

REPUBLIC OF KENYA



REPORT NATIONAL ASSEMBLY PAPERS LAID

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THE AUDITOR-GENERAL

ON

THOGOTO TEACHERS TRAINING COLLEGE

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



THOGOTO TEACHER TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTC	Teacher Training College
DTE	Diploma in Teacher Education
CBC	Competency-Based Curriculum
ECDE	Early Childhood Development Education

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Thogoto TTC Information and Management

(a) Background information

Thogoto Teachers Training College is the premier Teacher Training school in Kenya. Its inception is traced back to 1947, when it was founded by the Church of Scotland Mission. It was then taken over by the Government of Kenya in 1949, therefore becoming a National Government Institution, and was moved to Thika in 1958 from the present-day Kambui Girls High School grounds, where it was previously located. The College was later settled in its current location, the mission area, Kikuyu Constituency in Kiambu County.

- The college stands on seventy-five (75) Acres of land, of which most is taken up by buildings. From its inception, the mandate of the college has been to train Primary School teachers referred to as P1 by offering a 2-year course and presenting the candidates for examination by the Kenya National Examination Council. Thogoto TTC has experienced phenomenal growth, leading to expansion of its mandate by introducing regular ECDE programs both at certificate and diploma level. Additionally, the college introduced a school-based program for in-service students at both P1 and ECDE levels.

Thogoto TTC is domiciled in Kenya with no other branch and all its mandates upheld as provided for in The Basic Education Act-2013.

(b) Principal Activities

The principal mandate of Thogoto TTC, as provided by The Basic Education Act-2013, is to produce highly qualified Human Resources with requisite knowledge, skills, and attitudes.

The college's vision, mission, and core values underpin every facet of its day-to-day operations.

Vision

A leading institution in teacher training and human resource development.

Mission

To provide teacher training and promote human resource knowledge, skills and attitudes through innovation and creativity in the enhancement of individual and national development.

Core values

Thogoto TTC's operations and decisions are guided by the following core values:

- Professionalism
- Integrity
- Creativity
- Responsibility
- Devotion
- Teamwork
- Comrnitment

(c) Key Management

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

- Board of Management
- Accounting officer/ Principal and Management
-

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Chief Principal	Mrs. Margaret Khainga
2.	Deputy Principal	Mrs. Beatrice Njeru
4	Dean of Curriculum	Mr. Marsden Matsigulu
5	Dean of Students	Mrs. Margaret Kamau
6	Finance Officer	Mrs. Purity Irungu

(e) Fiduciary Oversight Arrangements

The College Board of Management is responsible and accountable to the Government of Kenya through the Ministry of Education for ensuring that the college complies with the Basic Education Act-2013 and adheres to the highest standards of corporate governance as prescribed in the State Corporation Act.

The B.O.M, which is the overall governance organ, comprises of Key committees:

- Finance committee
- Personnel committee
- Farm and Income Generating Committee

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- Academic Committee
- Infrastructure committee

These committees provide policy direction and oversight to the BOM while advising on various policy matters relating to its mandate.

The office of the Auditor General conducts an annual audit of the operations of the college. Audit and financial reports are regularly provided to ensure financial probity on the utilization of funds in the college.

(f) Thogoto TTC Headquarters

Thogoto Teachers Training College
P.O. Box Private Bag
Off Thogoto – Mutarakwa Road
Kikuyu, Kenya

(g) Thogoto TTC Contacts

Telephone: +254716113560
E-mail: info@thogotottc.ac.ke
Website: www.thogotottc.ac.ke

(h) Thogoto TTC Bankers

Equity Bank
Kikuyu branch
P.O. BOX 1707 – 00902
Kikuyu, Kenya

Kenya Commercial Bank
Moi Avenue Branch
P.O. BOX 30081 -00100
Nairobi, Kenya

Family Bank
Kikuyu Branch
P.O. BOX E1507
Kikuyu, Kenya



(i) Independent Auditors




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

(j) Principal Legal Adviser



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



3.The Board of Management



SN	Member	Details
1.	 <p data-bbox="446 1064 750 1108"><i>Eng. Benjamin Njenga</i></p>	<p data-bbox="869 392 1436 470">BOARD OF MANAGEMENT-CHAIRMAN</p> <p data-bbox="869 504 1117 548">D.O.B 29/03/1968</p> <p data-bbox="869 582 1436 750">He is currently the Secretary to Urban & Metropolitan Development in the Ministry of Transport, Infrastructure, Housing and Urban Development</p> <p data-bbox="869 784 1436 862">He has been a member of various BOM institutions.</p> <p data-bbox="869 896 1436 1153">He holds Masters of Arts in Project Planning and Management, Masters in Business Administration, Post Graduate Diploma in Project Planning and Management and B.Sc in Civil Engineering.</p> <p data-bbox="869 1153 1436 1232"><i>He is an Executive Member and the Board Chairperson</i></p>
2.	 <p data-bbox="454 1680 742 1724"><i>Dr. Rebecca Karanja</i></p>	<p data-bbox="861 1265 1284 1355">BOARD OF MANAGEMENT MEMBER</p> <p data-bbox="861 1388 1093 1433">D.O.B 11/5/1945</p> <p data-bbox="861 1467 1436 1545">She has been a Principal and KNEC Chief examiner.</p> <p data-bbox="861 1579 1436 1747">She holds Ph.D. Education Psychology, Master of Arts in Counselling Psychology, Post Graduate Diploma in Education and Bachelor of Science.</p> <p data-bbox="861 1747 1436 1825">She is an Executive member. A member of Finance Committee</p>



