

REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 04 JUN 2025	DAY: Wednesday
TABLED BY:	Hon. Naomi Wago, MP Deputy Majority Whip
CLERK-AT-THE-TABLE:	Irene Nduku

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**ABERDARE TEACHERS TRAINING COLLEGE**

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



**TEACHERS TRAINING COLLEGE**  
*"committed to excellence"*

---

## ***ABERDARE TEACHERS TRAINING COLLEGE***

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2023**

---

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



**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**Table of Contents**

1.	Acronyms & Glossary of Terms.....	ii
2.	Key ATTC Information and Management.....	iii
3.	The Council/Board of Governors.....	viii
4.	Key Management Team .....	xi
5.	CHAIRMAN'S STATEMENT.....	xv
6.	REPORT OF THE CHIEF PRINCIPAL .....	xvi
7.	Statement of Performance against Predetermined Objectives .....	xix
8.	Corporate Governance Statement.....	xxii
9.	Management Discussion and Analysis .....	xxiv
10.	Environmental And Sustainability Reporting Statement.....	xxv
11.	Report of the Board of Governors.....	xxvii
12.	Statement of Board of Governors Responsibilities .....	xxviii
a)	xxviii	
	Report of the Independent Auditor .....	xxx
	Statement of Financial Performance For The Year Ended 30 June 2023.....	1
	Statement of Financial Position As At 30th June 2023.....	2
	Statement of Cash Flows For The Year Ended 30 June 2023 .....	5
13.	Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2023	6
	Notes to the Financial Statements .....	8
e)	Appendices .....	35

## **2. Key ATTC Information and Management**

### **(a) Background information**

The Aberdare Teachers Training College was established under the Education Act Cap 211 of 2012 on 28/02/2015. ATTC is domiciled in Kenya and has no branch. It is under the Ministry of Education and offers the following courses;

- i. Diploma in Primary Teacher Education
- ii. Diploma in Early Childhood Teacher Education
- iii. Upgrading course in P1 to Diploma in Primary Teacher Education (UDPTE) and Early Childhood Teacher Education (DECTE).

### **(b) Principal Activities**

The principal mandate of Aberdare Teachers Training College is to train Primary and Early Childhood Development Teachers.

The college motto is; **Committed to Excellence.**

The guiding mission is; *To offer Quality Teacher Education and Training for Innovation, Research and National Development.*

The vision is; *to be a Centre of Excellence in Teacher Education and Training in Kenya.*

### **The Strategic Objectives of the Institution are;**

1. To institutionalize an efficient management system in the college to enhance quality in service delivery.
2. To ensure that teacher trainees are adequately equipped with relevant knowledge, skills, values, competencies and attitudes to teach competently and effectively in Primary Schools in Kenya and beyond.
3. Continually enhance effective mobilization and efficient utilization of funds.
4. To provide and maintain adequate infrastructure to enhance the teaching and learning process.
5. To design and implement programmes that will facilitate discovery and harnessing of the trainees talents.
6. To develop programmes and strategies that address pertinent and contemporary issues in teacher education and training.

### **(c) Key Management**

Aberdare Teachers Training College day-to-day management is under the following key organs;

- a) The Board of Management
- b) The Principal (Accounting Officer)
- c) Other administrators including – (i) The Deputy Principal  
(ii) Dean of Curriculum  
(iii) Dean of Students

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**(d) Fiduciary Management**

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

SN	Designation	Name
1.	Principal	Esther Wairimu Iregi
2.	Head of Finance	Rose Wanjiru Kiboi
3	Head of Procurement	Lilian Wanjiku Kimani
4	Deputy Principal	Charles Githinji Muriithi
5	Dean of Curriculum	Patrick Njuguna Mwangi
6	Dean of Students	Patrick Maingi Kariuki

**Key ATTC Information and Management (Continued)**

**(e) Fiduciary Oversight Arrangements**

The college has been under the school audit since its inception, which audits the college every year.

The board of management has in place a finance committee, which oversees the process of budget preparation and the college expenditure.

The board of management has in place also an audit committee, which gives oversight to the college financial operations.

The Dean of Curriculum and the Heads of Departments raise the needs in their departments and receive goods when they are delivered.

**(f) ATTC Headquarters**

Aberdare Teachers Training College is in Nyandarua County, Nyandarua North Sub – County.

**ATTC Contacts**

**Aberdare Teachers Training College**

P. O Box 200 – 20300

**NYAHURURU**

Email address: [aberdarettc@gmail.com](mailto:aberdarettc@gmail.com)

Telephone No. 0719453380

Website: [Aberdarettc.ac.ke](http://Aberdarettc.ac.ke)

**(g) ATTC Bankers**

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

Nairobi, Kenya

**Other Commercial Banks**

**(h) (a) College Bank Accounts**

Account Name: Aberdare Teachers Training College

Account Number: 01139689225000 – Current Account 1

Bank Name: Co – operative Bank

Branch Code: 00011017

Branch: NYAHURURU

**(i) Account Name: Aberdare Teachers Training College**

Account Number: 01139501234000 – Current Account 2

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

Bank Name: Co – operative Bank  
Branch Code: 00011017  
Branch: NYAHURURU

- (j) Account Name: Aberdare Teachers Training College  
Account Number: 01117689225000 - Savings Account  
Bank Name: Co – operative Bank  
Branch Code: 00011017  
Branch: NYAHURURU

**(k) Independent Auditors**

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




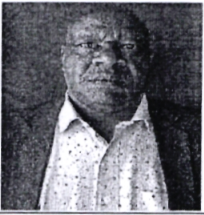

**Key ATTC Information and Management (Continued)**

**(i) Principal Legal Adviser**





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

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**





**3.The Council/Board of Governors**

MEMBER	DETAILS
<p>Eng. Paul Mwangi Gitiche</p> 	<p>The chairman is a Telecommunication Engineer with a Masters degree in Business Administration (MBA). He is 48 years old with 20 years of work experience.</p>
<p>Mdm. Esther Wairimu Iregi</p> 	<p>The Chief Principal is a Teacher Educator with a Master of Business Administration (MBA) degree. She is 57 years old and has been a teacher for the last 31 years</p>
<p>Bishop Lawrence Ndung'u Karuga</p> 	<p>A church minister/counsellor with Bachelor of Science (Bsc) degree in Theology, He is 46 years old with a working experience off six years.</p>
<p>Mr.Stephen Mugo</p> 	<p>He is a Community Development officer currently working with Nyandarua County Government. He is 56 years old with a working experience of 30 years.</p>
<p>Mdm. Beth Njeri Kibera</p> 	<p>A nurse with a Bachelor of Science Nursing (BSN) degree in Nursing. She is 47 years old and is currently a Nursing lecturer. She has been working for the last 26 years.</p>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**






<p>Dr. David M. Gichuhi</p> 	<p>A lecturer with a Doctor of Philosophy (PhD). His professional qualification is Bachelor of Science (B.Sc) in Agriculture. He is 54 years old with 36 years working experience.</p>
<p>Mr. Meshack Theuri Macharia</p> 	<p>An Administrator with an EACE professional qualification but who is currently working as a farmer. He is 63 years old and has 46 years of work experience.</p>
<p>Mdm. Daisy Nyaga</p> 	<p>A Human Resource Professional with a Bachelor of Commerce (B. Com in HR) degree holder in Human Resources. She is currently the Head of Operations at Bridges Credit Africa Ltd. She is 39 years old with a work experience of four years.</p>
<p>Mr. Robert Muturi Kimunya</p> 	<p>A lawyer with a Bachelor of Law Degree (BLL) and currently a Proprietor &amp; Managing partner at Kimunya and Company Advocates. He is 39 years old with a work experience of 12 years.</p>
<p>Dr. Lydiah Wambui Mwangi</p> 	<p>A Guidance &amp; Counselling officer with a Doctor of Philosophy degree (PhD) in Guidance and counselling. She is 58 years old and currently works as a lecturer. She has 19 years of work experience.</p>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**






<p>Mr. Philip Gikunju Waithaga</p> 	<p>A food Science Technologist with a Bachelor of Science Degree (B.Sc) in Food Science and Technology. He is currently a supply chain manager with a work experience of 19 years. He is 47 years old.</p>
<p>Mdm. Gladys C. Langat</p> 	<p>A children’s Officer with a Bachelor's degree in Anthropology. She is 35 years old with 15 years of work experience.</p>
<p>Charles Githinji Muriithi</p> 	<p>A Teacher Educator with a Master of Business Administration (MBA) Degree currently serving as the Deputy Principal ATTC. He is 55 years old with a 30 years work experience</p>
<p>Mr. Samuel Kinyanjui</p> 	<p>Student Age – 28 years</p>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**






