

REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE NATIONAL ASSEMBLY MEMBERS LAID	
DATE: 10 MAR 2026	DAY: TUESDAY
TABLED BY:	HON. DWEN BAYA, MP
CLERK-AT THE-TABLE:	CHRISTINE NDIRITU

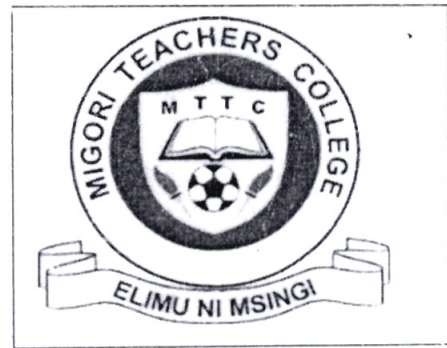
THE AUDITOR-GENERAL

ON

MIGORI TEACHERS TRAINING COLLEGE

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





MIGORI TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30TH JUNE 2025

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOM	Board of Governors
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

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the college's financial resources.

Comparative Year- Means the prior period.

Accrual Basis Means that revenue and Expenses transactions are recognized when they are incurred, regardless of when cash transactions is paid or received.

Assets Resources controlled by an college as a result of past events and from which future economic benefits or service potential are expected.

Liabilities Present obligations of an college arising from past events, the settlement of which is expected to results in an outflow of resources embodying economic benefits or service potential

Cash & Equivalent **Cash** Refers to the school's most liquid assets. These are short-term, highly liquid investments that are easily convertible into cash, typically within three months.

2. Key Entity Information and Management

(a) Background information

Migori Teachers Training College is a public tertiary institution founded in 1982 and was incorporated under the Basic Education Act Cap 211 act. It was re-registered in 2021 under the Basic Education act 2013 as a result of reforms in teacher education from Primary Education (certificate) to Competency Based Teacher Education (Diploma). Our registration number is 44S40000011. In the year under review, the college had a student population of 1071 (One thousand and seventy-one)

The college inherited infrastructural facilities that were initially for Migori Boys Secondary school which was established in 1966. The College is domiciled in Kenya and has a branch in Migori. The College is under the Ministry of Education, State Department of Basic Education.

The college admits students in the new Competency-Based Teacher Education Curriculum.

(b) Principal Activities

Mandate

The mandate of the College is to provide quality teacher education and training for primary schools and early childhood education centres. This mandate is through the Ministry of Education, State Department of Basic Education and Early Learning. The operation of the college is guided by the acts of Parliament i.e., Basic Education Act 2013, KICD Act 2012, TSC Act 2015, KNEC 2014, PPRA ACT 2015, Labour laws, PFM Act 2012, among others

Vision

A Centre of Excellence in Teacher Education and Training

Motto

Elimu ni Msingi

Strategic objectives

- Maintain fee collection at 85%
- Reduce operational costs by 5%
- Increase IGA turn over by 5% year on year
- Improve student satisfaction and maintain it at 90% from 2023 to 2027
- Improve supplier satisfaction and maintain it at 80% from 2023
- Improve the work environment and overall employee satisfaction to 90% by 2025 and maintain it
- Ensure college has quality management systems in all departments by 2027
- Develop management information systems by 2027
- Equip facilities to support the implementation of the Competency-Based Teacher Education Curriculum (CBTEC) by 2027
- Promote continuous learning by the staff to be in line with new trends and technology by 2027
- Develop new partnerships and networks by 2027

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(c) Key Management

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

- Board of Governors/ Council/ Management etc.
- Accounting officer/ Principal
- Management....;

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Mr John M Chivile
3	Deputy principal	Mr Naftal Nyangiti
5	Dean of students	-Mrs Monica Otieno
6	Head of Finance	-CPA Rono Kibett
7	Head of Procurement	Mr Charles Mangiti

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

COMMITTEE	MEMBERS
Finance, Procurement and General purpose Committee	Mr Esborne Barasa-Chairman Mr. Samuel Angira Mrs. Janet Onyango Mr. Micheal Ogutu Mr. John M Chivile - Secretary
Academics, Standards ,Quality and Environment Committee	Dr. Lydia Kitonga-Chairman Mr. david Ruto Mrs. Mildred Onyango Mr. John M Chivile - Secretary
Discipline Integrity Human rights, Human Resource and students welfare	Mr. Rodgers Abisai-Chairman Mrs Sheila Gati Mwita Mrs. Mildred Onyango Mr. John M Chivile - Secretary
Audit Committee	Ms. Zeitum Suleiman Otolu-Chairman Dr. Olgah Adede Mr. Albert Matara Mr. John M Chivile- Secretary

College Infrastructure Committee	Eng Peter Aache-Chairman Mrs Sheila Gati Mwita Mr. Samuel Angira Mr. Micheal Ogutu Mr. Naftal Nyangiti Mr. John M Chivile - Secretary
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Mandate of committees

Finance, Procurement and General Purposes Committee

The Committee exercise the powers of BOM in financial matters as provided in the Basic Education Act 2013, in which the Committee advises the BOM.

Terms of Reference: The role of the Committee is to coordinate and mobilize financial resources of the institute on behalf of the BOM in addition to advising the BOM on those matters referred to above, the Committee's responsibilities include:

- i. To receive reports from the Principal and the Finance Officer on financial matters.
- ii. To receive reports of the extent and condition of the institute including the efficiency of space utilisation, the consumption of energy and the adequacy of property insurance arrangements.
- iii. To consider the adequacy of the institute and proposals for its maintenance and development, including opportunities to dispose of and acquire new properties.
- iv. To determine the fees and charges made for institute services and facilities.
- v. To ensure the proper financial evaluation and control of projects.
- vi. To supervise arrangements of investing Institute's funds and monitoring of investments performance.

Academic Standards, Quality and Environment Committee

The Committee exercise the powers of the BOM in academic matters on which the Committee advises the BOM.

Terms of Reference: The role of the Committee is to ensure academic standards and quality in fulfilling this function, ensure academic freedom, academic integrity and high standards in research, assessment and admissions. The Committee's responsibilities include:

- i. Formulate, coordinate and review academic policy, procedures and guidelines within the institute.
- ii. Promote excellence in teaching and learning.
- iii. Oversee the quality assurance of the academic work.
- iv. Facilitate free intellectual enquiry and ensure academic integrity.
- v. Consider and make decisions on all aspects of the admission of students, teaching, assessment and requirements for graduation, prizes and awards and
- vi. Advice on the academic aspects of Institution's strategic, operational and risk management plans and to foster discourse on issues related to higher education and Institution's Vision and Goals.

Discipline, integrity, Human rights, Human Resource and Students welfare committee

The Committee exercise the powers of the BOM in discipline, ethics, integrity human rights and student welfare matters on which the Committee advises the BOM.

The Committee's responsibilities include:

- i. Determine cases of trainees and staff discipline and make reports.
- ii. Ensure provision of guidance and counselling to trainees and staff.
- iii. Promote the spirit of cohesion, integration, peace, tolerance, inclusion, elimination of hate speech and elimination of tribalism at the institution.
- iv. Encourage staff and trainees to render voluntary services to the institution.
- v. Ensure reasonable use of college facilities
- vi. Promote provision of quality education and services for all trainees in the college.
- vii. Ensure the welfare of staff and trainees is well catered for.
- viii. Ensure human rights are observed in the college.
- ix. Ensure safety of staff and trainees in the college.
- x. Encourage the culture of dialogue and participatory democratic governance in the college.

Audit Committee

The Committee exercise the powers of the BOM in audit and risk matters on which the Committee advises the BOM.

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Terms of Reference: The role of the Committee is to ensure the integrity of the financial reporting and audit process as well as overseeing the maintenance of sound internal controls and risk management systems. The Committee's responsibilities include:

- i. Undertake risk identification, management and internal controls in the College.
- ii. Ensure internal and external audits are undertaken as required.
- iii. Ensure relevance and accuracy of information forwarded to the BOM.
- iv. Handle audit issues.
- v. Ensure compliance with relevant legal and statutory requirements.
- vi. Perform independent reviews of financial statements to ensure integrity and transparency of the financial reporting process.

College infrastructure committee

The Committee exercise the powers of the BOM in infrastructure development matters on which the Committee advises the BoM.

- i. Prepare and update the college infrastructure plan (CIPD)
- ii. Recommend the type of contract to be used (labour or full contract)
- iii. Recommend procurement of building materials/equipment as per governing regulations
- iv. Oversee infrastructure development works
- v. Prepare payment schedules in collaboration with Public Works for BOM approval
- vi. Maintain up-to-date records on all infrastructure projects
- vii. Evaluate contractor performance
- viii. Maintain college facilities
- ix. Report to BOM every infrastructural undertaking

Government oversight activities

The Government of Kenya's oversight role include provision of Grants for both Operations and Development funds as well as provision of the regulatory framework. The audit of the Institution's activities is undertaken by the Auditor General.

