

| Description | 2021-2022 |
|---|------------------|
| | Kshs |
| Domestic borrowings | |
| Kenya shilling loan | 8,447,317 |
| Total balance at end of the year | 8,447,317 |

18 b) Breakdown of Long and Short-Term Borrowings

| Description | 2021-2022 |
|--|------------------|
| | Kshs |
| Short Term Borrowings(Current Portion) | - |
| Long Term Borrowings | 8,447,317 |
| Total | 8,447,317 |

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Notes to the Financial Statements (Continued)

19. Retirement benefit Asset/ Liability

The College contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The College's obligation under the scheme is limited to specific and voluntary contributions legislated from time to time. Other than NSSF the College has no defined contribution scheme.

20. Cash generated from operations.

| | 2021-2022 |
|--|------------------|
| | Kshs |
| Surplus for the year before tax | (3,262,477) |
| Adjusted for: | |
| Depreciation | 6,100,000 |
| Working Capital Adjustments | |
| Increase in Receivables | 2,262,772 |
| Increase in Payables | 0 |
| Net Cash Flow from Operating Activities | 5,100,295 |

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Notes to the Financial Statements (Continued)

21. Events After The Reporting Period

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

22. Ultimate And Holding Entity

Garissa Teachers Training College is a Semi- Autonomous Government Agency under the Ministry of education. Its ultimate parent is the Government of Kenya.

23. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

There are no ~~prior audit~~ recommendations.



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Name: Noor Aden Dahir

Principal

Date 17/12/2024