**4. Key Management Team**

MEMBER	DETAILS
<p>Mdm. Esther Wairimu Iregi</p> 	<p>The Chief Principal is a Teacher Educator with a Master of Business Administration (MBA) degree. She is 57 years old and has been a teacher for the last 31 years</p>
<p>Mr.Charles Githinji Muriithi</p> 	<p>A Teacher Educator with a Master of Business Administration (MBA) Degree currently serving as the Deputy Principal ATTC. He is 55 years old with a 30 years work experience</p>
<p>Mr.Patrick Njuguna Mwangi</p> 	<p>A Teacher Educator with a Bachelor of Education Degree (BED). He is currently the Dean of Curriculum (DoC) and has a work experience of 32 years. He is 56 years old</p>
<p>Patrick Maingi Kariuki</p> 	<p>A Teacher Educator with a Master of Science in Recreation and Sports Management. He is currently the Dean of Students (DoS) and has a work experience of 27 years. He is 53 years old</p>
<p>Mr. Abraham Njuguna Mbugua</p> 	<p>A Teacher Educator with a Master of Education Degree (MED) from The Aga Khan University. He is currently The Deputy Dean of Curriculum. He is 49 years old with a work experience of 22 years</p>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**


<p>Mdm. Anne Kahigu</p> 	<p>A Teacher Educator with a Masters Degree in Education Psychology (Med Edu Psy.) She is 47 years old with 20 years of work experience. She is currently the Deputy Dean of Students</p>
<p>Mdm. Teresa Mathu</p> 	<p>A Teacher Educator with a Master of Education Degree (MED). She is currently the Head of Department (HoD) Creative Arts. She is 43 years old and has 13 years of work experience.</p>
<p>Mdm. Caroline Muthoni Japhet</p> 	<p>A Teacher Educator with a Bachelor of Education degree currently serving as the Head of Department (HoD) Maths . She is 47 years old with an 18 years work experience</p>
<p>Mr. Peter Mburu Ngaruiya</p> 	<p>A Teacher Educator with a Master of Education Degree (MED) currently serving as the Head of Department Professional Studies as well as the Practicum Director. He is 55 years old with 19 years of work experience.</p>
<p>Dr. Richard Iyaya Makhakha</p> 	<p>A Teacher Educator with a Doctor of Philosophy Degree (PhD) from Laikipia University. He is currently serving as the Head of Department (HoD) Languages. He is 55 years old with 32 years of work experience.</p>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

<p>Mr. Edwrad Githinji Nyaga</p> 	<p>A Teacher Educator with a Post Graduate Diploma in Education (PGDE) currently serving as The Assessment Officer. He is 53 years old with 25 years work experience.</p>
<p>Mdm.Jacqueline Wanjiru Ndirangu</p> 	<p>A Teacher Educator with a Masters Degree in Business Administration (MBA) currently serving as the Head of Science &amp; Technology Subject. She is 42 years old with a work experience of 13 years</p>
<p>Mr. Japheth Onyango Omondi</p> 	<p>A Teacher Educator with a Bachelor of Education Degree (BED Science) currently serving as the Head of Department (HoD) Science and Technology. He is 42 years old with a work experience spanning 13 years.</p>
<p>Mr. Sammy Kingori Gikonyo</p> 	<p>A Teacher Educator with a Bachelor's Degree in Education (BED) currently serving as the Head of ICT subject (HoS). He is 28 years old with 3 years work experience.</p>
<p>Mdm. Anne Kawira Gitonga</p> 	<p>A Teacher Educator with a Bachelor of Education Degree (BED) currently teaching Kiswahili and Religious Education. She is 43 years old with a work experience spanning 20 years.</p>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

<p>Cathrine Wangeci Mwithiga</p> 	<p>A Teacher Educator with a Bachelor of Education Degree (BED) currently teaching French and Inclusive Education. She is 48 years old and has 24 years of work experience.</p>
--	---

## **5. CHAIRMAN'S STATEMENT**



The college has since its inception in September 2015 played an integral role in producing teachers with a global outlook and thereby possessing the requisite skills, attitudes and competences to mould future generations. The many challenges experienced including but not limited to inadequate government funding, delayed submission of government grants and low enrolment following the review of the entry requirements for students joining the Teacher Training Colleges for the last three years has not dampened the resolve to produce 21<sup>st</sup> century teachers. The college has therefore continued to engage the government through the Ministry of Education as well as other bodies through writing of proposals in search of funding. It has also ensured prudent management of the resources available while engaging in subsistence farming to supplement the teacher trainees' diet.

The Board has also facilitated the drafting of the college Master plan and strategic plan (2022-2026) with the aim of taking the college to the next level. Regular meetings as guided by the Ministry of Education both at the executive and full board level continue with the aim of enhancing implementation of the Teacher Education Curriculum and the other College strategic activities.

The Board continues to review and implement strategies for marketing the college with the aim of making it the college of choice and a centre of excellence in Teacher Education Training in Kenya. It also continues to ensure the current Teacher educators in the institution are continually retooled with the aim of rejuvenating their synergies and competencies in the implementation of the Competency Based Curriculum

Tree planting and continuous rehabilitation of college facilities has been enhanced in order to create a conducive learning and working environment for both the teacher trainees and teacher educators respectively.

Eng. Paul M. Gitiche  
**CHAIRMAN BOM**

## **6. REPORT OF THE CHIEF PRINCIPAL**



### **Achievements**

The college was able to carry out the following activities in the fiscal year 2022-2023.

#### **1. Enrolments**

104 teacher trainees were enrolled for various courses including 77 for Upgrade Diploma in Primary Teacher Education (UDPTE), 20 for Diploma in Early Childhood Teacher Education (DECTE) and 7 undertaking Upgrade Diploma in Early Childhood Education (UDECTE). 43 of these trainees (38 under UDPTE and 5 under UDECTE) successfully completed their course and graduated together with another group of 367 trainees from the Primary Teacher Education (P1) and ECDE cohort that had completed earlier on the 7<sup>th</sup> of July, 2023 during the college's second graduation which was presided over by the Cabinet Secretary for Education Honourable Ezekiel Machogu. The remaining cohort of trainees was successfully taken through the e-assessment training and finally sat their final assessment online. Internal and external assessments during the practicum were conducted in the course of the year.

#### **2. Trainings**

All lecturers participated in different trainings organized by different organisations with the aim of harnessing their skills and pedagogy in modern trends in education:

- i. The first training took place between 9<sup>th</sup> -13<sup>th</sup> January, 2023 where they were trained as Trainer of Trainers (ToTs) in the preparation for the training of Junior Secondary School (JSS) teachers. This was in preparation for the rolling out of the Junior Secondary programme - Grades 7-9. The tutors then trained the JSS teachers between 13<sup>th</sup> -17<sup>th</sup> March, 2023 in different venues covering the whole of Nyandarua County.
- ii. The second training was done between 27<sup>th</sup> March -1<sup>st</sup> April 2023. It was coordinated by the Ministry of Education through their Kenya Primary Education Equity Learning (KPEEL) programme. This programme seeks to strengthen systems for improving Quality Education by:
  - Retooling at least eighty percent (80) of Teacher Educators in Competency Based Curriculum and Competency Based Assessment,
  - Establishing functional ICT enabled Learning Resource Centres in Teacher Training Colleges,
  - Providing core reference materials for use by the teacher trainees,
  - Establishing structural linkages with selected primary schools to enhance practicum experience and finally
  - Strengthening governance and accountability through training of members of Board of Management in TTCs.
- iii. The third training was conducted by the Kenya National Examinations Council (KNEC) in Early April on conduct, administration and marking of online examinations. The

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

lecturers then trained the teacher trainees on the same, administered both School Based Assessments (SBA) for both DECTE and UDPTE and marked the same online. Finally the lecturers were engaged by KNEC to administer the summative e-assessment for the 2022 UDPTE class. Marking of the same is expected to be done in August 2023

- iv. Four members of the teaching staff attended a KNEC workshop at Kahuhia Girls on 23<sup>rd</sup>-29<sup>th</sup> April, 2023.
- v. Three tutors participated in UNESCO Media and Information Literacy (MIL) training and implementation between April and June 2023.
- vi. The Chief Principal and one member of teaching staff attended three days of Award Leader training for Presidential Award-Kenya (PA-K) on 19<sup>th</sup>-21<sup>st</sup> May, 2023 at St. Luke Hotel, Thika.

### **3. Participation in Conferences**

- i. All members of the teaching staff participated in writing three papers which were presented in the 2<sup>nd</sup> Multi-Sectoral Conference on Science, Technology and Innovation (MS-COSTI 2) that was held on 23<sup>rd</sup> to 26<sup>th</sup> May, 2023 at Safari Park Hotel, Nairobi.
- ii. A member of staff represented the college in the 2<sup>nd</sup> World Scouts parliamentary Unions Africa Assembly on 19<sup>th</sup>-24<sup>th</sup> June, 2023 at Kagumo TTC.
- iii. Two tutors attended a workshop on e-assessment management and reporting with KNEC on 26<sup>th</sup> June, 2023.
- iv. The Chief Principal and two tutors attended a two days KNEC Practicum Assessment workshop at KISE on 26<sup>th</sup>-27<sup>th</sup> June, 2023.

The 2022-2026 Strategic Plan was finalized and adopted by the Board. Additionally, the College Master Plan was developed with the assistance of the County Physical Planning Office.

In order to enhance the teaching/learning process, a number of facilities were renovated including; three classrooms were repainted and ceiling boards repaired.

Internet and Local Area Network (LAN) has continued to support trainees and lecturers to source learning resources and conduct lessons online. This has also made it possible for online meetings with various stakeholders i.e. Community of practice.