<p>3.</p>	 <p><i>Rev. Lucy Waweru</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 15/3/1975</p> <p>She is currently the Director of Christian Education in the Presbyterian Church of East Africa</p> <p>She holds a Bachelor of Divinity.</p> <p>She is an Executive member and a member of Personnel sub committee</p>
<p>4.</p>	 <p><i>Mr. Geoffrey Mungai</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 13/11/1956</p> <p>He has teaching experience in different schools and is also a former Principal at Musa Gitau Pri.</p> <p>He holds a Bachelor of Arts.</p> <p>He is an Executive member and a member of Housing Sub-committee</p>
<p>5.</p>		<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 22/05/1973</p> <p>She is currently Research Associate, Kenya Education Network(KENET), Senior Lecturer in Computer Science</p>

	<p><i>Dr. Louise Wanjiku</i></p>	<p>School of Computing & Informatics (UoN).</p> <p>She holds Ph.D. in Computer Science(Language Technology/Artificial Intelligence) and B.Sc Computer Science She is an Executive member and Chairs the Academic Sub-committee</p>
<p>7</p>	<div data-bbox="443 775 715 1025" data-label="Image"> </div> <p><i>M/s Rahab Mwathi</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 22/7/1985</p> <p>She is currently an Advocate of the High Court of Kenya.</p> <p>She has been a member of various BOM like Kambui Girls High Sch.,Musa Gitau Girls Sec.School and Kikuyu Boys Sec. Sch.</p> <p>She holds Bachelor of Laws(LLB) and a Post Graduate Diploma in Legal Practice.</p> <p>She is an Executive member. The Chairperson of the Personnel sub committee</p>



<p>8.</p>	 <p><i>Mr. Henry Wanyoike</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 10/5/1974</p> <p>He is currently a Professional Athlete and the Chairman of Henry Wanyoike Foundation</p> <p>He has been a member of various BOM like Alliance High School</p> <p>He holds a Diploma in Community Development.</p> <p>He is an Executive member and a member of Personnel sub committee</p>
<p>9</p>	 <p><i>Mr. Christopher Mbugua</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B. 24/01/1966</p> <p>He is currently the Head Mortgage Banking & Infrastructure Finance at Co-operative Bank of Kenya.</p> <p>He holds Masters of Arts Economics (M.A Economics) and a Postgraduate Diploma in Banking.</p> <p>He is an Executive member and a member of Farm Sub committee</p>



<p>10</p>	 <p><i>Dr. Terry Kisaka</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>15/10/1969</p> <p>She is currently the Deputy Director, Curriculum, Research, Advocacy and Material Development at TVET CDACC, a lecturer in School of Education department of Curriculum Instruction and Educational Media (CIEM)- Moi University</p> <p>She holds a Doctor of Philosophy in Curriculum studies, Masters of Philosophy in Education, Bachelor of Education Arts, Post Graduate Diploma in Education Technology and Certificate in Pedagogical Leadership in Africa.</p> <p>She is an Executive Member and a member of Farm Subcommittee</p>
<p>11</p>	 <p><i>Eng. Joseph Mbugua</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 25/11/1962</p> <p>He is currently the Permanent Secretary State Department for Roads</p> <p>Formerly was the Regional Director KeRRA- Kiambu Region.</p> <p>He holds BSc Civil Engineering</p> <p>He is an Executive member and the Chairperson of the Housing and Infrastructure sub committee</p>

<p>12.</p>	 <p><i>Dr. Duncan Mugambi</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 19/8/1979</p> <p>He is currently a Lecturer at University of Embu.</p> <p>He holds a PhD Administration(Finance), Masters in Business Administration, Bachelor of Commerce, CPA(K) and CPS(K)</p> <p>He is an Executive Member and the Chairperson of the Farm subcommittee</p>
<p>13.</p>	 <p><i>Qs. Onesmus Gichiri</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>12/4/1948</p> <p>He is the Director of MGA Consultants Ltd</p> <p>He holds B.A. in Building Economics (Hons), University of East Africa</p> <p>He is an Executive member and a member of the Fram subcommittee</p>

<p>14.</p>	 <p><i>Mr. Job Wanyonyi</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 21/07/1995</p> <p>He is currently the office Assistant at PCEA head office Children's Ministry.</p> <p>He holds a B.Sc. Horticulture</p> <p>He is an Executive member and a member of Farm subcommittee</p>
<p>15</p>	 <p><i>Mr. Louis Njung'e</i></p>	<p>BOARD OF MANAGEMENT MEMBER</p> <p>D.O.B 24/3/1969</p> <p>He is currently a Director at Ridgeways Auto Express Tours and Car Hire Limited.</p> <p>He is a Certified Public Accountant (CPA K)</p> <p>He is an Executive member and the Chair person of the Finance subcommittee</p>

4. Key Management Team

<i>SN</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <p data-bbox="384 768 767 801"><i>Mrs. Margaret W C. Khainga</i></p>	<p data-bbox="842 327 1257 398">BOARD OF MANAGEMENT-SECRETARY</p> <p data-bbox="842 443 1251 477">Chief Principal/Secretary BOM</p> <p data-bbox="842 517 1366 674">She holds B.Ed. Science, MBA (Human Resource Management) Certified Public Secretary and Accredited Mediator Strathmore University.</p> <p data-bbox="842 719 1350 790">Has 23 years of Institutional Administration experience as Principal</p>
2.	 <p data-bbox="456 1473 708 1552">Mrs Beatrice Njeru Deputy Principal</p>	<p data-bbox="847 869 1362 940">She holds M.Ed. Psychology, Bachelor of Education</p> <p data-bbox="855 985 1225 1019">Duties and Responsibilities</p> <ul style="list-style-type: none"> <li data-bbox="847 1059 1394 1171">- Prepare lesson plans, lesson notes, timetables, schemes of work and maintain academic standards <li data-bbox="847 1216 1382 1373">-Coordinate and provide guidance and counselling services to the teachers, non-teaching staff and learners and instil norms <li data-bbox="847 1417 1385 1574">- oversee the requisition of stores and the proper maintenance of inventories to achieve accountability and optimal utilization <p data-bbox="855 1619 1369 1691">Interpret the curriculum in the school to ensure effective teaching and learning</p>