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(f) College Headquarters
P.O. Box 123-40400
ADMINISTRATION BLOCK
Along Migori-Isebania Road
MIGORI, KENYA

(g) College Contacts

Telephone: (254) 729023056
E-mail: migorittc@yahoo.com/ info@migorittc.ac.ke
Website: www.migorittc.ac.ke

Entity Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

Other Commercial Banks
Kenya Commercial Bank
Migori Branch

Co-operative Bank of Kenya
Migori Branch

(h) 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)

(i) Principal Legal Adviser

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






3.The Council/Board of Governors

Member's Name	Brief Profile
 <p>Designation: Board Chairman Name: Ogotu Michael Otieno Profession: Educationist.</p>	<ul style="list-style-type: none"> - Mr. Ogotu Michael Otieno was born on 23rd March 1965. - He is a Lecturer Rongo University - He holds a Master of Arts in Project Planning and Management and Bachelor of Education Arts from the University of Nairobi.
 <p>Name: Mr. John Chivile Designation: Chief Principal/ Secretary BOM Profession: Educationist Academic Qualification: Masters</p>	<ul style="list-style-type: none"> - He holds a Bachelor's degree in of Education (Arts) from Kenyatta University and a Master of Education degree in Guidance and Counseling from Masinde Muliro University of Science and Technology. (MMUST). He also holds also a master's degree in divinity from Shalom Bible College. He hosts a vast experience in the teaching stemming from 1990. - Mr. John Chivile is an ordained Minister of the gospel since 2001. He is the founder and vision bearer of Eagle messenger Ministries in Kakamega. - He is the Principal Migori Teachers Training College
 <p>Designation: Board Member Name: Zeitun Suleiman Profession: Banker</p>	<ul style="list-style-type: none"> - Ms. Zeitun Suleiman was born on 3rd April 1982. - She is a holder of Master of Business Administration – project planning option from Maseno University and Bachelor of Education from Kenya University. - She is a Branch Operations Manager Kenya Commercial Bank.
 <p>Designation: Board Member Name: Ruttoh David Kipngetich Profession: Educationist.</p>	<ul style="list-style-type: none"> - Mr. Ruttoh David Kipngetich was born on 5th January 1983. - Holds Msc. In agribusiness and Bsc. In Agricultural Education and Extension from Egerton University. - He is a Chief Administrative Officer Narok County

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	<ul style="list-style-type: none"> - Mr. Rodgers Achako Abisai was born on 27th February 1970. - He holds a Bachelor of Laws Degree from the University of Nairobi and Diploma in Law from Kenya School of Law. - He is a Practising Lawyer and Head of M/S ABISAI AND COMPANY ADVOCATES.
	<ul style="list-style-type: none"> - Ms. Mildred Onyango was born on 23rd April 1978. - She is a holder of Master of Arts Degree in Project Planning and Management and Bachelor of Education (Arts) from the University of Nairobi - She is a lecturer at Migori Teachers Training College.
	<ul style="list-style-type: none"> - Dr. Olgha Adede was born on 17th December 1969. - She is a holder of PhD in Business Administration – Marketing and Master of Business Administration from the University of Nairobi and Bachelor of Arts from Egerton University. - She is a partner and Lead consultant at Valley Gate Consulting Limited.
	<ul style="list-style-type: none"> - Mrs. Janet Onyango was born on 20th September 1958 - She holds a Master of Education - She is a retired TSC Director
	<ul style="list-style-type: none"> - Mr. Samwel Onyango Angira was born on 20th October 1958. - He holds a Bachelor of Science Math/ Chem. from the University of Nairobi. - Retired from the private sector





Designation: Board Member
Name: Rodgers Achako Abisai
Profession: Advocate

Designation: Board Member
Name: Mildred Onyango
Profession: Educationist


Designation: Board Member
Name: Dr. Olgha Auma Adede
Profession: Marketing, Communications Expert

Designation: Board Member
Name: Janet Onyango
Profession: Educationist

Designation: Board Member




<p>Name: Samwel Onyango Angira Profession: Businessman</p>	
 <p>Designation: Board Member Name: Dr. Lydia Mbula Kitonga Profession: Agronomist</p>	<ul style="list-style-type: none"> - Dr. Lydia Mbula Kitonga was born on 18th December 1966. - She holds a Doctor of Philosophy in Agronomy - Lecturer at Kisii University
 <p>Designation: Board Member Name: Esborne Okinyi Baraza Profession: Agronomist</p>	<ul style="list-style-type: none"> - Mr. Esborne Okinyi Baraza was born on 28th May 1957. - He holds a Master of Science in Agronomy from the University of Nairobi. - He is a retired IEBC Constituency Elections Coordinator.
 <p>Designation: Board Member Name: Sheila Gati Mwita Profession: Strategic Management Specialist</p>	<ul style="list-style-type: none"> - Ms. Sheila Gati Mwita was born on 19th July 1980. - She holds a Master of Business Administration (Strategic Management Option) from Jomo Kenyatta University of Agriculture and Technology and Bachelor Degree in Business and Management (Marketing Option) from Egerton University. - She is a County Executive Committee member Migori County.
 <p>Designation: Board Member</p>	<ul style="list-style-type: none"> - Mr. Peter Okoth Aache was born on 10th February 1979. - He holds a degree in Information Science (ICT Major) - He currently works at Telematics Africa Ltd as the General Manager.

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<p>Name: Peter Okoth Aache Profession:ICT Specialist</p>	
 <p>Designation: Board Member Name: Albert Matara Profession:Social Worker</p>	<ul style="list-style-type: none">- Mr. Albert Matara was born on 9th January 1980- He currently works at Kenya Relief as a Social Worker

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4. Key Management Team

<i>SN</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Name: Mr. John M. Chivile Designation: Chief Principal Profession: Educationist Academic Qualification: Masters	Implementing of the educational policy guidelines and professional practices
2.	 Name: Mr. Naphtal M. Nyangiti Designation: Deputy Principal Profession: Educationist Academic Qualification: Master's Degree	Assisting the Chief Principal Discipline
3.	 Name: Mr. Kennedy Mungoni Designation: Dean of Curriculum Profession: Educationist Academic Qualification: Bachelors Degree	Curriculum Activities

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4.	 <p>Name: Mrs. Monica Otieno Designation: Dean of Students Profession: Educationist Academic Qualification: Bachelor's Degree</p>	Students Welfare Co-curriculum activities
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5. Chairman's Statement

I am pleased to report another year of activities at Migori Teachers Training College as the College continues to acclimatize to the transition to Competence-Based Education (CBE). In the fourth year of implementing the CBC in Diploma in Primary Teacher Education and transitioning into Diploma in Teacher Education (DTE), the College continues to normalize amidst diverse challenges. I am confident that with continued commitment, the College will be able to achieve its Vision, Mission and practice its Core Values.

I. Challenges

The financial year 2024/2025 was marked by a number of uncertainties and challenges as listed below;

- Low enrolment which affected implementation of our strategic plan activities
- Transition period from **DPTE** and **DECTE** to **DTE**
- Lack of standard field for games and sports
- Not met strategic plan targets because of limited resources

II. Successes.

Within the financial year 2024/2025 the college achieved a number of successes as stated below:

- Prepared the budget for 2024 – 2025
- Implemented the Competency-Based Teacher Education Curriculum
- Onboarded the college ERP
- Conducted Competency-Based Assessment (e-assessment)
- Upgraded ICT infrastructure and bandwidth
- Training of staff on ICT integration in Education
- Training of staff on CBTE (Competency Based Teacher Education)
- Constructed new water tower
- Installed whiteboards in classrooms

i. Way forward

The College remains resilient in delivering its core mandate, in spite of the challenging economic environment and dynamic changes in the educational sector. The College has developed a new strategic plan aligning its strategic direction to current trends and reforms in the education sector. We are committed to working closely with all stakeholders to ensure the training needs of our students are met in line with the Teacher Education framework. Moving forward, the management will continue to ensure financial prudence in the use of College funds while delivering quality services to our stakeholders as we seek opportunities to serve our clients.

Some of the major activities planned for the future include;

- Construction of a vehicle shed

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- Repair of old water tower
- Establish poultry
- Increase enrolment of students.
- Capacities building of human resource to enable them implement reforms taking place in the education sector.
- Collaborate with various stakeholders to improve on general performance of the college both (academic/resource management) and greening the environment in and around the college.
- Induction of BOM members

We hope the Higher Education Loans Board (HELB) will start giving loans to our students and other donors and well-wishers in order to improve enrolment and completion rates. I take this opportunity to thank the Board of Management and all stakeholders for their support, collaboration and positive contribution which have largely contributed to the successes the College registered.

CHAIRMAN: MICHAEL OGUTU
DATE: 11/12/2025

SIGN: [Signature]



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6. Report of the Chief Principal

Migori Teachers Training College is mandated to train teachers for Early Childhood Education Centres and for Primary Schools (Pre- service and upgrading).

Activities

- Preparation of budget for the financial year 2024- 2025.
- Organized Board of management meetings.
- Capacity building of staff on the new Competency-Based Teacher Education Curriculum
- The college presented the financial statements for audit in accordance with the Public Finance Management Act of 2015.
- Implemented the Public Procurement and Disposal Act 2015 on procurement of goods and services.
- Oversaw the preparation of quarterly financial reports and ensured the submission of the documents to relevant offices.