The college availed some facilities like the college bus and field for use by the neighbouring community as per the statutory procedures.

Quarterly and annual financial reports were submitted to the relevant authorities of as per the Ministry of Education guidelines.

During the first quarter of FY2022-2023, the new Board of Management was nominated, inaugurated and held their meetings as per the Ministry of Education guidelines.

### **Challenges encountered**

- i. The college suffers from inadequate requisite facilities required for effective and efficient curriculum implementation as well as running of the day-to-day activities.

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

- ii. Some of the facilities like the hostels are semi-permanent and beg for upgrading.
- iii. Financial constraints due to low enrollment coupled with reduced and delayed government grants.
- iv. The college land is not adequate for putting up all the requisite facilities.
- v. The unpredictable weather was challenging and led to little income from the college farm.
- vi. The college faces transport challenges due to lack of a utility van.
- vii. Another challenge faced by the college is poor accessibility because dry weather roads are rendered impassable during the rainy season.

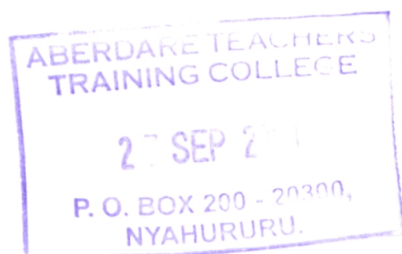
**Way forward /Future outlook**

- i. The implementation of the 2022-2026 Strategic Plan and the college Master Plan requires colossal amounts of money. In the light of this, rigorous and deliberate resource mobilization will be required. Lobbying for financial and material support from the Ministry of Education, County government, CDF and well-wishers should be enhanced.
- ii. There is a need for placement of more trainees through Kenya Universities and Colleges Central Placement Service that will stabilize the college.
- iii. Aberdare Teachers Training College should continue to enhance its publicity through the college website, production and distribution of flyers, brochures, posters, advertising through electronic media and Alumni Association.
- iv. Enhancing Community of Practice (COP) with other colleges and external partners through linkage programs and collaborations.
- v. For the college to successfully implement the Master Plan, acquisition of more land is deemed necessary.



Mrs Esther Iregi

**CHIEF PRINCIPAL/SECRETARY B.O.M**



**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**7. Statement of Performance against Predetermined Objectives**

Aberdare Teachers Training College has seven (7) strategic pillars and objectives within its Strategic Plan (2022-2026) for the FY 2022/2023. These strategic pillars are as follows:

- Pillar 1: Infrastructure and Physical Environment
- Pillar 2: Curriculum Implementation
- Pillar 3: Management and Leadership
- Pillar 4: Human Resource Management
- Pillar 5: Trainees' Welfare
- Pillar 6: External Stakeholders Management
- Pillar 7: Finance and Resource Mobilization

*The FY 2022/2023 report is as follows*

Aberdare Teachers Training College develops its annual work plans based on the above seven (7) pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis.

Aberdare Teachers Training College achieved its performance targets set for the FY2022/2023 period for its 7 strategic pillars, as indicated below:

<b>Pillar</b>	<b>Target</b>	<b>Level of achievement</b>
<b>Pillar 1: Infrastructure and Physical Environment</b> <i>Strategic Objective: To develop and enhance physical facilities and accessibility</i>	<ul style="list-style-type: none"> <li>i. Establish required institutional infrastructure</li> <li>ii. To prudently utilize existing facilities and assets for a high return on investment (ROI) rate.</li> <li>iii. Income growth from agriculture IGAs.</li> <li>iv. Amount earned from hiring of college assets.</li> <li>v. Planting of trees</li> </ul>	<ul style="list-style-type: none"> <li>i. LRC block construction, BQs submitted.</li> <li>ii. Sales from farm produce: Ksh.92,698</li> <li>iii. Hiring of college bus: Ksh.325,300</li> <li>iv. Income from hosting CBC trainings 815,288</li> <li>v. Planted 950 trees and received Ksh.3,340 TIST income.</li> </ul>
<b>Pillar 2: Curriculum Implementation</b> <i>Strategic Objective: To enhance the achievement of set learning outcomes</i>	<ul style="list-style-type: none"> <li>i. An operational ICT enabled LRC</li> <li>ii. Providing learning opportunities for tutors on CBC.</li> <li>iii. Programmes and activities that enhance achievement of set learning outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>i. ICT enabled LRC BQs were submitted.</li> <li>ii. All tutors trained through the TSC/ KICD/MoE /KNEC initiative on CBC/CBA implementation.</li> <li>iii. All tutors trained through School Based Teacher Support (SBTS) on pedagogical skills</li> </ul>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

	<ul style="list-style-type: none"> <li>iv. Enhance tutors capacity to assess learning outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>iv. Participation in community of practice by tutors.</li> <li>v. All tutors trained on CBA. Tutors engaged in practicum e-assessment.</li> <li>vi. Piloting and marking of e-assessment in collaboration with KNEC.</li> <li>vii. Graduated 411 granduads during 2<sup>nd</sup> graduation ceremony on 7/07/2023</li> </ul>
<p><b>Pillar 3: Management and Leadership</b>  <i>Strategic Objective: To develop an empowered and responsive management and leadership</i></p>	<ul style="list-style-type: none"> <li>i. Inauguration of new BOM.</li> <li>ii. Number of joint forums held.</li> <li>iii. Display of values.</li> <li>iv. Establishing a Quality Improvement Committee.</li> <li>v. Constituting procurement committees.</li> <li>vi. Training on quality management.</li> </ul>	<ul style="list-style-type: none"> <li>i. New BOM inaugurated on 15/7/2022.</li> <li>ii. Three Full Board of Management (BOM) meetings three (3) executive BOM meetings held.</li> <li>iii. Appointment of substantive D.o.C and D.o.S.</li> <li>iv. Teaching staff, Non-teaching staff Alumni meetings held every term.</li> <li>v. The Chief Principal and the Deputy Principal attend an international conference on enhancing education in Kenya.</li> <li>vii. Teaching staff trained by Kenya Primary Education Equity Learning (KPEEL) on strengthening systems for improving Quality Education.</li> <li>vi. Trainees' Students Council meetings.</li> <li>vii. Values displayed at strategic points.</li> <li>viii. Procurement committees were constituted.</li> <li>ix. The accounting officer and bursar were trained on end of year IPSAS closing procedures.</li> </ul>
<p><b>Pillar 4: Human Resource Management</b>  <i>Strategic Objective: To ensure the college has high performing, motivated and sustainable personnel</i></p>	<ul style="list-style-type: none"> <li>i. Meet the staff skills gaps through appropriate training.</li> <li>ii. Number of strategic training done.</li> <li>iii. Motivation of non-teaching staff</li> <li>iv. Performance standards.</li> </ul>	<ul style="list-style-type: none"> <li>i. Addition of two tutors by the TSC</li> <li>ii. Internal hiring of a music teacher to address shortage.</li> <li>iii. Engagement of two intern personnel in the account office.</li> <li>iv. Staff meetings to plan and monitor Curriculum implementation.</li> <li>v. Tutors attended various training sessions for capacity building in order to enhance service delivery.</li> <li>vi. SBTs are held weekly.</li> </ul>

## Aberdare Teachers Training College

### Annual Report and Financial Statements for the year ended 30th June 2023

		<ul style="list-style-type: none"> <li>vii. All tutors trained through the TSC/KICD/MoE/KNEC initiative on CBC/CBA implementation.</li> <li>viii. Non-teaching staff meetings to plan and monitor the operations of various departments.</li> <li>ix. Tutors clock in register for monitoring attendance to duty.</li> <li>x. Lesson observation for both tutors and trainees.</li> <li>xi. O.B for security guards for monitoring service delivery and updating on security issues.</li> </ul>
<p><b>Pillar 5:</b> <b>Trainees' Welfare</b> <i>Strategic Objective: To institute measures that are responsive and that promote trainees' welfare</i></p>	<ul style="list-style-type: none"> <li>i. Number of trainees active in clubs and societies.</li> <li>ii. Number of resource persons that talk to trainees.</li> <li>iii. Incorporation of trainees' suggestions into their welfare.</li> </ul>	<ul style="list-style-type: none"> <li>i. Vibrant clubs and societies: holding worship services for spiritual nourishment.</li> <li>ii. Trainees participate in skills and service in the Presidential Award-Kenya.</li> <li>iii. Trainees participated in Regional debate contests.</li> <li>iv. External and internal speakers during worship services, mentorship program and G&amp;C talk.</li> <li>v. Collaboration with County health service providers in order to cater for health issues.</li> <li>vi. Prompt response to trainees' suggestions into their welfare.</li> </ul>
<p><b>Pillar 6:</b> <b>External Stakeholders Management</b> <i>Strategic Objective: To strengthen cordial partnership and association with all external stakeholders</i></p>	<ul style="list-style-type: none"> <li>i. Internal guidelines of dealing with external stakeholders</li> <li>ii. ADR framework and approach in place.</li> <li>iii. A compliance and complement register.</li> </ul>	<ul style="list-style-type: none"> <li>i. Adopting an open door policy with our external stakeholders.</li> <li>ii. Embracing Alternate Dispute Resolution.</li> <li>iii. Suggestion boxes are put in place.</li> <li>iv. Prompt response to complaints and suggestions received.</li> <li>v. All members of the teaching staff participated in writing three papers which were presented in the 2<sup>nd</sup> Multi-Sectoral Conference on Science, Technology and Innovation (MS-COSTI 2) that was held on 23<sup>rd</sup> to 26<sup>th</sup> May, 2023 at Safari Park Hotel, Nairobi.</li> <li>vi. A member of staff represented the college in the 2<sup>nd</sup> World Scouts parliamentary Unions Africa</li> </ul>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