<p>3.</p>	 <p>Mr Marsyden Matsigulu Dean of Curriculum</p>	<p>He holds a Master’s in Education (M.E.D) Curriculum Studies, Bachelor of Education Science</p> <p>Duties and Responsibilities</p> <p>Duties and Responsibilities</p> <ul style="list-style-type: none"> -Prepare lesson plans, lesson notes, timetables, schemes of work and maintain academic standards -Teach the subject of specialization -Evaluate the learners in subjects of specialization -Ensure proper care and maintenance of institutional assets -Maintain learner discipline
<p>4.</p>	 <p>Purity W. Kamuri Finance Officer</p>	<p>She holds B. Com Finance, CPA (K)</p> <p>Duties and responsibilities</p> <ul style="list-style-type: none"> - Guiding and ensuring proper preparations of annual budgets. - Ensuring proper college financial planning - Proper management of financial records and receipts - Implementation of cash management strategies - proper preparation and management of staff payroll - Being a key point of contact for other departments on financial and accounting matters

5. Chairman's Statement

On behalf of the Board of Management (BOM) of Thogoto Teachers Training College (TTC), it is my pleasure to present the Financial Statements for the year ended 30th June 2025. This report provides a brief highlight of the institution's performance, key achievements, challenges navigated, and our strategic outlook for the future.

The College made significant strides in implementing its 2023-2027 Strategic Plan, demonstrating a steadfast commitment to providing high-quality teaching services.

Student Enrollment and Academic Output: A key milestone was the continued growth in student numbers, with 419 new first-year students joining the College, primarily in the Diploma in Teacher Education (DTE) programme. Additionally, the college proudly commissioned new graduates at a graduation ceremony held in February 2025.

The College recorded a sustained growth in its financial position, with total revenue increasing from Ksh 151,951,340 in the prior year to Ksh 172,627,806 in the 2024-2025 financial year. This represents a 14% increase and was primarily driven by the sustained student enrollment.

We maintained a strong focus on delivering high-quality, Competency-Based Curriculum (CBC)-aligned teacher education, ensuring our programs remain relevant to the national education agenda.

While the College is financially well-positioned, a few challenges require diligent management attention:

The 14% revenue increase, while positive, reflects a stabilization of the financial position following the prior year's exceptional 76% revenue surge and 205% enrollment growth.

The intake of 419 new students marked a 38% decrease from the 676 new students enrolled in the 2023-2024 financial year, which served to stabilize operations after the previous spike.

Prudent management of expenses remained a focus, particularly navigating potential fluctuations in commodity costs and addressing the need for unforeseen maintenance.

The Board remains optimistic about the College's future prospects and its capability to deliver strong financial and academic performance. Our path forward will be guided by the ongoing implementation of the 2023-2027 Strategic Plan.

We will leverage the momentum from enrollment growth to strengthen our financial foundation, enabling necessary investments in infrastructure and the adoption of innovative teaching methodologies.

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We will concentrate on the core objectives outlined in the strategic plan, which include:

- Strengthening teaching and learning.
- Increasing the capacity and capability of financial, physical, and human resources.
- Automating business processes.

We are committed to maintaining a focus on sustainable growth, quality education, and satisfaction for all our stakeholders.

I extend my sincere gratitude to the Board members for their strategic oversight and invaluable insights, and to the management, staff, students, and all stakeholders for their unwavering support and dedication to the development of Thogoto TTC

Yours sincerely,



Eng. Benjamin K. Njenga ...3/12/2025...
Chairman BOM

6. Report of the Chief Principal

It is my pleasure to present the Financial Statements for the year ended 30th June 2025.

The financial year ended June 30, 2025, was a period of strategic consolidation and operational execution for Thogoto Teacher Training College (TTC), marked by continued adherence to the Public Financial Management Act, 2012, and the framework of the 2023-2027 Strategic Plan.

Key activities during the year centered on the core mandate of teacher education. This involved the successful enrollment of 419 new first-year students, primarily into the Diploma in Teacher Education (DTE) programme, which remains the cornerstone of our academic offering. Crucially, the institution ensured all academic programs and instructional deliveries were fully aligned with the requirements of the Competency-Based Curriculum (CBC).

Operational excellence was pursued through the continued implementation of a robust performance management system and a successful graduation ceremony in February 2025, which released a new cohort of well-equipped educators into the workforce, demonstrating the college's commitment to quality output.

This focus on operational efficiency translated into consolidated successes on the financial front. The College achieved a level of financial stability and modest growth, recording a total revenue of Ksh 172,627,806. This performance represents a 14% increase over the preceding financial year, primarily bolstered by tuition fees generated from the sustained student enrollment. The positive financial trajectory underscores the College's successful navigation of the post-growth phase and its continued commitment to financial discipline. Furthermore, the year saw significant progress in infrastructure maintenance and the adoption of technology to modernize administration, which enhanced the learning environment and service delivery.

Despite the overall positive achievements, the College faced several key challenges that required careful management. The primary financial challenge was the moderation in the rate of enrollment growth compared to the exceptional surge experienced in the prior year, which necessitated a more cautious approach to new capital projects.

Furthermore, the College contended with rising operational cost pressures, particularly associated with utilities, maintenance, and the necessary procurement of specialized CBC teaching and learning resources, impacting the overall expenditure profile.

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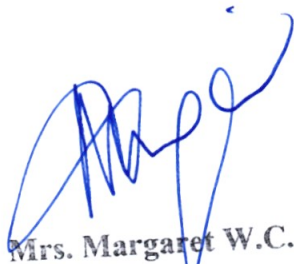
Administratively, ensuring full and timely compliance with all stringent PFM regulations and reporting deadlines remained a continuous, resource-intensive undertaking for the management team.