Successes.

- Prepared budget for **2024- 2025**
- Procured goods and services as per the public procurement and disposal act of **2015**.
- Capacity building and sensitization of staff on emerging issues and reforms in the education sector.
- Implemented the Competency Based Teacher Education (**CBTE**) curriculum.

Challenges.

- The college did not meet its targets as stipulated in the strategic plan because of limited resources.
- Reliance on student fees affected the college. We were not able to meet our mandate effectively.
- Delayed remittance of grants from the government affected college programmes due to lack of funds)

Way forward.

- Capacity building of human resource to acquire skills and competencies required to implement reforms in teacher training.
- Induction of the Board of Management on their roles with regards to financial and resource management.
- Collaboration with various stakeholders to improve on the performance of the college.
- Increased enrolment so that more resources are acquired to implement the targets in the strategic plan and effectively meet our mandate.
- Timely release of grants by the government and to enable the college achieves its obligations.

PRINCIPAL John M. chinle SIGN. John M. chinle DATE: 01/12/2025



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7. Statement of Performance against Predetermined Objectives

Migori Teachers Training College has 7 strategic objectives within current Strategic Plan for the FY2023- FY 2027. These strategic pillars are as follows:

- Governance, Leadership and culture
- Teaching and learning
- Physical infrastructure
- Student welfare
- Collaboration and linkages
- Environmental management
- Resource mobilization

The college develops its annual work plans based on the above pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The college achieved the following performance targets set for the FY 2022/23 period for its 7 strategic pillars, as indicated in the diagram below:

STRATEGIC PILLARS		OBJECTIVE	KEY PERFORMANCE INDICATORS	ACTIVITIES	ACHIEVEMENTS
Pillar 1	Governance, leadership and culture	<ul style="list-style-type: none"> • Enhance management systems for efficient service delivery 	<ul style="list-style-type: none"> • Improved efficiency and effectiveness. 	<ul style="list-style-type: none"> • Review administrative structures and systems 	<ul style="list-style-type: none"> • Appointed officers to various offices and stations to improve efficiency
			<ul style="list-style-type: none"> • Enhanced commitment and loyalty to the college. 	<ul style="list-style-type: none"> • Cultivate a culture of ownership and integrity 	<ul style="list-style-type: none"> • Involved staff in managerial duties through consultative meetings
			<ul style="list-style-type: none"> • Improved efficiency and effectiveness. 	<ul style="list-style-type: none"> • Create mechanisms of entrenching of the core values the college among staff and students 	<ul style="list-style-type: none"> • Awareness on college core values • Embedded the core values in the college mission

			<ul style="list-style-type: none"> Increased knowledge and skills. 	<ul style="list-style-type: none"> Enhance leadership and management capacity at all levels 	<ul style="list-style-type: none"> Senior staff trained on various skills
			<ul style="list-style-type: none"> Increased knowledge and skills. 	<ul style="list-style-type: none"> Integrate ICT in management 	<ul style="list-style-type: none"> Allocated computers to the senior management offices.
Pillar 2	Teaching and learning	<ul style="list-style-type: none"> Produce globally competitive teachers, responsive to the needs of a dynamic society 	<ul style="list-style-type: none"> Efficiency and effectiveness in teaching and learning. 	<ul style="list-style-type: none"> Mainstream co-curricular activities to identify and nurture individual students talents 	<ul style="list-style-type: none"> Organized cultural festivals and internal games to nurture students talents Talent shows
			<ul style="list-style-type: none"> Improved quality and holistic teachers. 	<ul style="list-style-type: none"> To adapt modern and innovative trends in curriculum delivery 	<ul style="list-style-type: none"> Integrated ICT in teaching and learning
			<ul style="list-style-type: none"> Enhanced digital literacy 	<ul style="list-style-type: none"> Integrate ICT in communication, teaching and learning 	
			<ul style="list-style-type: none"> Effective learner support services. 	<ul style="list-style-type: none"> Develop a variety of learner support services 	<ul style="list-style-type: none"> Strengthened G & C services
			<ul style="list-style-type: none"> Increased student population 	<ul style="list-style-type: none"> Increasing student enrolment 	<ul style="list-style-type: none"> NA
			<ul style="list-style-type: none"> Market driven programs 	<ul style="list-style-type: none"> Review and develop market driven programs 	<ul style="list-style-type: none"> Introduced the new CBTEC programmes
Pillar 3	Physical infrastructure	<ul style="list-style-type: none"> Develop and improve 	<ul style="list-style-type: none"> Standard sporting 	<ul style="list-style-type: none"> Develop sporting 	<ul style="list-style-type: none"> Expanded the main field

		physical infrastructure to meet the diverse needs of our clientele	facilities. • Enhanced security	facilities • Build a perimeter wall	• Build part of the college perimeter wall with support of the Suna West CDF
			• Enhanced water supply	• Construct new water tower	• Water tower constructed to completion
Pillar 4	Student welfare	• Develop and improve physical infrastructure to meet the diverse needs of our clientele	• Operational Guidance and Counselling services	• Strengthening counselling services	• Appointed a g and C committee and assigned an office to work from
			• Effective student leadership	• Strengthening student governance structures	• Introduced induction training for the Student representative council
			• Contented student population.	• Improve recreational facilities	• Expanded the main fields
			• Contented student population.	• Improve student accommodation	• Repaired the sanitation facilities in the hostels and classrooms
Pillar 5	Collaboration and linkages	• Produce globally competitive teachers, responsive to the needs of a dynamic society	• Exchange programs.	• Enhance collaborative linkages with local national partners	• Planted trees in collaboration with the forest service • Hosted National government activities • Hosted various county government activities • Hosted various county NEMA activities

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Pillar 6	Environmental management	<ul style="list-style-type: none"> • Develop and improve physical infrastructure to meet the diverse needs of our clientele 	<ul style="list-style-type: none"> • Greening the environment. • Energy conservation. 	<ul style="list-style-type: none"> • Encourage natural resource conservation and management 	<ul style="list-style-type: none"> • Planted trees in collaboration with the forest service
			<ul style="list-style-type: none"> • Water resource management. 	<ul style="list-style-type: none"> • Engaging in activities aligned to national and global events on environment 	<ul style="list-style-type: none"> • Installed water tanks
Pillar 7	Resource mobilization	<ul style="list-style-type: none"> • Strengthen our resource base to enhance productivity 	<ul style="list-style-type: none"> • Increased income. • Increased revenue sources. 	<ul style="list-style-type: none"> • Enhance Income Generating Activities 	<ul style="list-style-type: none"> • NG-CDF • County government • Institutions
			<ul style="list-style-type: none"> • More productive staff. 	<ul style="list-style-type: none"> • Enhance capacity of staff 	<ul style="list-style-type: none"> • Trained staff to improve skills • Redeployed staff to other areas to improve productivity
			<ul style="list-style-type: none"> • Better quality output. 	<ul style="list-style-type: none"> • Strengthen Team building 	

8. Corporate Governance Statement

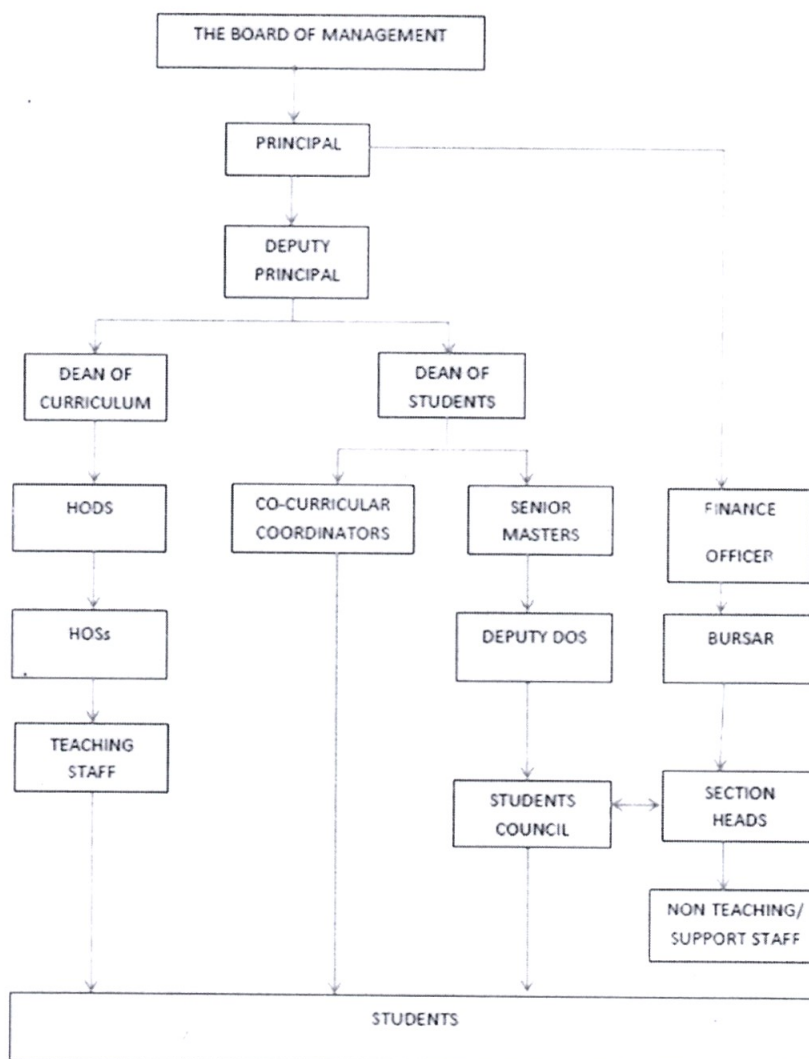
The Board of management is committed to fulfilling its fiduciary responsibilities and have instituted various procedures necessary to ensure good governance is practiced within the institution.