		<p>Assembly on 19<sup>th</sup>-24<sup>th</sup> June, 2023 at Kagumo TTC.</p> <p>vii. Held our second graduation on 7/07/2023 that was graced by Hon. Ezekiel Machogu, CS MoE as the chief guest.</p>
<p><b>Pillar 7:</b>  <b>Finance and Resource Mobilization</b>  <i>Strategic Objective: To adequately mobilize resources that efficiently meet ATTC's operational and strategic needs</i></p>	<p>i. Aligning the budget with the strategic process.</p> <p>ii. Build partnerships and collaboration with funding partners for strategic infrastructure projects.</p> <p>iii. Developing fundraising proposals.</p> <p>iv. Providing periodic financial reports on strategic expenses.</p>	<p>i. Strategic items in the annual budget.</p> <p>ii. The accounting officer and bursar were trained on end of year IPSAS closing procedures.</p> <p>iii. Sent proposals appealing for grants from donors, government departments.</p> <p>iv. Utilization of college farm to enhance food supply.</p> <p>v. Hiring out of the college bus as a source of financial income; annual income Ksh.325,300.</p> <p>vi. Sale of farm produce, such as potatoes, tree tomatoes, onions and floriculture products realizing Ksh.92,698.</p> <p>vii. Disposal of items and realized Ksh.12,570.</p> <p>viii. Quarterly financial reports submitted.</p>

**8. Corporate Governance Statement**

The Aberdare Teachers Training Board of Management was inaugurated on 15<sup>th</sup> July, 2022 and the following is the tabulation of the meetings they have held;

**FULL BOM**

S/NO.	DATE	EXPECTED MEMBERS	MEMBERS PRESENT	MEMBERS ABSENT WITH APOLOGY	IN ATTENDANCE
1.	15 /07/2022	14	13	1	0
2.	30/08/2022	14	10	4	0
3.	24/02/2023	14	9	5	0

**EXECUTIVE BOM**

S/NO.	DATE	EXPECTED MEMBERS	MEMBERS PRESENT	MEMBERS ABSENT WITH APOLOGY	IN ATTENDANCE
-------	------	------------------	-----------------	-----------------------------	---------------

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

1.	03/11/2022	5	7	0	2
2.	10/02/2023	5	5	0	2
3.	21/04/2023	5	5	0	4

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**9. Management Discussion and Analysis**

Aberdare Teachers Training College has continued to implement the teacher training curriculum.

The low enrolment (32 trainees) has meant that there is a big shortage of finances coming in, with the Ministry of Education only submitting the quarterly grant which is barely enough to cater for the non-teaching staff salaries. This has also meant that some creditors remain unpaid with the pending bills at Kshs.14,463,925.

There were small scale income generating projects in the farm like growing beans, tomatoes, kales and planting of tree tomato fruit trees.

During the fourth quarter the college complied with the statutory requirements by submitting the non-teaching staff NHIF, NSSF and KRA statutory deductions per month. There are no arrears in statutory obligations.

There are many risks facing the institution and these include;

- The low enrolment, which means poor income in terms of fees.
- The poor facilities like the semi-permanent hostels expose the trainees to extreme cold at night and extreme heat during the day. Some trainees have failed to join the college because of this.
- The poor road network makes it difficult to access the college especially during the rainy season. Students get discouraged from joining when they experience this as they come to seek vacancies.
- Another risk is the high turnover of tutors because of health issues. They come to work by the use of motorbikes every morning and evening and this is a cold place.
- The college has a porous fence.

**COLLEGE POPULATION**

Currently the college population stands as follows;

DECTE 2022/2025		UDPTE 2022/2023		GRAND TOTAL	
M	F	M	F	M	F
3	17	4	8	7	25

**Key:** UDPTE – Upgrading Diploma in Primary Teacher Education.

DECTE – Diploma in Early Childhood Teacher Education.

10. Environmental And Sustainability Reporting Statement

*(a) Sustainability Strategy and Profile*

S/N	Strategy	Objective	Activity
1	Carbon management	Reduction of carbon emission	Explore/exploit various renewable sources of energy.
		Absorption of excess carbon	Attending the planted 800 trees (eight hundred different varieties) and management of a green house
2	Income generation	Create an extra source of funds	Planted 100 avocado trees and sweet potato vines. Harvesting onions, kales and spinach for consumption in the college and for sale. Harvesting of capsicum and geranium flowers.
3	Supplementing the diet	Improve the nutritional value and food supply	Enhancing the trainees' diet with vegetables and fruits from the farm.
4	Beautification	Make the environment more attractive	Continuous planting and maintenance of a variety of flowers and ornamental trees.
5	Water conservation	Harvesting and conserving water	Creating awareness of water management and conservation.
6	Waste management	Ensure appropriate disposal of waste	Segregation of waste and proper disposal of the same. Effective use of the incinerator.

*(b) Environmental Performances*

- Aberdare TTC does not have an Environmental Policy specifically made but has internal guidelines that the environmental activities management is based on.
- The college has been participating in PC evaluation in which it has performed well. Some environmental elements have been assessed under some sub-committees such as national values, cross cutting issues through which environmental activities have been carried out successfully.
- Some of the environmental activities include establishment of a tree nursery, planting of various types of trees (fruits, flowers, trees for fuel and for wind breaking purposes)
- Has planted vegetables, capsicum, tomatoes and onions in the school farm and in the green house.

*Successes*

- The college has continued to plant trees - 100 avocado trees
- College has continued to do crop production through greenhouse
- The college has also linked with Apollo Agriculture organization in order to enhance college agricultural activities
- Continued to beautify the environment through enhanced flower planting and tending
- Through environmental club and ASPnet /Scouting clubs, we have enhanced conservation of trees planted in the compound.

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

- The college uses water stored in the tanks and piped to sustain college hygiene through establishment of hand washing water points, kitchen use and maintaining covid-19 health protocols

***Shortcomings***

- Harsh weather causing shortages of water hence affecting the farm, trees, personal hygiene etc.
- Inadequate funds to maintain the environment.

**Efforts to Manage the College Bio-Diversity**

The college;

- has planted trees
- planted flowers, grass and farm products e.g. green vegetables, fruits, onions and tomatoes

***Waste Management Policy & Efforts to Reduce Environmental Impact***

- No specific policy developed but interventions have been put in place to reduce negative environmental impact to the college. The following happens;
  - i. Having litter bins located in various parts of the college compound
  - ii. developing drainage system
  - iii. having a facility for burning ordinary waste and incinerator
  - iv. Having designated personnel to take care of waste.

***(c) Employee's Welfare***

***Give policies guiding the hiring process e.g. NTS***

- The college gives equal employment opportunities to qualified applicants regardless of ethnicity, gender or disability
- Salary reviews based on existing human resource management policies.

***Efforts made in improving skills, managing careers, appraisal and reward systems***

- Training of staff e.g. Finance officers & secretaries to enhance their professional productivity. This has been done severally via PC programmes and meetings

***Policy on safety and compliance with occupational safety and Health Act of 2007 (DSHA)***

- Protective clothing for all non-teaching staff available and replaced on need basis

***(d) Market Place Practices***

ATTCs effort in:

***a. Responsible Competition Practices***

- Anti- corruption: There is a policy which has been put in place and a team duly appointed by the college authority under PC programme
- Mechanism/ procedures on whistleblowing has also been put in place
- Fair competition and respect for competition has been enhanced almost in all areas of operation including the student council formation.

***b. Responsible supply chain and Supplier Relations***

How ATTC maintains;

- Good business practices: it treats its suppliers responsibly by advertising and awarding tenders competitively, honouring contracts and respecting payment practices.
- The college forms very independent adhoc committees to deal with every level of tendering processes (Attach evidences)

***c. Responsible marketing and Advertising- Online efforts to maintain ethical Marketing Practices***

- ATTC advertises or markets itself to get more trainees and promote education.
- The college also markets itself when advertising for business with the community/ stakeholders e.g. tenders and employment opportunities.
- The methods used are procedural hence very ethical because it is done in an open manner and competitively.

***d. Product Stewardship- online efforts to safeguard consumer rights and interests.***

- ATTC's main consumers are teacher trainees, and other stakeholders
- There are efforts to protect the trainees' rights and interests through college rules and regulations.
- The TSC code of regulations/ ethics guides on how lecturers are meant to relate with learners in terms of facilitating learning processes (teaching, assessment and grading) besides guidance and counselling and correcting them.
- Strategies on how to enhance performances of trainees
- Strategies of enhancing trainees' welfare
- Guidance to ensure fairness and equitability in choosing trainees' council members in a democratic manner.
- Gender issues and marginalization issues are considered in allocation of responsibilities and facility establishments in the college.