Looking ahead, the Way Forward and Future Outlook for Thogoto TTC remains optimistic and strategically defined. The institution is well-positioned to leverage its strengthened financial base to drive targeted growth.

We commit to Infrastructure Modernization, including planned investment in building a dormitory to accommodate a Hundred Students and building a perimeter wall (phase 1) and other Projects, to enhance the student and staff experience.

By maintaining rigorous operational efficiency, prudent financial management, and a consistent focus on producing high-quality teachers aligned with national education goals, Thogoto TTC is set to achieve sustainable long-term success and solidify its role as a regional center of excellence in teacher education

Yours sincerely,



Mrs. Margaret W.C. Khainga ...3/12/2025...
Chief Principal

7. Statement of Performance against Predetermined Objectives

The situational analysis of the college strategic objectives have been identified to help the institution to achieve its goals and target in the strategic plan 2024-2028, these will lead to achievement of the colleges Vision and Mission. The college brazed itself to counter its weakness and threats while taking mirage on its strengths and opportunities.

Thogoto TTC has SIX strategic goals and objectives within the current Strategic Plan for the FY 2024-2028 (5 years strategic plan). These strategic pillars are as follows:

Strategic theme 1: To strengthen teaching and learning

Strategic theme 2: To increase capacity and capability of financial, physical and human resources

Strategic theme 3: To automate business processes

Strategic theme 4: To enhance environmental sustainability

Strategic theme 5: To comply with the statutory and regulatory frameworks of the country

Strategic theme 6: To network and collaborate with the community

Thogoto TTC develops its annual work plans based on the above SIX pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets set for the FY 2024/25 period for its 6 strategic pillars, as indicated in the diagram below:

Strategic Theme	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
ST 1: Teaching and Learning	1.1-1.2 Enhance Quality/Inculcate Skills	<ul style="list-style-type: none"> • Procure modern teaching facilities/rooms • No. of extra teaching hours/ICT use. 	<ul style="list-style-type: none"> • Upgrade facilities/Implement LMS. • Ensure early syllabus coverage/Use learner-centered methods. • Employ more ICT (PPT). 	<ul style="list-style-type: none"> • Ongoing annual procurement. • Practicum office refurbished. • Hours extended (7 am – 5 pm). • Enhanced by 5 extra projectors.

Strategic Theme	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
	1.3 Improve Teaching Practice	<ul style="list-style-type: none"> • Functional microteaching room. • Strengthen peer teaching/capacity development on material development. 	<ul style="list-style-type: none"> • Enhance microteaching/peer teaching. • Capacity building on material development. 	<ul style="list-style-type: none"> • Micro-teaching is a learning area. • Ongoing in micro-teaching/Educational Resources.
	1.4 Strengthen mentorship/co-curricular	<ul style="list-style-type: none"> • Improved G&C/motivation talks. • Co-curricular equipment/participation in championships. 	<ul style="list-style-type: none"> • Conduct G&C tutor/tutee programs/Guest speakers. • Strengthen co-curricular activities. 	<ul style="list-style-type: none"> • Ongoing mentor/mentee program. • Guest speakers invited. • Sports fields maintained. • KTCSA events honored.
	1.5 Introduce professional courses	<ul style="list-style-type: none"> • No. of ICT courses/student s enrolled. • Business centre established/enrolments. 	<ul style="list-style-type: none"> • Introduce ICT courses for all students. • Establish a business centre (sales, marketing, HR). 	<ul style="list-style-type: none"> • ICT as a learning area exposed all students. • Business centre: Not done.
ST 2: Human Resources Development	2.1 Improve education and training	<ul style="list-style-type: none"> • Improved classroom teaching/co-curricular activities. • No. of workshops/seminars (2E, 2I). 	<ul style="list-style-type: none"> • Enhance classroom teaching/Promote co-curricular. • Encourage workshops/seminars. 	<ul style="list-style-type: none"> • Monitored by TPAD. • Trainees attended championships. • Regularly done (e.g., practicum time).
	2.2 Enhance collaboration/Networking	<ul style="list-style-type: none"> • No. of HRM talks held. 	<ul style="list-style-type: none"> • Partner with HRM experts. • Promote 	<ul style="list-style-type: none"> • HRM talks: Not done.

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Strategic Theme	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
		<ul style="list-style-type: none"> Enhanced correspondence with GoK/No. of NGO/CBOs initiatives. 	<p>correspondence with government agencies.</p> <ul style="list-style-type: none"> Enhance involvement of NGOs/CBOs. 	<ul style="list-style-type: none"> Correspondence: Regularly done. NGO/CBOs: Done via clubs/societies.
	2.3 Promote In-Service training	<ul style="list-style-type: none"> No. of in-service trainees. Marketing strategy in place. 	<ul style="list-style-type: none"> Enhance in-service enrolment. Develop marketing strategy. 	<ul style="list-style-type: none"> N/A as per MOE guidelines.
ST 3: Desirable Knowledge, Skills and Attitudes	3.1 Equip lecturer/counselors with G&C skills	<ul style="list-style-type: none"> No. of internal/external workshops, seminars, inductions. No. of debriefings held. 	<ul style="list-style-type: none"> Organise workshops/seminars/inductions on basic counselling skills. Provide opportunities for regular debriefing. 	<ul style="list-style-type: none"> Done as per needs basis (e.g., student leaders induction). Regular attendance to weekly assemblies.
	3.2 Restructure mentorship & responsiveness	<ul style="list-style-type: none"> No. of peer counselling sessions. Effective reporting system for students mentorship. No. of research on needs areas/programs designed/implemented. 	<ul style="list-style-type: none"> Create/maintain peer mentorship (First & Second Years). Create/maintain suitable reporting system. Research needs (health, finance) and execute relevant programs (inviting speakers). 	<ul style="list-style-type: none"> Ongoing through activities of G&C. Achieved through students leadership structures. Done through staff welfare (TSWA).