Appointment to the board

The board of management is made up of thirteen members under the leadership of the chairperson and the principal is secretary of the board. The board was appointed as per the provisions of the fourth schedule of the Basic Education Act No 14, of 2013.

A person may be appointed as chairperson or as a member shall hold office for a term of three years from the date of appointment and shall be eligible for reappointment for one further term of a period not exceeding three years as per the provisions of the basic education Act No. 14 of 2013.

Governance structure



Sub committees

The board of management has established sub-committees in the following areas:-

- i.) Finance, procurement and general purpose committee
- ii.) Academics, standards, quality and environment committee
- iii.) Discipline, ethics, integrity, human rights, human resource and student welfare committee
- iv.) College infrastructure and projects committee
- v.) Audit committee

In the last financial year FY 2024-2025 the board held seven full board meetings. The finance committee held two meetings while the executive committee of the board held five meetings.

Attendance of Board meetings

During the FY 2024/25 the attendance of full board meetings for each member of the Board is shown in the table below:

SN	NAME	FULL BOM 5/7/24	FULL BOM 19/8/24	FULL BOM 1/11/25	FULL BOM 21/3/25	FULL BOM 4/4/25	FULL BOM 16/5/25	FULL BOM 5/6/25	FULL BOM 27/6/25
1	Mr. Micheal Ogutu	√	√	√	√	√	√	√	√
2	Dr. Emily Kibet	√	√	X	X	X	X	X	X
3	Esborne Okinyi Baraza	√	√	√	√	√	√	X	√
4	Rodgers Achako Abisai	√	√	√	√	√	√	√	X
5	Janet Onyango	√	√	√	√	√	√	√	√
6	Sheila Gati Mwita	√	√	√	√	√	√	√	√
7	Mildred Onyango	√	√	√	√	√	√	√	√
8	Dr. Lydia Mbula Kitonga	√	X	√	√	√	√	X	X
9	Albert Mataru	√	√	√	√	√	√	√	√
10	Samwel Onyango Angira	√	√	√	√	X	√	√	√
11	Peter Okoth Aache	√	X	X	√	√	X	√	X
12	Emily Badia	√	X	X	X	X	X	X	X
13	Naphtal Nyangiti	√	√	√	√	√	√	√	√
14	Joseph O. Fanuel	√	√	X	X	X	X	X	√
15	David Rutto	√	X	X	√	X	√	X	X
16	Hon Peter Masara	X	√	X	X	X	√	X	X
17	Dr. Olgha Auma Adede	X	√	√	√	√	√	X	X
18	Emmanuel Mwenda	X	√	√	X	X	X	X	X
19	Mr. John Chivile	X	X	√	√	√	√	√	√
20	Ann kangethe	X	X	√	X	X	X	X	X
21	Joseph Onyango	X	X	X	X	√	X	X	X
22	Jacob Onyango	X	X	X	X	X	√	X	X
23	Tom Mwaba	X	X	X	X	X	√	X	√
24	Benson Kangie	X	X	X	X	X	X	√	X
25	CPA Rono Kibet	X	X	X	X	X	X	X	√

During the FY 2024/2025 the attendance of executive and finance committee board meetings for each member of the Board is shown in the table below:

SN	NAME	EXEC 26/9/24	EXEC 6/12/24	EXEC 10/3/25	EXEC 30/5/25	EXEC 3/6/25	FIN 28/2/25	FIN 24/6/25
1	Mr.Micheal Ogutu	√	√	√	√	√	√	√
2	Mr. John Chivile	√	√	√	√	√	√	√
3	Dr. Olgha AumaAdede	√	√	√	√	X	X	X
4	Janet Onyango	√	√	√	√	√	√	√
5	Mr.NaphtalNyangiti	√	√	√	√	√	√	√
6	Samwel Onyango Angira	√	√	√	√	√	√	√
7	David Ruto	X	X	X	√	√	X	X
8	Esborne Okinyi Baraza	X	X	X	X	X	√	√
9	CPA Rono Kibet	X	X	X	X	X	X	√
10	Joseph O. Fanuel	X	X	X	X	X	√	√

Members of the Board of Management are notified of meetings through written notice at least 14 days to the day of the meeting.

Succession Plan

The Board has a succession plan of three years one term and a member can serve for a maximum of two terms.

Functions of the Board

- i.) A Board of Management of a public institution of basic education shall prepare annual estimates of revenue and expenditure for the institution under its charge, in such form and at such times as the Cabinet Secretary may prescribe.
- ii.) The Board of Management may incur expenditure for the purpose of the institution in accordance with estimates approved by the Cabinet Secretary, and any approved expenditure under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary.
- iii.) A Board of Management for a public institution of basic education shall receive all grants made out of public funds, whether for capital or revenue purposes, and any subscriptions, donations or bequests made to the institution.
- iv.) A Board of Management may, with the approval of the Cabinet Secretary and subject to any restriction imposed by law, appeal to the general public for subscriptions, donations or bequests to an institution of basic education.

- v.) The Secretary to a Board of Management of a public institution of basic education shall be responsible for the day-to-day management of the affairs of the institution, and shall present any account of such expenditure to the Board of Management.
- vi.) A Board of Management of a public institution of basic education may, with the approval of the County Education Board upon consultation with the Cabinet Secretary pay all expenses connected with the institution including the salaries of staff.

Induction

Induction of the board was done in year 2023/2024 financial year.

Conflict of Interest

A Board member with direct or indirect interest in a matter being considered or to be considered by the Board shall as soon as the relevant facts on the matter come to the knowledge of the member, disclose the nature of such interest and not be present in the meeting. Any specific resolutions made during the meetings are monitored and follow-up made to completion.

Board Remuneration

Board members are given transport and seating allowances when they attend Board meetings.

9. Management Discussion and Analysis

Migori Teachers Training College has a relentless focus in becoming a global centre of excellence in Teacher education and training. The following are the key performance indicators on financial statements in relation to cash inflows and outflows for FY 2024/2025.

COMPLIANCE WITH STATUTORY OBLIGATIONS FY 2024/2025

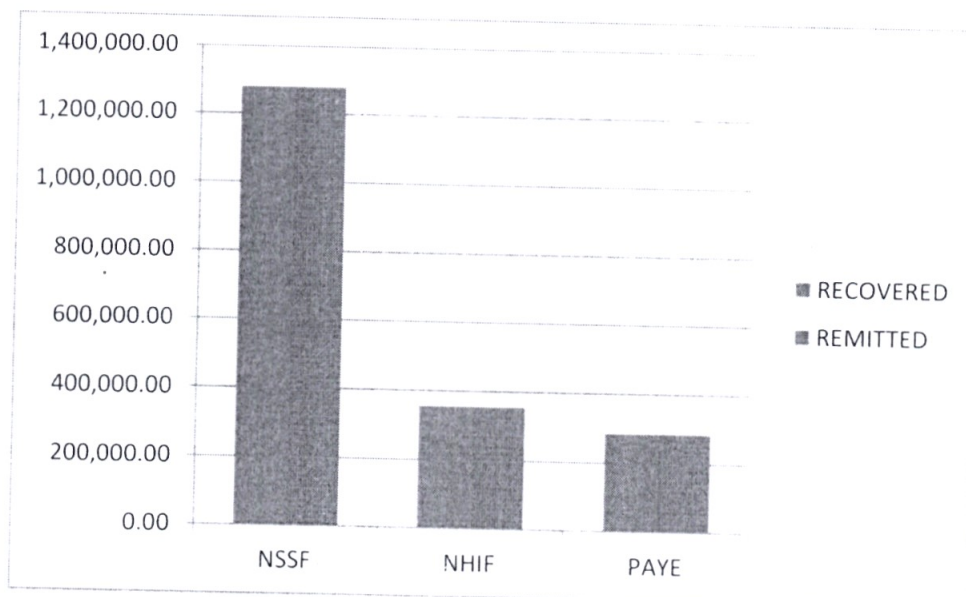
During the FY2024/25 Migori Teachers Training College, has complied with all the relevant statutory obligations through:

- Timely remittance of statutory deductions to the various regulatory bodies which include: KRA, NSSF and NHIF.
- Ensuring all kitchen staff have valid health certificates.
- Ensuring all drivers have valid licenses and badges.
- Ensuring the vehicles in use have valid inspection certificates and insurance covers.