***(e) Corporate Social Responsibility / Community Engagements***

A number of activities are done by the college for the benefits of the Society including;

- i. Sharing of the sports field with the community (young men in the evenings from 4-6pm).
- ii. Community members continue cutting/harvesting grass in the compound fields for their domestic animals
- iii. Purchasing of consumables and non- consumable products from the community.
- iv. Maintaining fulltime and part time workers mostly from the neighbouring communities.
- v. Internship opportunities to organizations that request for it.

## **11. Report of the Board of Governors**

The Board has submitted its financial report for the year ended June 30, 2023, which show the state of Aberdare Teachers Training College affairs.

### **Principal activities**

The principal activities of ATTC are offering training in Diploma in Primary Teacher Education (DPTE) and Diploma in Early Childhood Teacher Education (DECTE).

### **Results**

The results of ATTC for the year ended June 30th are set out on page 1 to page 29.

### **Board of Governors**

The members of the Board who served during the year are shown on page (iii) - (8). During the FY2022/2023 the position of the Chairman of BOM has not undergone any change.

### **Auditors**

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

By Order of the Board

.....  
**Secretary of the Board/Council**  
**Nairobi**  
**Date:**

## **12. Statement of Board of Governors 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 council members to prepare financial statements in respect of that *entity*, which give a true and fair view of the state of affairs of ATTC at the end of the financial year/period and the operating results of ATTC for that year. The Board members are also required to ensure that ATTC keeps proper accounting records which disclose with reasonable accuracy the financial position of ATTC. The Board members are also responsible for safeguarding the assets of ATTC.

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

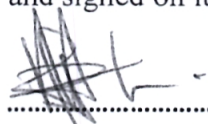
The Board members are responsible for the preparation and presentation of ATTC's financial statements, which give a true and fair view of the state of affairs of ATTC for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the ATTC, (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 ATTC, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates ATTC that are reasonable in the circumstances.

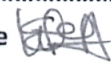
The Board members accept responsibility *for the* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Board members are of the opinion that ATTC's financial statements give a true and fair view of the state of ATTC's transactions during the financial year ended June 30, 2023, and of ATTC's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for ATTC which have been relied upon in the preparation of ATTC's financial statements as well as the adequacy of the systems of internal financial control.

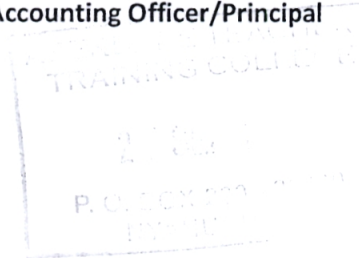
Nothing has come to the attention of the Board members to indicate that the *ATTC* will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

Aberdare Teachers Training College financial statements were approved by the Board on 27<sup>th</sup> September, 2023 and signed on its behalf by:

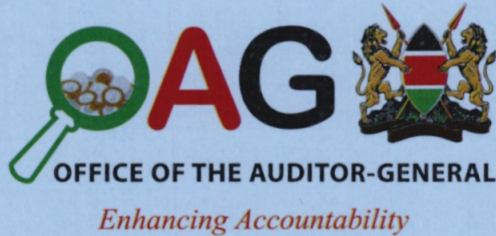
  
.....  
Name **PAUL M. Griffiths**  
Chairperson of the Board

**ESTHER URECI**  
.....  
Name   
Accounting Officer/Principal



# REPUBLIC OF KENYA

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



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

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

---

### PREAMBLE

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

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

An Adverse Opinion is issued when the Auditor-General determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the 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

#### **Adverse Opinion**

I have audited the accompanying financial statements of Aberdare Teachers Training College set out on pages 1 to 22, which comprise the statement of financial position as at 30 June, 2023, statement of financial performance, statement of cash flows and

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

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of Aberdare Teachers Training College as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with comply with the Public Finance Management Act, 2012 .

## **Basis for Adverse Opinion**

### **1. Unsupported Previous Year Balances**

The financial statements for the College for the year ended 30 June, 2023 shows various balances for the previous year 2021/2022. However, the balances were not supported by any ledger account schedules. Further, the accounts for the year 2021/2022 were not presented for audit. No explanation was provided for this anomaly.

In the circumstances, the accuracy of the balances brought forward from 2021/2022 financial year could not be confirmed.

### **2. Lack of Supporting Schedules**

The financial statements for the College for the year ended 30 June, 2023 shows various balances for use of goods and services, employee costs, repair and Maintenance, Contracted Services, trade and other payables and Property, Plant and equipment. However, supporting schedules in form of ledger accounts of the various balances were not provided for audit examination. No explanation was provided for this anomaly.

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

### **3. Issues on the Presentation of the Financial Statements**

Examination of the financial statements of the College and documents presented for audit revealed the following anomalies:

- i. The financial statements of the college were not presented for audit during the last financial year 2021/2022 and since inception of the college.
- ii. The Financial statements for the College for the financial years 2021/2022, and 2022/2023 were prepared by a non- ICPAK member.
- iii. The schedule of Property, Plant and equipment is incorrect for the financial years 2021/2022, and 2022/2023.
- iv. The financial statements do not disclose the rates of depreciation for the financial years 2021/2022, and 2022/2023.

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

#### **4. Doubtful Expenditure**

The statement of financial performance and as disclosed in Note 10 to the financial statements reflect use of goods and services amount of Kshs.4,353,199 which include Kshs.1,521,174 described as “boarding” with no supporting documents such as counterfoil receipt vouchers, inspection and acceptance certificates.

In the circumstances, the accuracy, and validity of the expenditure of Kshs.4,353,199 could not be confirmed.

#### **5. Irregularities in Cash and Cash Equivalents**

The statement of financial position and as disclosed in Note 16 to financial statements reflect cash and cash equivalents balance of Kshs.2,705,566. However, out of the three current bank accounts operated by the College, two bank accounts were not supported with cashbooks, certificates of balance and bank reconciliation statements. Further, a board of survey for Cash in Hand was not availed for audit verification.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.2,705,566 could not be confirmed.

#### **7. Fixed Asset Management**

The Statement of financial position and as disclosed in Note 21 of the financial statements reflects property, plant and equipment balance of Kshs.73,472,948. However, the following anomalies were noted:

- i. The valuation report done shows the value of land at Kshs.6,000,000 while the financial statements show kshs.6,300,000 resulting to unexplained difference of Kshs.300,000.
- ii. The schedule shows a 51-seater bus bought in 2016 at a cost of Kshs.3,950,000. No valuation or purchase documents were provided for audit to confirm the cost of the bus.
- iii. The valuation report shows furniture and fittings at Kshs.10,193,470 while the financial statements show Kshs.6,725,469 resulting in unexplained difference of Kshs.3,468,001.
- iv. The valuation report shows plant and Equipment of kshs.3,030,250 while the financial statements show Kshs.2,363,200 resulting to unexplained difference of Kshs.667,050.
- v. Column of biological assets is omitted and the relevant assets equally omitted.
- vi. The schedule is not prepared correctly.

In the circumstances, the accuracy, valuation and ownership of the assets totaling Kshs.73,472,948

## **7. Lack of Updated Fixed Assets Register**

The statement of financial position and as disclosed in Note 18 to the financial statements reflects property, plant and equipment balance of Kshs.73,472,948. However, there was no updated assets register that shows the description of the item, serial/identification number, date purchased, cost, location and depreciation rate.

In the circumstances, existence, valuation and disclosure of the property, plant and equipment balance of Kshs.73,472,949 could not be confirmed.

## **8. Unsupported Expenditure**

### **8.1 Unsupported Trade and Other Payables**

The Statement of financial position and as disclosed in Note 19 of the financial statements reflects trade and other payables of Kshs.14,463,925. The aging analysis provided show that Kshs.6,466,970 representing approximately forty five percent (45%) relates to the previous financial year 2021/2022 and Kshs.6,343,669 representing approximately forty four percent (44%) has been outstanding for over three (3) years. No detailed analysis of the creditors was provided for audit verification. Further, no explanation was provided as to why the creditors have been outstanding for over one year.

In the circumstances, the accuracy and existence of trade and other payables balance of Kshs.14,463,925 could not be confirmed.

## **8.2 Unsupported Use of Goods and services**

Statement of financial performance and as disclosed in Note 10 to the financial statements reflects use of goods and services amount of Kshs.4,353,199 which include teaching and equipment cost of Kshs.56,790, local traveling cost of Kshs.228,347, activity cost of Kshs.159,780, computer studies and ICT cost of Kshs.757,662, contingency and administrative costs of Kshs.523,970 and track suits amount of Kshs.61,000 all totaling Kshs.1,787,549 which were not supported with adequate documents in form of appropriate authority, work tickets, invoices, counterfoil receipt vouchers, and quotations/tender documents.

In the circumstances, the regularity, occurrence, accuracy and validity of the expenditure of Kshs.4,353,199 could not be confirmed.

## **8.3 Unsupported Employee Costs**

The Statement of financial performance and as disclosed in Note 13 of the financial statements reflect employee costs of Kshs.8,048,090 with no supporting ledger schedules provided for audit verification. Further, no payment vouchers and payrolls were provided for audit examination.

In the circumstances, the accuracy, occurrence and validity of reflects employee costs of Kshs.8,048,090 could not be confirmed.