Strategic Theme	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
ST 4: ICT Application in All Programmes and Operations	4.1 Integrate ICT in T/L process	<ul style="list-style-type: none"> No. of desktop computers/interactive screens. Training on computer skills/No. of computers networked. Quality digital content/Cloud computing adapted. 	<ul style="list-style-type: none"> Procure desktop computers/Train lecturers. Introduce interactive screens/Network computers. Develop digital content/Increase cloud computing. 	<ul style="list-style-type: none"> Procurement underway. Ongoing through initiatives (LTK). Screens/Networking/Digital Content: Not done. Chromebook initiated.
	4.2 Improve access to information	<ul style="list-style-type: none"> No. of students/lecturers portals. No. of high speed printers. Broadband fiber in place/Internet connectivity. 	<ul style="list-style-type: none"> Create students and lecturers' portals. Procure high speed colour printers. Install broadband fibre cable. 	<ul style="list-style-type: none"> Lecturers portal created. 6 Epson coloured printers purchased. College connected to KENET link.
	4.3 Enhance the use of ICT in operations	<ul style="list-style-type: none"> No. of staff trained. Computer operational packages installed. No. of operations digitised. 	<ul style="list-style-type: none"> Train all staff on relevant computer packages. Procure and install operational packages. Digitize all operations. 	<ul style="list-style-type: none"> Ongoing through initiatives (KPEEL). Operational Packages/Digitization: Not done.
	4.4 Strengthen the management of ICT infrastructure	<ul style="list-style-type: none"> System administrator recruited. Regular schedule 	<ul style="list-style-type: none"> Recruit a qualified system administrator. 	<ul style="list-style-type: none"> Recruitment process underway. Ongoing by lab technician.

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Strategic Theme	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
		maintenance in place.	<ul style="list-style-type: none"> Regular monitoring and updating. 	
ST 5: Lifelong Education	5.1 Enhance study skills among students	<ul style="list-style-type: none"> No. of study skills guides available. Variety of learning materials provided. 	<ul style="list-style-type: none"> Develop and avail study skills guide. Provide materials suitable for different kinds of learners. 	<ul style="list-style-type: none"> Ongoing through continuous career guidance. Procurements done at departmental levels.
	5.2 Conduct regular career guidance seminars/work shops	<ul style="list-style-type: none"> No. of professional career guidance sessions held. No. of students/staff attending/Vide o/photo of sessions. 	<ul style="list-style-type: none"> Conduct career guidance sessions by inviting different professionals. 	<ul style="list-style-type: none"> Ongoing as per guidance and counselling schedule.
	5.3 Develop and enhance digital literacy skills among students	<ul style="list-style-type: none"> No. of students/staff adapting use of ICT in research/assignments. No. of lecturers using ICT to teach. ICT courses offered/Business centre/ICT club. No. of staff trained/No. of training sessions. 	<ul style="list-style-type: none"> Promote research-based assignments/ICT use. Use ICT to teach/inspire technology adoption. Introduce ICT courses/Establish a business centre/Introduce ICT club. Facilitate ICT training for the staff. 	<ul style="list-style-type: none"> Achieved via increase in internet access points. Enhanced by 5 new projectors. ICT Courses/Business Centre/ICT Club: Not done. Staff Training: Ongoing.

Strategic Theme	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
ST 6: Financial Base and Resource Utilization	6.1 Develop sustainable IGA	<ul style="list-style-type: none"> • New IGA/Market linkages developed. • Additional guest houses/hostels. • Percentage increase in farm yield. 	<ul style="list-style-type: none"> • Increase IGA/Improve strategies. • Build guest houses and hostels. • Enhance utilization of the land. 	(No achievement reported)
	6.2 Strengthen revenue collection	<ul style="list-style-type: none"> • Paybill number in use. • Work study program in place. 	<ul style="list-style-type: none"> • Introduce a paybill number for all payments. • Introduce work-study program for the needy students. 	(No achievement reported)
	6.3 Enhance financial management systems	<ul style="list-style-type: none"> • Annual budgets and audit reports. • Competitive bidding and open tender systems in place. • Stores control digitised and new procedures. 	<ul style="list-style-type: none"> • Ensure timely preparation of annual budgets/audits. • Enhance procurement through competitive bids. • Strengthen stores control via digitization and procedure review. 	(No achievement reported)

8. Corporate Governance Statement

Thogoto Teacher Training College (TTC) is committed to upholding the highest standards of corporate governance, accountability, and ethical conduct. Our governance framework is guided by relevant national legislation, including the Basic Education Act, Ministry of Education guidelines, and the Mwongozo Code of Governance for State Corporations. This statement outlines the structures, policies, and practices in place to ensure effective oversight, strategic direction, and sustainable management of the College.

1. The Board of Management (BOM)

The Governing Board is appointed by the powers conferred on the County Education Board, Section 56 (1) of the Basic Education Act No. 14 of 2013.

It comprises fourteen members and three additional co-opted members totalling to seventeen members; They include the Chairman and twelve independent members; Representative of Local Community, County Education Board, Representative of the Teaching Staff, Sponsor, Special Group Representative, Special Needs Representative and Children's Representative. The membership of the Governing Board is as shown in item 3 of this report

Appointment of Board Members, Process of Appointment and Removal of Directors

The appointment of members to the Board of Management (BOM) is strictly governed by regulations issued by the Ministry responsible for Education. Appointments are typically made by the Cabinet Secretary for Education, representing key stakeholders including the Principal, staff representatives, and nominees from relevant governing bodies.

The process of appointment is formal and merit-based, ensuring directors possess the requisite skills, experience, and integrity to execute their fiduciary duties.

Removal of a director is initiated only for due cause, such as continuous non-attendance, insolvency, misconduct, or failure to disclose conflict of interest, as defined in the relevant legislation and the College's governance instruments. This process ensures procedural fairness and is handled in line with established legal protocols.