The table and chart below show the statutory remittances by the college for the year in review

SN	DEDUCTION	RECOVERED	REMITTED	PERCENTAGE
1.	NSSF	1,277,735	1,277,735	100%
2.	NHIF	566,201	566,201	100%
3.	PAYE	230,577	230,577	100%

Compliance Rate for Statutory Obligation



OTHER REMITTANCES OBLIGATIONS

In addition to our statutory obligations the college also made other remittances as shown in the table below;

SN	DEDUCTION	RECOVERED	REMITTED	PERCENTAGE
1.	NITA	-	12,450	100%
2.	Migori Teachers College staff Self Help group	3,427,142	3,427,142	100%
3.	Migori Teachers College contract workers group	500,337	500,337	100%
4.	Leave allowance	-	152,000	100%
5.	Elimu SACCO	3,314,600	3,314,600	100%

PROJECTS

During the year in review (FY2024/2025) the college carried out the following projects to completion

SN	DESCRIPTION	PROJECT COST	AMOUNT RETAINED	AMOUNT PAID	PROJECT COMPLETION STATUS
1	DH Ablution Block	2,819,925	281,993	979,637	40%
2.	Smart Classroom	1,424,409	51,564	51,564	100%
3.	Poultry Project	330,625	-	330,625	100%

Major risks facing the college

The major issues facing the College are:

- Low student enrolment posing a challenge on funds to finance operations and undertake outlined projects in the strategic plan.
- Old facilities including asbestos roofing which is a hazard to the environment.
- Insecurity as the college has a porous natural fence
- Delayed disbursement of grants by the MOE.
- Low financial base due to low enrolment of trainees.
- Poor fees payment because most of the trainees are from a needy background. They do not get HELB loans which still remains a challenge to the College.

10. Environmental And Sustainability Reporting Statement

Migori teachers training college exists to transforming lives through providing quality teacher education and training through competitive, responsive, innovative and integrated approaches, embracing the values of integrity, commitment, fairness and equity.

This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

i) *Sustainability strategy and profile*

The college has continued to implement sound financial management to ensure its financial well-being, since it still operating with about 30% student population. In terms of curriculum delivery the college has adopted ICT integration to implement the new CBTEC programmes by increasing the Internet access in the college.

ii) *Environmental performance*

The college has endeavoured to maintain a clean conducive environment as per its commitment in the performance Contract. The college has also operationalized a Bio-digester to help in waste management.

The college also partnered with the following organizations; Kenya Forestry Service (KFS), Equity Bank, Kenya Forestry Research Institute (KEFRI) and National Environmental Management Authority (NEMA) to plant trees within the college.

iii) *Employee welfare*

The college is in the process of developing a comprehensive staff policy with the aim of improving employee welfare. The staff policy will outline the colleges' plans to deal with employee issues including but not limited to; hiring process and whether they take into account the gender ratio, inclusivity, national cohesion, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems.

The college also customised and operationalized the MOE policy on safety and compliance in line with Occupational Safety and Health Act of 2007, (OSHA).

iv) *Market place practices-*

The organisation should outline its efforts to:

a) Responsible competition practice.

The college has no direct competitors within its catchment area since most of its clients are provided by the government, and for the FY 2024-2025 the college fully transitioned from the two diploma programs to a new combined diploma program.

b) Responsible Supply chain and supplier relations

The college honours its contractual obligations through a policy of clearing pending bills at most 14 days after receipt of the final invoice from the supplier.

c) Responsible marketing and advertisement

The college maintains no direct competitors in catchment area and depends on the government for placement of students, who are our main clientele

d) Product stewardship

The college carries out its mandate as per the provisions of the relevant policies and regulations provided by the government, through the various ministries and agencies and this ensures that consumers rights are safeguarded. These policies and laws include but are not limited to; PPRA for procurement, Basic Education Act for students and teacher's welfare, Labour act, PFM act, policy guidelines, directives issued by government and its agencies.

v) *Corporate Social Responsibility /Community Engagements*

Corporate Social Responsibility / Community Engagements

The college carried out a few CSR activities within the year, although this was not possible due to the lack of students (translating to loss of income) for a large part of the FY 21-22.

The college was however able to;

1. The college supported sports within Migori town by availing its sporting facilities and equipment's to youths from the locality.
2. The college also hosted the Ministry of Interior for several functions within the halls for various activities through the year at no cost.
3. The college in support of education and training offered internship/industrial attachment opportunities to 12 youths from TVET institutions and Universities.

11. Report of Board of Governors

The Council/Board members submit their report together with the audited financial statements for the Period ended 30TH June 2025 which show the state of the college's affairs.

i) Principal activities

The principal activities of the College are to provide quality teacher Education and training through competitive, responsive, innovative and integrated approaches, embracing the values of integrity, commitment, fairness and equity.

ii) Results

The results of the College for the year ended June 30, 2025, are set out on page

iii) Directors

The members of the Board /Council who served during the year are shown on pages 5-8.

iv) Surplus remission

The College did not make any surplus during the year (FY 2025 Kshs Nil) and hence no remittance to the Consolidated Fund.

v) Auditors

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

By Order of the Board

John M. Chivite
.....
Name *John M. Chivite*

Corporation Secretary/Secretary to the Board



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

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

The Directors are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the College;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the college;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors 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 State Corporations Act, and the Basic Education Act of 2013. The Directors are of the opinion that the College's financial statements give a true and fair view of the state of college's transactions during the financial year ended June 30, 2025, and of the college's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the college, which have been relied upon in

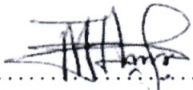
MIGORI TEACHERS TRAINING COLLEGE
Annual Report and Financial Statements
for the year ended June 30, 2025.

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

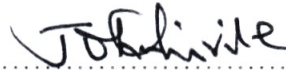
Nothing has come to the attention of the Directors to indicate that the *College* will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The *College's* financial statements were approved by the Board on 07/11/ 2025 and signed on its behalf by:



Name: Mr Michael Ogutu
Chairperson of the Board



Name: Mr. John M. Chivile
Accounting Officer/Principal



REPUBLIC OF KENYA

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

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

PREAMBLE

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

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

A Disclaimer of Opinion is issued when the Auditor-General is unable to obtain sufficient appropriate audit evidence to form an opinion on the financial statements. 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

Disclaimer of Opinion

I have audited the accompanying financial statements of Migori Teachers Training College set out on pages 1 to 63 which comprise of the statement of financial position as at 30 June, 2025 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.

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1.0. Non-compliance with the Prescribed Reporting Framework

A review of the financial statement revealed the following non-compliance with the financial reporting template for TVETs and TTCs provided by the Public Sector Accounting Standards Board in line with the provisions of Section 81(3) of the Public Finance Management Act, 2012:

- i. The financial statements submitted for audit are not complete because they do not include the statement of changes in net assets. And Note 47 on cash generated from operations.
- ii. Some notes reflected in the statement of financial performance and statements of financial position have not been properly referenced to the notes to the financial statements.
- iii. The statement of financial performance reflects amounts identical to the amount shown in the statement of cash flows, and indication that the statement of financial performance was prepared on cash basis, contrary to the reporting the prescribed reporting template which requires the statement to be prepared on accrual basis.
- iv. The statement of comparison of budget and actual amounts reflects utilization differences amounts which are more or less than 10% of the budget against rendering of services, miscellaneous income and repairs and maintenance. The statement also indicates changes between original budget and final budget. However, budget notes have not been provided to explain these variances as required.
- v. The statement of comparison of budget and actual amounts also reflects actual surplus of Kshs.14,702,720, while the statement of cash flows indicates closing cash and cash Equivalents balance of Kshs20,111,467. However, the budget Reconciliation provided does not reconcile the two (2) different amounts as required.

In the circumstances, the financial statements do not comply with the accounting standards as prescribed by the Public Sector Accounting Standards Board and, therefore, Management was in breach of the law.

2.0. Inaccuracies in the Financial Statements

The financial statements presented for audit contain the following anomalies

- i. The statement of financial performance reflects rendering of services amount of Kshs.94,193,139 as disclosed in Note 7 to the financial statements. However, review of the fee invoices provided for audit indicated a corresponding amount of Kshs.96,075,684, resulting in an unreconciled variance of negative Kshs.1,882,545. Further, the revenue of Kshs.94,103,139 excludes capitation grants amount of Kshs.3,097,010 received from the Ministry of Education that is reported under transfers from other government entities.
- ii. The statement of financial performance, and as disclosed in Note 11 to the financial statements, also reflects use of goods and services amount of Kshs.69,394,856 which includes medical amount of Kshs.657,905 whose supporting ledger indicates a corresponding amount is Kshs.1,315,810, resulting in an unreconciled variance of Kshs.657,905.
- iii. The statement of financial position reflects nil balance in respect of prepayments from customers. However, review of the student invoices and receipts revealed advance fee payments amounting to Kshs.2,681,574, resulting in an unreconciled variance of negative Kshs.2,681,574,

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

3.0. Unconfirmed Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.20,111,467. However, review of cash book and bank statements revealed the following anomalies:

- i. The monthly bank reconciliation statements were not prepared. The balance of Kshs.20,111,467 was actual cash in the bank which was not reconciled with the cash book balance.
- ii. Board of cash survey reports were not prepared to support the reported balance.
- iii. Review of the excels work sheet provided as cash book indicated that the College maintained a soft copy cash book for the five (5) bank accounts which is prone to errors and manipulation. In addition, the cash book was not reviewed periodically.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.20,111,467 could not be confirmed.