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

## **Key Audit Matters**

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

## **Other Information**

### **Conclusion**

The Management is responsible for the Other Information set out on page iv to xxix which comprise of key entity information and management, report of the Chief Principal, management discussion and analysis, overview of the college operations and statement of management responsibilities.

The Other Information does not include the financial statements and my audit report thereon.

### **Basis for Conclusion**

In connection with my audit on college's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information and I am required to report that fact.

Based on the audit procedures performed, I confirm that Other Information is not materially inconsistent with the financial statements

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in The Use of Public Resources section of my report, I confirm that public resources have not been applied lawfully and in an effective way.

### **Absence of Internal Audit Function**

Review of records and operations revealed that Aberdare Teachers Training College did not have an internal audit function. This is contrary to Regulation 153 (1)(a) which states that internal auditors shall evaluate budgetary performance, financial management,

transparency and accountability mechanisms and processes in County Government entities.

In the absence of an internal audit function, it was not possible to confirm whether the internal controls built within the financial and operational systems were functioning as intended during the year under review. Additionally, the Management was in breach of the law.

### **Basis for Conclusion**

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

### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that internal controls, risk management and governance were not effective.

#### **Basis for Conclusion**

##### **Lack of Approved Policy Documents**

During the period under review, the College did not have in place approved training policy, approved business continuity plan, approved risk management policy approved finance manual and approved ICT security policy

In the absence of approved policy documents, it was not been possible to confirm whether the internal controls built within the financial, operational and ICT systems were functioning as intended during the year under review.

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

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

### **Responsibilities of the Management and those Charged with Governance**

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**


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

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**24 January, 2025**

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Statement of Financial Performance For The Year Ended 30 June 2023**

	Notes	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	5,072,571.05	9,136,962.00
		<b>5,072,571.05</b>	<b>9,136,962.00</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	7	2,700,116.00	5,952,049.00
Sale of goods	8	92,698.00	26,504.00
Other Income	9	1,156,498.00	487,100.00
<b>Revenue from Exchange transactions</b>		<b>3,949,312.00</b>	<b>6,465,653.00</b>
<b>Total Revenue</b>		<b>9,021,883.05</b>	<b>15,602,615.00</b>
<b>Expenses</b>			
Use of goods and services	10	4,353,199.00	9,422,989.00
Employee costs	11	8,048,090.00	6,591,148.00
Board /Council Expenses	12	155,000.00	244,500.00
Depreciation and amortization expense	13	3,942,301.25	0.0
Repairs and maintenance	14	114,775.00	261,830.00
Contracted services	15	431,282.00	287,578.00
<b>Total Expenses</b>		<b>17,044,647.25</b>	<b>16,808,045.00</b>
<b>Net surplus/(deficit) for the year</b>		<b>(8,022,764.20)</b>	<b>(1,205,430.0)</b>

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

  
 .....

Eng. Paul M. Gitiche  
 Chairman of the Board

Date 27/9/23

  
 .....

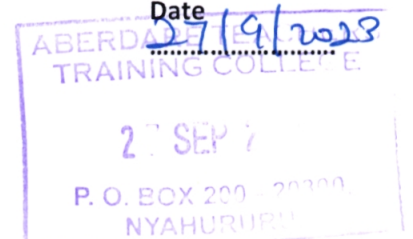
CPA Rose W. Kiboi  
 Finance Officer  
 ICPAK No

Date 27/9/23

  
 .....

Esther W. Iregi  
 Chief Principal/Sec  
 BoM

Date 27/9/2023



**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**


**Statement of Financial Position As At 30th June 2023**

Description	Notes	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	16	2,705,566.15	927,199.00
Current portion of receivables from exchange transactions	17	3,552,257.00	4,194,092.00
<b>Total Current Assets</b>		<b>6,257,823.15</b>	<b>5,121,291.00</b>
<b>Non-Current Assets</b>			
Property, plant, and equipment	18	73,472,948.25	77,415,250.00
<b>Total Non-Current Assets</b>		<b>73,472,948.25</b>	<b>77,415,250.00</b>
<b>Total Assets</b>		<b>79,730,771.40</b>	<b>82,536,541.00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	19	14,463,925.00	9,286,680.00
<b>Total Current Liabilities</b>		<b>14,463,925.00</b>	<b>9,286,680.00</b>
<b>Non-Current Liabilities</b>		0.00	0.00
<b>Total Liabilities</b>		<b>14,463,925.00</b>	<b>9,286,680.00</b>
<b>Capital and Reserves</b>			
Accumulated Surplus		(8,022,764.20)	(162,389.00)
Capital Fund		73,289,610.60	73,412,250.00
<b>Total Net Assets and Liabilities</b>		<b>79,730,771.40</b>	<b>82,536,541.00</b>


**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---


The Financial Statements set out on pages 2 to 3 were signed by:

  
.....  
Eng. Paul M. Gitiche  
Chairman of the Board

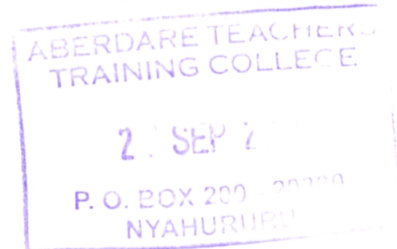
Date 27/9/23

  
.....  
CPA. Rose W. Kiboi  
Finance Officer  
ICPAK No

Date 27/9/23

  
.....  
Esther W. Iregi  
Chief Principal/Sec BoM

Date 27/9/2023



**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

Statement of Changes in Net Asset For The Year Ended 30 June 2023

Description	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 2021 (previous year)</b>	<b>0.00</b>	<b>67,450,233.00</b>	<b>67,450,233.00</b>
Revaluation gain	0.00	0.00	0.00
Surplus/(deficit) for the year	(1,205,430.00)	0.00	(1,205,430.00)
Capital grants received during the year	0.00	7,005,058.00	7,005,058.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	0.00	0.00	0.00
<b>At June 30, 2022</b>	<b>(1,205,430.00)</b>	<b>74,455,291.00</b>	<b>73,249,861.00</b>
<b>At July 1, 2022 (current year)</b>	<b>(1,205,430.00)</b>	<b>74,455,291.00</b>	<b>73,249,861.00</b>
Revaluation gain	0.00	0.00	0.00
Surplus/(deficit) for the year	(8,022,764.20)	0.00	(8,022,764.20)
Capital grants received during the year	0.00	8,062,513.80	8,062,513.80
Transfer of depreciation/amortisation from capital fund to Retained earnings	3,942,301.25	(3,942,301.25)	0.00
<b>At June 30, 2023</b>	<b>(5,285,892.95)</b>	<b>78,575,503.55</b>	<b>73,289,610.60</b>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Statement of Cash Flows For The Year Ended 30 June 2023**

Description	Note	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		5,072,571.05	12,676,962.00
Rendering of services- fees from students		3,381,701.00	6,467,377.00
Sale of goods		92,698.00	26,504.00
Other Income		1,156,498.00	487,100.00
<b>Total Receipts</b>		<b>9,703,468.05</b>	<b>19,657,943.00</b>
<b>Payments</b>			
Use of goods and services		4,362,964.00	9,677,489.00
Employee costs		2,861,080.00	5,498,908.00
Board /Council Expenses		155,000.00	244,500.00
Repairs and maintenance		114,775.00	261,830.00
Contracted services		431,282.00	287,578.00
Other Payments		0.0	3,285,500.00
<b>Total Payments</b>		<b>7,925,101.00</b>	<b>19,255,805.00</b>
<b>Net Cash Flows from operating activities</b>		<b>1,778,367.05</b>	<b>402,138.00</b>
<b>Net cash flows used in investing activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Net cash flows used in financing activities</b>		<b>0.00</b>	<b>0.00</b>
Cash and Cash equivalents at 1 JULY	16	927,199.10	525,061.00
<b>Cash and Cash equivalents at 30 JUNE</b>	<b>16</b>	<b>2,705,566.15</b>	<b>927,199.10</b>

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

  
 .....

**Eng. Paul M. Gitiche**  
**Chairman of the Board**

Date 27/9/23

  
 .....

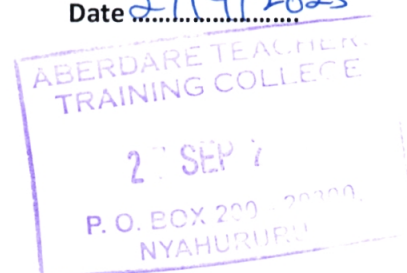
**CPA Rose W. Kiboi**  
**Finance Officer**  
**ICPAK No**

Date 27/9/23

  
 .....