The Size, Diversity, and Demographics of the Board

The BOM is maintained at a size considered optimal for effective decision-making, typically consisting of between 9 and 15 members, as prescribed by law. The College is committed to enhancing diversity on the Board across several dimensions, including:

- **Gender:** Striving to achieve gender parity, in line with constitutional requirements.
- **Skills:** Ensuring a balanced mix of expertise covering finance, education/pedagogy, law, management, and resource mobilization.
- **Demographics:** Promoting representation that reflects the College's operational environment and stakeholder base, while upholding national values.

2. Board Operations and Oversight

Induction, Training, and Development

The College maintains a structured program for director development:

Induction: All newly appointed directors undergo a comprehensive induction program covering the College's operations, strategic plan, governance framework, financial performance, and legislative mandates.

Training and Development: The College mandates continuous professional development (CPD) for all BOM members. Training focuses on contemporary governance practices, financial reporting standards (e.g., IPSAS compliance), risk management, and sector-specific issues in teacher training and education technology.

Board and Members Performance

A formal system for Board and individual member performance evaluation is in place.

Annual Evaluation: The BOM undertakes a comprehensive annual self-evaluation against the objectives set in the Strategic Plan, the requirements of the Board Charter, and the Mwongozo Code.

Individual Assessment: Individual directors are assessed on their contribution, committee engagement, attendance, and adherence to the Code of Conduct. The results inform skill gap analysis and necessary training interventions.

Number of Board Meetings Held and the Attendance to those Meetings by Members

The Board is scheduled to meet at least once every quarter, with additional special meetings convened as necessary to address urgent matters. However, for the reporting period, the actual record of meetings and attendance is 3 as the board wished to meet at the end of academic year this happened in July 2025.

Detailed attendance records for each director are maintained by the Board Secretary and form part of the official minutes and annual report.

Succession Plan

The College recognizes the necessity of continuity in leadership. A formal Succession Plan is in place covering:

Chief/Senior Principal: A structured process for identifying, developing, and appointing a replacement to ensure leadership stability.

Board Leadership: Mechanisms for the orderly transition of the Board Chairperson, Vice-Chairperson, and Committee Chairpersons, including internal development of potential candidates. The plan is reviewed annually by the full Board.

Board Remuneration

Remuneration for the BOM members is determined and reviewed in accordance with the prevailing guidelines set by the Salaries and Remuneration Commission (SRC) for State Corporations. Remuneration is paid based on attendance at scheduled meetings and other approved official engagements, ensuring transparency and accountability in the use of public funds. Details of director emoluments are fully disclosed in the financial statements in line with statutory requirements.

3. Integrity, Compliance, and Accountability

The College operates under a comprehensive Code of Conduct and Ethics that all directors, management, and staff must adhere to. The Code emphasizes integrity, professionalism, fairness, transparency, and responsibility. Directors are required to act in the best interest of the College and the public it serves. The Code is regularly disseminated and its tenets are enforced through disciplinary procedures as necessary.

The BOM has a robust Policy to Manage Conflict of Interest. Key components include:

Annual Declaration: All directors and management are required to submit an annual declaration of their assets and interests, including any potential conflicts.

Meeting Declaration: Any director with a direct or indirect interest in a matter before the Board or its committees must immediately declare that interest, excuse themselves from the discussion, and refrain from voting on the relevant resolution.

Maintenance of a Register: A formal register of declared interests is maintained by the Board Secretary.

Governance Audit

The College is committed to continuous improvement in its governance practices. A Governance Audit is commissioned periodically (at least biennially or triennially) by an external and independent professional firm or state agency. The objective of the audit is to assess the College's level of compliance with the Mwongozo Code, relevant legislation, and international best practices. The findings and recommendations of the Governance Audit are formally adopted by the BOM and an implementation plan is tracked.

Terms of Reference of Committees

The BOM delegates specific responsibilities to standing committees to enhance efficiency and focus on core areas of oversight. Each Committee operates under formal, Board-approved Terms of Reference (ToR) which clearly define its mandate, membership, meeting frequency, and reporting obligations to the full Board.

The Board of Management confirms its unwavering commitment to the principles of good corporate governance. The structures, policies, and processes detailed in this statement are actively monitored and continually refined to ensure Thogoto TTC remains a sustainable, accountable, and ethically managed institution, dedicated to delivering high-quality teacher training.

9. Management Discussion and Analysis

1. Operational and Financial Performance Overview

The Management Discussion and Analysis (MD&A) provides a narrative explanation of the College's operational activities and financial condition for the year ended June 30, 2025, allowing users to assess performance, progress towards predetermined objectives, and future outlook.

A. Operational Performance

The College continued its core mandate of training teachers, focusing on pedagogical excellence and curriculum alignment with national educational reforms (e.g., Competency-Based Curriculum or CBC). Key operational highlights include the enrolment of 419 first year students in the Primary Teacher Education (PTE) program, driven by targeted marketing and improved program quality.

B. Financial Performance

Thogoto Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

The College maintained a stable financial position despite prevailing economic pressures. Total revenue increased by **13%** primarily due to the rise in student fees and government capitation. Strict expenditure control led to a positive operating result.