4.0. Unconfirmed Receivables from Exchange Transactions Balance

The statement of financial position, and as disclosed in Note 27(a) to the financial statements, reflects current portion of receivables from exchange transactions balance of Kshs.13,339,660 whose supporting detailed debtors ageing analysis was not

provided for audit, making it difficult to establish long overdue debts. Further, no supporting schedules/register were provided to support rent debtors and other exchange debtors balance of Kshs.266,704 and Kshs.805,940 respectively, included in the reported balance.

In the circumstances, the accuracy and completeness of the current portion of receivables from exchange transaction balance of Kshs.13,339,660 could not be confirmed.

5.0. Unconfirmed Property, Plant and Equipment Balance

The statement of financial position reflects nil balance in respect of property, plant and equipment (PPE). However, audit inspection of the College's compound revealed existence of various non-current assets, including land, buildings, motor vehicles, furniture and fittings, office equipment, among others. No explanation was provided on why these assets were not reported in the financial statements.

Further, evidence showing that the opening balance of Kshs.2,593,194 was disposed of was not provided for audit.

In addition, during the year under review, Management did not prepare or maintained a fixed asset register in the prescribed format, with minimum requirements of cost of acquisition, accumulated depreciation, net book value and identification codes with which assets were tagged.

Also, audit inspection of College's motor vehicles revealed that a total of two (2) vehicles of varying models and engine capacities were grounded at the College compound. No explanation was provided why the motor vehicles had not been disposed of.

In the circumstances, the accuracy and completeness of the reported nil PPE balance, and the effectiveness of internal controls on fixed assets management could not be confirmed.

6.0. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis amounts of Kshs.99,913,587 and Kshs.116,573,995 respectively, resulting in overfunding of Kshs.16,660,408 or 16%. Similarly, the College made operational payments amounting to Kshs.100,840,074 against a budget of Kshs.92,488,141, resulting in over expenditure of Kshs.8,351,933.

Further, the statement reflects final capital expenditure budget and actual on comparable basis of amount of Kshs.7,425,446 and Kshs.1,031,201 respectively, resulting in under expenditure of Kshs.6,394,245 or 86% of the budget.

The over funding may have been as a result of poor revenue forecast, authorization of the over expenditure could not be confirmed and the under expenditure of development budget affected planned development projects and may have impacted negatively on learning in the College.

7.0. Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the College in 2024/2025 revealed that the matters listed in Appendix 1 remained unresolved:

8.0. Irregular Collaboration between Rongo University and Migori Teachers Training College

During the year under review, it was established that Migori Teachers Training College entered into a Memorandum of Understanding (MOU) with Rongo university dated 15 December, 2024. The collaboration involved hosting Rongo University's academic programs whereby, Migori TTC would provide three (3) lecture halls and office space to Rongo University at a monthly lease of Kshs.40,000 for a period of five years. However, the approval and authorization from the Cabinet Secretary for this arrangement was not provided for review. Additionally, Migori TTC received Kshs.12,400,000 from NGCDF-Suna West Constituency for the construction of six (6) lecture halls. Despite the project being incomplete, Rongo University had taken control and branded the building without formal handover to Migori TTC or inclusion of the asset in the College's register.

Further, rent arrears amounting to Kshs.280,000 had not been paid. This was contrary to Regulation 77 of the Basic Education Regulation, 2015 on the transfer/ change of use, which states that no institution registered as a public middle level institution of basic education and training shall be transferred or converted to any other use other than that for which it was registered or established, except with the approval of the Cabinet Secretary.

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

9.0. Regularity of Human Resource Management Practices

The statement of financial performance, and as disclosed in Note 16 to the financial statements, reflects employee costs amount of Kshs.17,487,419. The following anomalies were noted:

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

Analysis of the payroll of permanent staff of the College for the month of June, 2025 revealed that twenty-two (22) employees' net pays were in violation of the one third rule, contrary to Section 19(3) of the Employment Act, 2007 which states that the total amount of deductions from the wages of an employee shall not exceed two thirds (2/3) of such wages.

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

9.2. Non-Compliance with Law on Ethnic Diversity in Staffing

Review of the personnel records and payroll for the month of June, 2025 revealed that the College had a workforce of thirty-nine (39) employees in its payroll, out of which, thirty-five (35) employees were from one ethnic community. This represents ninety percent (90%) of the total workforce, contrary to Sections 7 (1) and (2) of the National Cohesion and Integration Act, which requires that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one-third (1/3) of its staff from the same ethnic community.

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

9.3. Under Staffing in the College

Review of the monthly payroll revealed that the College had thirty-seven (37) employees against the recommended forty-two (42) by the Ministry, resulting in understaffing by five (5) employees.

In the circumstances, the effectiveness of the College in execution of its mandate could not be confirmed.

10.0. Failure to Open and Maintain Refundable Deposit Bank Account

The statement of financial position reflects refundable deposits from customers balance of Kshs.2,656,019 as disclosed in Note 37 to the financial statements. However, it was established that the College did not operate and maintain a separate bank account specifically for refundable deposits from customer who are mainly students. As a result, the College was exposed to the risks of not paying refundable deposits when they fall due.

In the circumstances, the effectiveness of internal controls on refundable deposits management could not be confirmed.

11.0. Lack of Internal Audit Department

During the year under review, the College continued to operate without establishing an internal audit department. The internal audit department would have performed various roles stipulated in Section 73(3) of the Public Finance Management Act, 2012, which would include among others risk assessment, establishment of a risk register, assessing and putting in place internal control systems, development of an internal audit charter and internal audit work plan among others.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance

of the matter(s) described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

I do not express a conclusion on the effectiveness of internal controls, risk management and governance as required by Section 7(1)(a) of the Public Audit Act, 2015. Because of the significance of the matter(s) described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for my audit conclusion.

Responsibilities of Management and Board of Governors

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 such internal control 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 control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 December, 2025

APPENDICES

Appendix 1: Unresolved Prior Year Matters

S/No.	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial statements and Non-compliance with the Prescribed Reporting Framework
2	2023/2024	Unconfirmed Transfers from Other Government Entities Amount
3	2023/2024	Unconfirmed Rendering of Services-Fees from Student Amount
4	2023/2024	Unsupported Other Income Amount
5	2023/2024	Unsupported Rental Revenue from Facilities
6	2023/2024	Unconfirmed Cash and Cash Equivalents Balance
7	2023/2024	Unconfirmed Receivables from Exchange Transactions Balance
8	2023/2024	Unconfirmed Inventories Balance
9	2023/2024	Unconfirmed Property, Plant and Equipment Balance
10	2023/2024	Budgetary Control and Performance
11	2023/2024	Failure to Prepare and Submit for Audit Financial Statements for the Year Ended 30 June, 2023
12	2023/2024	Non- Compliance with the One-Third Basic Salary Rule
13	2023/2024	Non-Compliance with Law on Ethnic Diversity in Staffing
14	2023/2024	Engagement of Casual Employees Beyond the Allowed Period
15	2023/2024	Staff Terminated and Reinstated Back to the Payroll
16	2023/2024	Under-Payment of Staff
17	2023/2024	Failure to Open and Maintain Refundable Deposit Bank Account
18	2023/2024	Lack of Internal Audit department

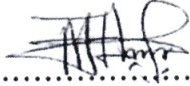
MIGORI TEACHERS TRAINING COLLEGE
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for the year ended June 30, 2025.