**Esther W. Iregi**  
**Chief Principal/Sec BoM**

Date 27/9/2023



**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**13. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2023**

Description	Original budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
<b>Revenue</b>						
Transfers from other National Government entities	4,600,000.00	0.00	4,600,000.00	5,072,571.05	472,571.05	10.27
Rendering of services- fees from students	2,424,780.00	0.00	2,424,780.00	3,381,701	956,921.00	39.46
Sale of goods	280,000.00	0.00	280,000.00	92,698.00	(187,302.0)	(66.89)
Other Income	80,000.00	0.00	80,000.00	1,156,498.0	1,076,498.0	1,345.62
<b>Total Income</b>	<b>7,384,780.00</b>	<b>0.00</b>	<b>7,384,780.00</b>	<b>8,725,628.05</b>	<b>1,340,848.05</b>	
<b>Expenses</b>						
Use of goods and services	3,915,851.00	0.00	3,915,851.0	4,362,964.0	(447,113.0)	(11.42)
Employee costs	5,460,960.00	0.00	5,460,960.0	2,861,080.0	2,599,880.0	47.61
Board /Council Expenses	200,000.00	0.00	200,000.0	155,000.00	45,000.00	22.50
Repairs and maintenance	530,000.00	0.00	530,000.0	114,775.00	415,225.0	78.34
Contracted services	533,600.00	0.00	533,600.0	431,282.00	102,318.0	19.17
<b>Total Expenditure</b>	<b>10,640,411.0</b>	<b>0.00</b>	<b>10,640,411.0</b>	<b>13,102,346.</b>	<b>2,461,935.0</b>	
<b>Surplus For the Period</b>	<b>3,255,631.00</b>	<b>0.00</b>	<b>3,255,631.00</b>	<b>4,376,717.05</b>	<b>1,121,086.05</b>	
<b>Capital Expenditure</b>	<b>2,000,000.0</b>	<b>0.00</b>	<b>2,000,000.0</b>	<b>0.00</b>	<b>(2,000,000)</b>	

Explanation  
on Budget Comparison with Actual Expenditure

REVENUE/INCOME

- a) **Government Grants:** The college anticipated the government recurrent grant of 4,600,000.00 but ended up receiving more by 472,571.05
- b) **Rendering of Services:** The college anticipated to collect fees amounting to Kshs.2,224,780.00. However, the total amount collected was Kshs.3,381,701 because some debtors(fees arrears) cleared their fees balances.
- c) **Sale of Goods:** The college anticipated to collect 280,000.00 from the farm produce. However, due to climatic change/ drought experienced, the college was only able to harvest foodstuff amounting to Kshs. 92,698.00
- d) **Other Income:** The college anticipated to collect miscellaneous income of Kshs.80,000.00 from bus hiring which yielded Kshs. 325,300.00. During the year other income generating projects were undertaken like, Tree plantation (TIST) 3,340.00, CBC Training 815,288.00 and disposals of used items amounting to 12,570.00

EXPENSES/EXPENDITURE

- e) The college anticipated to utilise goods and services amounting to 3,915,851.00. However , due to the high inflation rate of commodities in the country and drought experienced, the college ended up utilizing goods amounting to 4,362,964.00
- f) **Employee Costs:** The college anticipated to pay all its employees salaries amounting to Kshs.5,460,960.00.However, due to low enrolment of students and insufficient grants the college ended up paying its staff salaries and wages amounting to Kshs.2,861,080.00 only.
- g) **BOM Expenses:** The college anticipated to hold BOM meetings with an expenditure of 200,000.00 due to low enrolment, the number of activities and operations reduced thus reducing the meetings anticipated to be held. This led to the expenses going down to 155,000.00
- h) **RMI Expenses:** The college anticipated to undertake repairs, rehabilitation , maintenance and improvement of the college worth Kshs.530,000.00. However, due to lack of funds from the low enrolment, insufficient recurrent grants and none development grant, the college was only able to undertake RMI expenditure amounting to Kshs.114,775.00
- i) **Contracted Services:** The college anticipated hiring contracted services amounting to Kshs.533,600.00. The college had however, only the capacity to hire contracted services amounting to Kshs. 431,282 due to insufficient fund

**Notes to the Financial Statements**

**1. General Information**

Aberdare Teachers Training College is established by and derives its authority and accountability from Education Act Cap 211 of 2012. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The college's principal activity is to offer Primary Teacher Education

**2. Statement of Compliance and Basis of Preparation**

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of ATTC's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between ATTC's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting ATTC provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p>

**Aberdare Teachers Training College  
Annual Report and Financial Statements for the year ended 30th June 2023**

Standard	Effective date and impact:
	<p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008).</li> <li>• <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</li> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement.</b> Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</li> </ul>

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

Standard	Effective date and impact:
IPSAS 43	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the college.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

**iii. Early adoption of standards**

ATTC did not early-adopt any new or amended standards in year 2022/2023 ATTC adopted standard xx and xx. The impact of these standards on ATTC's financial statements is xx.

#### **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 has been acquired using such funds.

##### **ii) Revenue from exchange transactions**

##### **Rendering of services**

ATTC 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.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**b) Budget information**

The original budget for FY 2022/2023 was approved by the Board on 3rd November, 2022. 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 an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page xx under section xxx of these financial statements.

**c) Taxes**

***Current income tax***

The college is exempt from paying taxes as per schedule xxx of the xxx 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.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**d) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. 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 ATTC. 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

**Aberdare Teachers Training College**

**Annual Report and Financial Statements for the year ended 30th June 2023**

---

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.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**g) Intangible assets**

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

**h) Research and development costs**

ATTC 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.

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *ATTC does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Institution's financial statements.* 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, ATTC measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

*Financial assets*

*Classification*

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

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the 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.

**j) Inventories**

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

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

Raw materials: purchase cost using the weighted average cost method.

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

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Inventories (Continued)**

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

**k) 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***

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

**l) Social Benefits**

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**m) Nature and purpose of reserves**

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

**n) Changes in accounting policies and estimates**

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

**o) Employee benefits**

**Retirement benefit plans**

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

**p) Foreign currency transactions**

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

**q) Borrowing costs**

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

**r) Related parties**

ATTC 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.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**s) Service concession arrangements**

ATTC 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, ATTC 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 *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**t) Cash and cash equivalents**

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

**u) Comparative figures**

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

**v) Subsequent events**

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

**Notes to the Financial Statements (Continued)**

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the *ATTC'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. ATTC 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 ATTC. 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 ATTC.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

**Provisions**

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

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

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

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes to the Financial Statements (Continued)**

**6. Transfers from other National Government entities**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
<b>Unconditional Grants</b>		
Operational Grant	5,072,571.05	9,136,962.00
<b>Total unconditional Grants</b>	<b>5,072,571.05</b>	<b>9,136,962.00</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Library Grant	0.00	257,630.00
Hostels Grant	0.00	1,688,630.00
Laboratory Grant-Computer	0.00	829,940.00
Learning Facilities Grant- Equipping Technical Rooms	0.00	233,445.00
Other Organizational Grants	0.00	530,355.00
Total Conditional Grants	0.00	3,540,000.00
<b>Total Government Grants and Subsidies</b>	<b>5,072,571.05</b>	<b>12,676,962.00</b>

**(a)Transfers from other Government entities (Categorized)**

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Basic Education	5,072,571.05	0.00	0.00	5,072,571.05	12,676,962.00
<b>Total</b>	<b>5,072,571.05</b>	<b>0.00</b>	<b>0.00</b>	<b>5,072,571.05</b>	<b>12,676,962.00</b>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes to the Financial Statements (Continued)**

**7. Rendering of Services**

Description	Insert	Insert
	Current FY	Comparative FY
	Kshs	Kshs
Tuition Fees	2,258,266.00	4,471,959.00
Activity Fees	57,600.00	127,800.00
Examination Fees	288,250.00	1,139,290.00
Library Fees	32,000.00	71,000.00
Facilities And Materials	64,000.00	142,000.00
<b>Total Revenue from The Rendering of Services</b>	<b>2,700,116.00</b>	<b>5,952,049.00</b>

**8. Sale of Goods**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Sale of Farm Produce	92,698.00	26,504.00
<b>Total Revenue from Sale of Goods</b>	<b>92,698.00</b>	<b>26,504.00</b>

**9. Miscellaneous Income**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
TIST	3,340.00	0.00
Bus Hiring	325,300.00	78,900.00
CBC Training	815,288.00	408,200.00
Disposals	12,570.00	0.00
<b>Total other income</b>	<b>1,156,498.00</b>	<b>487,100.00</b>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes To the Financial Statements (Continued)**

**10. Use of Goods and Services**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Boarding	1,521,174.00	4,861,191.00
Teaching Equipments	56,790.00	175,115.00
Local Travelling	228,347.00	421,790.00
Medical	5,490.00	45,315.00
Activity	159,780.00	413,922.00
Contingency and Administrative Costs	523,970.00	1,463,855.00
Teaching Practice	162,400.00	0.00
Electricity, water and Conservancy	439,216.00	244,261.00
Student Council	0.00	25,500.00
KNEC Examination	288,250.00	1,139,290.00
Student ID	5,250.00	10,050.00
Registration	0.00	5,700.00
Club and Environment	15,800.00	17,410.00
Computer Studies and ICT	757,662.00	444,180.00
Bank Charges	1,500.00	3,660.00
Farm	89,520.00	62,110.00
TP Lesson Plan	35,700.00	0.00
Tracksuit and Uniform	61,000.00	87,840.00
Library Books	1,350.00	1,800.00
<b>Total good and services</b>	<b>4,353,199.00</b>	<b>9,422,989.00</b>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes To the Financial Statements (Continued)**