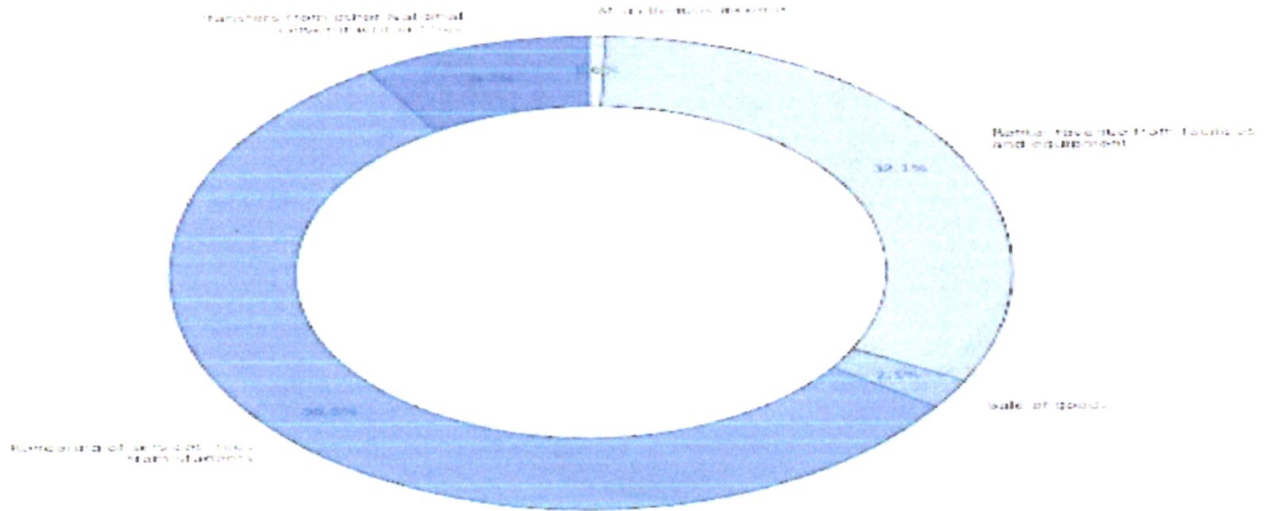
Statement of Financial Performance Analysis

ITEM	2024-2025	2023-2024	VARIANCE	%
Revenue				
Transfers from other National Government entities	15,081,432	16,603,816	(1,522,384)	-9.17%
Rendering of services- fees from students	97,474,656	84,719,892	12,754,764	15.06%
Sale of goods	3,614,613	3,285,551	(85,998.00)	9.1%
Rental revenue from facilities and equipment	55,371,403	46,407,263	8,964,140	19.32%
Miscellaneous Income	1,085,702	934,818.00	150,884	16.14%
Total Revenue	172,627,806	151,951,340	20,261,406	14%
Expenditures				
Use of goods and services	106,818,080	92,249,876	14,457,354	16%
Employee costs	17,875,671	18,520,539	(1,158,588)	-3%
Board /Council Expenses	381,928	427,669	(45,741.00)	-10.70%
Depreciation and amortization expense	8,512,819	9,656,544	(1,629,870)	-12%
Repairs and maintenance	17,597,678	16,068,623	1,529,055	9.52%
Contracted services	1,890,000	1,890,000	0.00	0.00%
Grants & Subsidies		100,000	(100,000)	-100.00%
Total Expenditures	153,076,176	138,913,251	13,052,209	10%

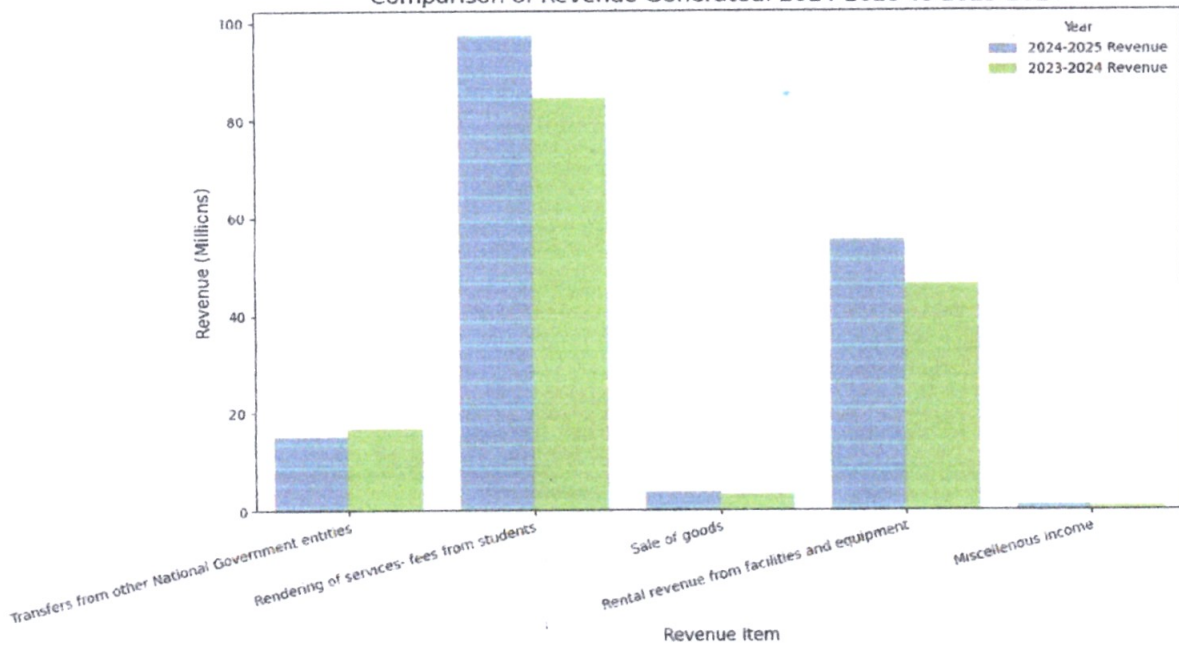
Thogoto Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