13. Statement of Financial Performance for the year ended 30 June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	13,058,656	13,866,804
Grants from donors and development partners	7	-	-
Transfers from other levels of government	8	-	-
Public contributions and donations	9	-	-
		13,058,656	13,866,804
Revenue from Exchange transactions			
Rendering of services- fees from students	10	94,193,139	60,515,745
Sale of goods	11	407,020	7,600
Rental revenue from facilities and equipment	12	1,170,373	749,009
Finance income	13	-	-
Miscellaneous income	14	7,744,807	6,638,645
Revenue from Exchange transactions		103,515,339	67,910,999
Total Revenue		116,573,995	81,777,803
Expenses			
Use of goods and services	15	69,394,856	41,621,917
Employee costs	16	17,487,419	13,837,088
Board /Council Expenses	17	1,925,000	325,000
Depreciation and amortization expense	18	-	-
Repairs and maintenance	19	12,032,799	7,545,350
Contracted services	20	-	-
Grants and subsidies	21	-	-
Finance costs	22	-	3,190,087
Total Expenses		100,840,074	66,519,442
Other Gains/(Losses)			
Gain on sale of assets	23	-	-
Gain/ Loss on fair value of investments	24	-	-
Impairment loss	25	-	-
Total Other Gains/(Losses)		-	-
Net surplus/(deficit) for the year		15,733,921	15,258,361

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



.....
Chairman of Council/Board



.....
Principal



.....
Finance Officer

ICPAK M/No:33470

Date 01/12/2025

Date 01/12/2025

Date 01/12/2025



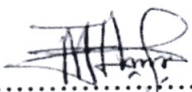
MIGORI TEACHERS TRAINING COLLEGE
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14. Statement of Financial Position As At 30th June 2025

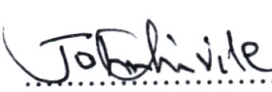
Description	Notes	Current 2024-	Comparative 2023-
		2025	2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	20,111,467	19,334,167
Current portion of receivables from exchange transactions	27(a)	13,339,660	9,626,568
Receivables from non-exchange transactions	28	-	-
Inventories	29	168,195	2,274,510
Investments in financial assets	30	-	-
Prepayments	31	-	-
Total Current Assets		33,619,322	31,235,245
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	-	-
Investments	30	-	-
Property ,plant, and equipment	32	-	2,593,194
Intangible assets	33	-	-
Investment property	34	-	-
Biological Assets	35	-	-
Total Non-Current Assets		-	2,593,194
Total Assets (A)		33,619,322	33,828,439
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	36	2,656,019	-
Refundable deposits from customers	37	31,500	6,634,017
Current provisions	38	-	59,424
Finance lease obligation	39	-	-
Deferred income	40	-	-
Employee benefit obligation	41	-	-

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Description	Notes	Current 2024-2025	Comparative 2023-2024
		Kshs	Kshs
Payments received in advance	42	-	-
Current portion of borrowings	43	-	-
Social Benefits	46	-	-
Total Current Liabilities		2,687,519	6,693,441
Non-Current Liabilities		-	-
Finance lease obligation	39	-	-
Deferred income	40	-	-
Non-Current Employee Benefit Obligation	41	-	-
Non- Current Borrowings	43	-	-
Non-Current Provisions	44	-	-
Service Concession Liability	45	-	-
Social benefits	46	-	-
Total non- current liabilities		-	-
Total Liabilities (B)		2,687,519	6,693,441
Net Assets (A-B)		30,992,280	27,134,998
Represented By:		-	-
Revaluation Reserves		-	-
Accumulated Surplus		30,992,280	27,134,998
Capital Fund		-	-
Net Assets		30,992,280	27,134,998



 Chairman of Council/Board



 Principal



 Finance Officer

Date 01/12/2025

Date 01/12/2025

ICPAK No
 Date 01/12/2025



MIGORI TEACHERS TRAINING COLLEGE
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15. Statement of Cash Flows For The Year Ended 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		13,058,656	13,866,804
Grants from donors and development partners		-	-
Transfers from other levels of government		-	-
Public contributions and donations		-	-
Rendering of services- fees from students		94,193,139	56,902,577
Sale of goods		407,020	7,600
Rental revenue from facilities and equipment		1,170,373	142,140
Finance income		-	-
Miscellaneous income		7,744,807	6,606,059
Total Receipts		116,573,995	77,525,180
Payments			
Use of goods and services		69,394,865	43,394,398
Employee costs		17,487,419	13,837,088
Board /Council Expenses		1,925,000	325,000
Repairs and maintenance		12,032,799	7,395,350
Contracted services		-	-
Grants and subsidies		-	-
Total Payments		100,840,074	65,364,566
Net Cash Flows from operating activities	47	15,733,392	12,160,613
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		1,031,201	2,593,194
Proceeds from sale of property ,plant and equipment		-	-
Net cash flows used in investing activities		1,031,201	2,593,194
Cash flows from financing activities			
Proceeds From Borrowing		-	-
Repayment Of Borrowings		-	-
Net cash flows used in financing activities		-	-
Net Increase/(Decrease)in Cash and Cash equivalents		14,702,720	9,567,419
Cash and Cash equivalents as at JULY 2024	26	19,434,166	9,866,747
Cash and Cash equivalents as at 30 JUNE 2025	26	20,111,467	19,434,166

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	19,334,166	-	19,334,166	0.00	19,334,166	-
Receipts						
Transfers from other National Government entities	13,135,676	-	13,135,676	13,058,656	77,020	0.59
Grants from donors and development partners	-	-	-	-	-	-
Transfers from other levels of government	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- fees from students	69,793,896	10,188,236	79,982,132	94,193,139	14,211,007	17.77
Sale of goods	-	-	-	407,020	407,020	-
Rental revenue from facilities and equipment	656,836	55,182	601,654	1,170,373	568,719	94.53
Finance income	-	-	-	-	-	-
Miscellaneous Income	5,069,125	1,125,000	6,194,125	7,744,807	1,550,682	25.03
Total Receipts	88,655,533	11,258,054	99,913,587	116,573,995	16,660,408	16.67
Payments						
Use of goods and services	57,538,815	9,733,158	67,271,973	69,394,856	2,122,883	3.16
Employee costs						1.04

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	17,119,133.00	551,500.00	17,670,633.00	17,487,419.00	183,214.00	
Board /Council Expenses	-	-	-	1,925,000.00	1,925,000.00	
Repairs and maintenance	8,697,585.00	1,152,050.00	7,545,535.00	12,032,799	4,487,264	59.47
Contracted services	-	-	-	-	-	
Grants and subsidies	-	-	-	-	-	
Total Expenditure Payments	83,355,533.00	9,132,608.00	92,488,141.00	100,840,074	8,351,933	9.03
Capital Expenditure Payments	5,300,000	2,125,446	7,425,446	1,031,201		
Surplus	-	-	-	14,702,720		

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences (Rendering of services- fees from students) -The was an increase in student enrolment which made the actual amount to be higher than the budgeted amount.	14,211,007
2	Reason for differences (Rental revenue from facilities and equipment)- Higher rental volume: More items were rented out than projected <ul style="list-style-type: none"> • Increased demand: Stronger-than-anticipated market demand for college facilities and equipment. 	568,719
3	Reason for differences (Miscellaneous Income)- Inaccurate budgeting and forecasting	1,550,682

	<p>assumptions: Errors made during the budget planning phase are a frequent cause of variances. This can include:</p> <ul style="list-style-type: none"> ○ Underestimation of potential income: The person creating the budget may have been overly conservative in their projections for miscellaneous items, which are often unpredictable by nature. 	
4	Reason for differences (Transfers from other National Government entities) -The ministry of education transferred almost hundred percent of capitation grants during the fiscal year (2024/2025).	77,020
5.	Reason for differences (Sale of goods) – The was no budget estimates for sale of goods enhance bring the difference.	407,020
	Closing Cash and Cash Equivalent as per the statement of Cash flows	14,702,720

17. Notes to the Financial Statements

1. General Information

Migori Teachers college is established by and derives its authority and accountability from the Basic Education Act Cap 211 act Act. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The college's principal activity is training teachers.

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2021, it is applicable in Kenya from 1st July 2021)

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which

	<p>they should be used.</p> <ul style="list-style-type: none"> ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the college's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for current 2024-2025 was approved by the Board on *01-07-2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of on the FY 2024/2025 budget following the Council/ Board's approval. 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. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule of the Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an -year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately).* 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 entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. 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 Entity 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 Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and

subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity 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 entity 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.

Financial assets

Classification

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

financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

Provisions are recognized when the *Entity* 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 *Entity* 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 *Entity* 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 *Entity* 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 *Entity* in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

m) Social Benefits

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

n) Nature and purpose of reserves

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

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

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

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

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

t) Service concession arrangements

The *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.

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *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.