**11. Employee Costs**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Salaries and wages	7,359,760.00	5,897,802.00
Employee related costs - contributions to pensions and medical aids	637,930.00	630,046.00
Social contributions-KUDHEIHA Union	50,400.00	63,300.00
<b>Employee Costs</b>	<b>8,048,090.00</b>	<b>6,591,148.00</b>

**12. Board Expenses**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
BOM Transport Reimbursement	155,000.00	244,500.00
<b>Total</b>	<b>155,000.00</b>	<b>244,500.00</b>

**13. Depreciation and Amortization expense**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Property, plant and equipment	3,942,301.25	0.00
<b>Total depreciation and amortization</b>	<b>3,942,301.25</b>	<b>0.00</b>

**14. Repairs and Maintenance**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Property	114,775.00	105,105.00
Vehicles	0.00	156,725.00
<b>Total Repairs and Maintenance</b>	<b>114,775.00</b>	<b>261,830.00</b>

**15. Contracted Services**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Vehicle Replacement and Insurance	431,282.00	287,578.00
<b>Total contracted services</b>	<b>431,282.00</b>	<b>287,578.00</b>

16. Cash and Cash Equivalents

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Cash at Bank	2,704,466.15	927,126.10
Cash on Hand	1,100.00	73.00
<b>Total Cash and Cash Equivalents</b>	<b>2,705,566.15</b>	<b>927,199.10</b>

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

Financial Institution	Account number	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
<b>a) Current Account</b>			
Co-operative Bank		226,930.85	505,661.85
Co-operative Bank		11,409.05	11,409.05
<b>Sub- Total</b>		<b>238,339.90</b>	<b>517,070.90</b>
<b>b) Savings Account</b>			
Co-operative Bank		2,466,126.25	410,055.20
<b>c) Others(Specify)</b>			
Cash in Hand		1,100.00	73.00
<b>Sub- Total</b>		<b>1,100.00</b>	<b>73.00</b>
<b>Grand Total</b>		<b>2,705,566.15</b>	<b>927,199.10</b>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**Notes to the Financial Statements (Continued)**

**17. Receivables from Exchange transactions**  
**Current Receivables from Exchange transactions**

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	3,552,257.00	4,194,092.00
<b>Total Current Receivables</b>	<b>3,552,257.00</b>	<b>4,194,092.00</b>

Aberdare Teachers Training College  
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

18. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 1 July 2021</b>	<b>6,300,000.0</b>	<b>54,895,765.0</b>	<b>3,950,000.0</b>	<b>7,320,055.0</b>	<b>144,060.0</b>	<b>2,954,000.0</b>	<b>75,563,880.0</b>
Additions	0.0	655,235.0	0.0	366,195.0	829,940.0	0.0	<b>1,851,370.0</b>
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Transfers/Adjustments	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>	<b>0.0</b>
<b>At 30<sup>th</sup> June 2022</b>	<b>6,300,000.0</b>	<b>55,551,000.0</b>	<b>3,950,000.0</b>	<b>7,686,250.0</b>	<b>974,000.0</b>	<b>2,954,000.0</b>	<b>77,415,250.0</b>
Additions	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Transfer/Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
<b>At 30<sup>th</sup> June 2023</b>	<b>6,300,000.0</b>	<b>55,551,000.0</b>	<b>3,950,000.0</b>	<b>7,686,250.0</b>	<b>974,000.0</b>	<b>0.0</b>	<b>77,415,250.0</b>
<b>Depreciation And Impairment</b>							
<b>At 1 July 2021</b>	0.0	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Impairment	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
<b>At 30 Jun 2022</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Depreciation	0.0	1,111,020.0	987,500.0	960,781.25	292,200.0	590,800.0	<b>3,942,301.25</b>
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Impairment	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
Transfer/Adjustment	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
<b>At 30<sup>th</sup> Jun 2023</b>	<b>0.0</b>	<b>1,111,020.0</b>	<b>987,500.0</b>	<b>960,781.25</b>	<b>292,200.0</b>	<b>590,800.0</b>	<b>3,942,301.25</b>
<b>Net Book Values</b>							
<b>At 30<sup>th</sup> Jun 2022</b>	<b>6,300,000.0</b>	<b>55,551,000.0</b>	<b>3,950,000.0</b>	<b>7,686,250.0</b>	<b>974,000.0</b>	<b>2,954,000.0</b>	<b>77,415,250.0</b>
<b>At 30<sup>th</sup> Jun 2023</b>	<b>6,300,000.0</b>	<b>54,439,980.0</b>	<b>2,962,500.0</b>	<b>6,725,468.75</b>	<b>681,800.0</b>	<b>2,363,200.0</b>	<b>73,472,948.75</b>

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

NB:

The following rates was used in the computation of Depreciation;

Land	0%
Buildings	2%
Motor Vehicle	25%
Furniture and Fittings	12.5 %
Computers	30%
Plant and Equipment	20%

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Ministry of Lands and Physical Planning professional valuers on 28<sup>th</sup> June 2022. These amounts were adopted in the financial statements

**Property, Plant and Equipment at Cost**

Aberdare Teachers Training College Non-Current Assets were valued at the Current Cost by the Ministry of Lands and Physical Planning – Nyandarua County Valuer on June 2022

**19. Trade and Other Payables**

Description	FY 2022-2023		FY 2021-2022	
	Kshs		Kshs	
Trade payables-Suppliers Due	8,184,675.00		8,194,440.00	
Other Payables- Salary Due	6,279,250.00		1,092,240.00	
<b>Total Trade and Other Payables</b>	<b>14,463,925.00</b>		<b>9,286,680.00</b>	
<b>Ageing analysis:</b>	<b>FY 2022-2023</b>	<b>% of the Total</b>	<b>FY 2021-2022</b>	<b>% of the Total</b>
Under one year	0.00	0%	0.00	0%
1-2 years	6,466,970.00	44.71 %	1,242,100.00	13.38 %
2-3 years	1,653,286.00	11.43 %	1,650,911.00	17.78 %
Over 3 years	6,343,669.00	43.86 %	6,393,669.00	68.84 %
<b>Total (to tie to totals above)</b>	<b>14,463,925.0</b>	<b>100%</b>	<b>9,286,680.00</b>	<b>100%</b>

**20. Financial Risk Management**

ATTC'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 Institution 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 entity's financial risk management objectives and policies are detailed below:

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**(i) Credit risk**

ATTC 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 colleges's maximum exposure to credit risk without taking account of the value of any collateral obtained.

**Financial risk management**

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 entity has significant concentration of credit risk on amounts due from xxxx

The board of management'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 Board of Management, 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.

**Financial risk management**

**(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 entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

ATTC'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 college's exposure to market risks or the manner in which it manages and measures the risk.

## **Financial risk management**

### **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.

## **Financial risk management**

### **iv) Capital Risk Management**

The objective of the college's capital risk management is to safeguard ATTC's ability to continue as a going concern.

### **Related Party Balances**

#### **Nature of related party relationships**

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

#### **Government of Kenya**

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

- i) The National Government;

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

## **21. Segment Information**

### **Notes to the Financial Statements (Continued)**

#### **22. Contingent Assets and Contingent Liabilities**

**The college does not have any Contingent Asset or Liability**

#### **23. Capital Commitments**

The college has operated under no capital commitment

#### **24. Events After The Reporting Period**

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

#### **25. Ultimate And Holding Entity**

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

#### **26. Currency**

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

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**d) Appendices**

**Appendix 1: Implementation Status of Auditor-General Recommendations**

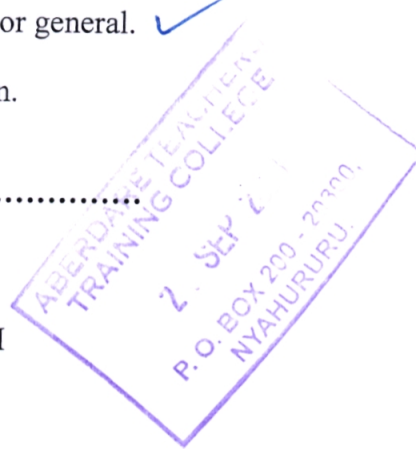
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

We have not been audited by auditor general. ✓

It was IPSAS 33 first time adoption.

.....

Name **ESTHER IREGI**  
Accounting Officer  
Chief Principal/ Secretary BOM  
Date



**Appendix II: Projects Implemented by Aberdare Teachers Training College**

**Projects**

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

We didn't have project implemented during FY 2022-2023

Appendix III- Inter-Entity Confirmation Letter

Aberdare Teachers Training College did not disburse any fund to another entity.

Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q 1	Q 2	Q 3	Q 4		
Mazingira Bora - TIST	Afforestation program led by participants	i. Planting varieties of trees for long-term. ii. Finding ways to improve health. iii. Practicing conservation farming.	i. Trees planting. ii. Practice conservation farming.						
Honger a project	Afforestation and improved cook stoves	i. Forest and water conservation. ii. Health of kitchen staff.	Planting trees and conservation of planted trees.					Danish Green Business - DGB	Akili group

**Aberdare Teachers Training College**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

---

**Appendix V: Reporting on Disaster Management Expenditure**

Aberdare TTC had no expenditure on disaster management in the FY 2022/2023.