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

6. Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	-	-
Operational Grant	13,058,656	13,866,804
Development grants	-	-
Other Grants	-	-
Total unconditional Grants	13,058,656	13,866,804
Conditional Grants amortised/ recognised in revenue		
Library Grant	-	-
Hostels Grant	-	-
Administration-Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	13,058,656	13,866,804

(a) Transfers from other Government entities (Categorized)

Name of the College 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	Comparative 2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	9,961,646	3,097,010	13,058,656	13,058,656	13,866,804
Total	9,961,646	3,097,010	13,058,656	13,058,656	13,866,804

6. Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	-	-
Operational Grant	13,058,656	13,866,804
Development grants	-	-
Other Grants	-	-
Total unconditional Grants	13,058,656	13,866,804
Conditional Grants amortised/ recognised in revenue		
Library Grant	-	-
Hostels Grant	-	-
Administration-Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	13,058,656	13,866,804

(a) Transfers from other Government entities (Categorized)

Name of the College 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	Comparative 2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	9,961,646	3,097,010	13,058,656	13,058,656	13,866,804
Total	9,961,646	3,097,010	13,058,656	13,058,656	13,866,804

7. Rendering of Services

Description	2024/2025	2023/2024
	Kshs	Kshs
B.E.S	31,565,160	24,536,553
T.E.S	2,153,000	1,633,813
L.T&T	4,308,500	3,141,307
Medical	1,076,500	810,243
Activity	2,158,510	1,693,604
RMI/Rehabilitation	3,431,000	2,474,158
MVR/Replacement	6,461,400	4,909,649
Admin cost	2,697,000	2,065,850
Teaching Practicum	1,103,500	1,578,670
E.W.C	4,258,568	3,233,578
Computer Studies	4,306,600	3,219,669
Track Suits	1,314,000	1,529,586
Hockey Stick	1,314,000	1,836,500
Student Council	264,000	376,778
Student ID	131,400	186,470
Clubs	263,700	376,100
Examination fee	16,585,250	-
KUCCPS	252,000	-
Personal Emolument	7,168,050	5,295,102
Graduation	1,228,001	-
Gratuity	2,153,000	1,618,115
Total Revenue from Rendering of Services	94,193,139	60,515,745

8. Sale of Goods

Description	2024/2025	2023/2024
	Kshs	Kshs
Sale of timber	-	7,600
Sale of Chicken and eggs	385,560	-
Sale of Farm Produce	21,460	-
Total Revenue from Sale of Goods	407,020	7,600

9. Rental revenue from facilities and equipment

Description	2024/2025	2023/2024
	Kshs	Kshs
Hire of Facilities and Equipment	690,274	334,500
Staff Houses	480,099	414,509
Total	1,170,373	749,009

10. Miscellaneous Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Seminar	6,273,067	3,707,585
Christian Union	42,000	72,000
Income from sale of tender	47,000	-
Disposal Income	1,382,740	-
Regional Music Festivals	-	371,800
bakery	-	1,372,680
Ecde exams	-	4,980
Ball games	-	1,109,600
Total	7,744,807	6,638,645

11. Use of Goods and Services

Description	Current 2024/2025	Comparative 2023/2024
	Kshs	Kshs
B.E.S	21,455,563	18,032,813
T.E.S	3,107,234	979,416
L.T&T	5,235,716	2,760,456
Medical	657,905	165,932
Activity	7,653,756	6,256,851
Admin cost	3,908,474	2,936,198
Teaching Practicum	461,400	1,151,550
E.W.C	3,607,998	5,252,264
Track Suits	939,700	1,297,473
Environment	92,050	90,732
Student Council	597,280	10,800
Student identity	34,400	82,225
Hockey stick	408,830	
Gratuity	-	2,504,706
Examination	12,117,270	-
KUCCPS	234,000	
Graduation	1,360,126.00	-
Lesson Plan	-	100,500
Other expenses	7,523,154	-
Total good and services	69,394,856	41,621,917

12. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	11,998,200	4,330,419
Employer contribution to health insurance schemes	238,595	355,800
Employer contribution to pension schemes	566,201	1,277,735
Travel, allowances	989,000	-
Housing benefits and allowances	974,770	14,400
Leave Allowance	152,000	170,000
Performance and other bonuses	73,064	-
Gratuity	2,483,139	-
Nita	12,450	22,600
Other cost		7,666,134
TOTAL	17,487,419	13,837,088

13. Board/Council Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
BOM Allowances	1,925,000	-
Directors Emoluments	-	-
Other Allowances	-	325,000.00
Other Board/Council Expenses	-	-
Total	1,925,000	325,000

14. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Property	5,945,308	2,030,542
Investment property-earning rentals	-	-
Equipment and machinery	-	-
Vehicles	2,394,775	2,361,280
Furniture and fittings	-	-
Computers and accessories	3,692,714	3,153,528
Total Repairs and Maintenance	12,032,797	7,545,350

15. Cash and Cash Equivalents

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Account	20,111,467	19,334,167
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Specify)	-	-
Total Cash and Cash Equivalents	20,111,467	19,334,167

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank			
Main Account	1106235940	4,406,564	4,721,762
College Fund Account	1106233891	9,603,701	9,144,446
Infrastructure Account	1295093448	25,088	26,393
Savings Account	1105357864	4,469,199	
Co-operative Bank, etc.			
Income Generating Account	01129202199900	1,606,915	- 578,896
Sub- Total			
		20,111,467	13,313,705
b) On - Call Deposits			
Kenya Commercial Bank			
		-	-
Equity Bank – etc.			
		-	-
Sub- Total			
		-	-
c) Savings Deposits Account			
Kenya Commercial Bank			
	1105357864	-	6,020,462
Bank B			
		-	-
Sub- Total			
		-	6,020,462
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank			
		-	-
Bank B			
		-	-
Sub- Total			
		-	-
e) Others(Specify)			
Cash in Transit			
		-	-
Cash in Hand			
		-	-
Mobile Money account			
		-	-
Sub- Total			
		-	-
Grand Total		20,111,467	19,334,167

16. Receivables from Exchange transactions

27(a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	12,395,816	8,233,017
Rent Debtors	266,704	-
Other Exchange Debtors	677,140	1,393,551
Total Current Receivables	13,339,660	9,626,568

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27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current 2024-2025	% of the total	Comparative 2023-2024	% of the total
Less than 1 year	13,272,956	99.5%		%
Between 1- 2 years	66,704	0.5%	9,626,568	100%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	13,339,660	100%	9,626,568	100%

17. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Consumable stores	23,510	2,215,160
Maintenance stores	15,000	43,600
Health Unit stores	-	-
Electrical stores	-	-
Cleaning Materials stores	-	-
Catering stores	129,685	15,750
Total Inventories at lower of Cost and Net Realizable Value	168,195	2,274,510

18. Biological Assets

	2024/2025FY	2023/2024 FY
	Kshs	Kshs
Trees in a plantation forest	1500	-
Animals: Dairy Cattle, Pigs, Sheep	-	-
Others (Specify)	-	-
Total	1500	-

19. Trade and Other Payables

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade payables	-		2,663,650	
Fees paid in advance	2,656,019		1,375,791	
Salary deductions	-		234,339	
Third-Party Payments	-		-	
Other Payables			2,360,236	
Total Trade and Other Payables	2,656,019		6,634,016	
	Current 2024-2025	% of the Total	Comparative 2023-2024	% of the Total
Ageing analysis:				
Under one year	2,656,019	100%	-	100%
1-2 years	-	%	6,634,016	-
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total (to tie to totals above)	2,656,019	100%	6,634,016	100%

20. Refundable Deposits from Customers/Students

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Consumer deposits	31,500		-	
Caution money	-		-	
Other refundable deposits	-		-	
Total Deposits	31,500		-	
Ageing analysis:	Current 2024/2025	% of the Total	Comparative 2023/2024	% of the Total
Under one year	31,500	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (to tie to totals deposits above)	31,500	100%	-	%

21. Payments received in advance.

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Fees received in advance	2,656,019		1,375,791	
Others (Specify)	-		-	
Total	2,656,019		1,375,791	
Ageing analysis:	Current 204-2025	% of the Total	Comparative 2023-2024	% of the Total
Under one year	2,656,019	100%	1,375,791	100%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	2,656,019	100%	1,375,791	100%

22. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024 (previous year)				
Receivables from exchange transactions	9,626,568	0.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	9,626,568	0.00	0.00	0.00
At 30 June 2025 (current year)	0.00	0.00	0.00	0.00
Receivables from exchange transactions	13,339,660	0.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	13,339,660	0.00	0.00	0.00

Financial risk management (continued)

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

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

(ii) Liquidity risk management

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

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

Foreign currency sensitivity analysis

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

iv) Capital Risk Management

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

23. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

24. Segment Information

25. Contingent Assets and Contingent Liabilities

Contingent Assets

Contingent Liabilities

26. Capital Commitments

27. Events After The Reporting Period

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

28. Ultimate And Holding College

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

29. Currency

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

18. Appendices

Appendix I : Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
15.0	Underpayment of staff	The management adjusted the salaries of the workers and no one earns below the minimum wages	resolved	
10.0	Failure to prepare and submit Financial statement for previous year	The college prepared financial statements for auditing	resolved	
2.0	Unconfirmed transfers from the government	The college confirmed all the funding from the ministry	resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your college responsible for the implementation of each issue;

(iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to the National Treasury.

John Wiley
.....

Name
Accounting Officer
(Enter title of Head of college)
Date



Appendix II: Projects Implemented by (The College)

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1		College savings	Dining Hall Ablution Block			
2		College savings	Smart Classroom			

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Dining Hall Ablution Block	2,819,925.00	979,637.40	40%	2,819,925.00	Project is on-going	College savings
2	Smart Classroom	1,424,409.00	51,563.90	100%	1,424,409.00	51,563.90	College savings
3							

Appendix III- Inter-Collège Confirmation Letter

Name of transferring college.....

Name of beneficiary college.....

Confirmation of amounts received by as at 30 th June (Current 2024-2025)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing College:
 Name Sign Date.....

Head of Accounts Department - Beneficiary College:
 Name Sign Date.....