Net Surplus / Defecit	19,551,629	13,038,089.00	7,209,196.85	50%
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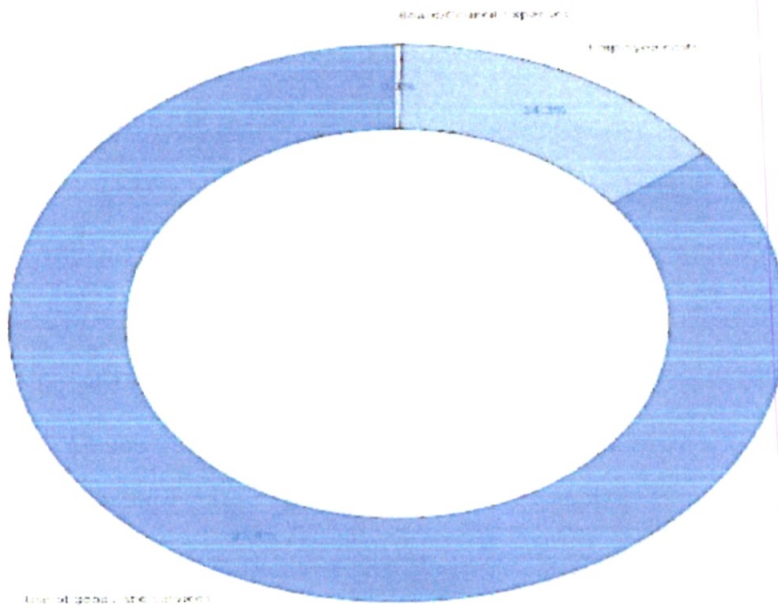
Percentage of Revenue Generated (2024-2025)



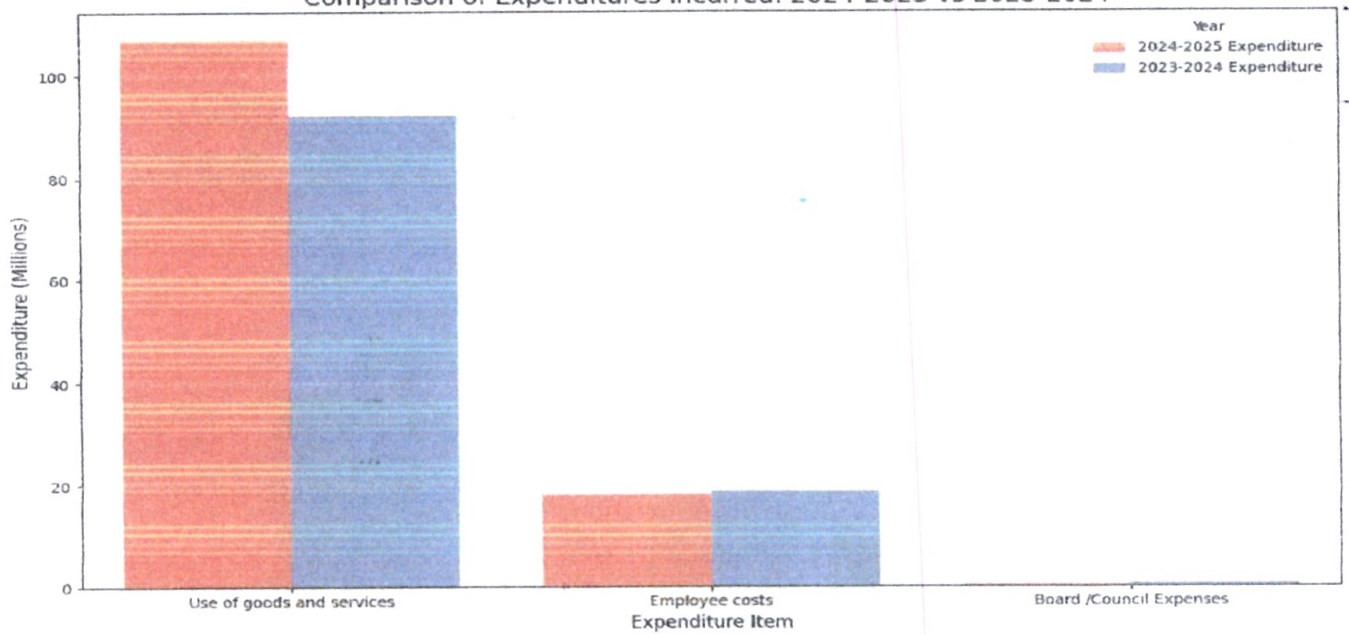
Comparison of Revenue Generated: 2024-2025 vs 2023-2024



Percentage of Expenditures Incurred (2024-2025)



Comparison of Expenditures Incurred: 2024-2025 vs 2023-2024



Overview of Financial Performance

The institution recorded a Net Surplus of Kss 19,551,629 in the reporting period (2024-2025), representing a significant improvement over the prior period's (2023-2024) surplus of Ksh 13,038,089. This represents a substantial positive variance of Ksh6,513,540.32, or 50%. This strong financial performance was primarily driven by robust growth in core operating revenue streams, particularly student fees and rental income, which more than offset planned increases in operational expenditures.

Revenue Variance Analysis

Total Revenue increased by Ksh 20,676,466, or 14%, from Ksh151,951,340 in 2023-2024 to Ksh 172,627,806 in 2024-2025

Key Revenue Variances:

Rendering of services - fees from students: This revenue stream experienced the largest absolute and percentage increase, rising by Ksh 12,754,764 (15.06%). The favorable variance is attributed directly to high student enrollment, reflecting increased demand for the institution's programs.

Rental revenue from facilities and equipment: Revenue surged by Ksh 8,964,140 (19.32%). This strong performance is due to securing high hire of premises opportunities, indicating effective utilization of non-core assets.

Transfers from other National Government entities: This line item saw a decrease of Ksh 1,522,384 (-9.17%). This unfavorable variance is due to less grants received from the government, highlighting the need to maintain strong internal revenue generation.

Sale of goods: A marginal increased of Ksh 85,998 (9.1%) was recorded. This unfavorable variance is explained by low farm production due to favorable climate, which impacted agricultural output for the year.

Miscellaneous Income: This category was up by Ksh 150,884 (16.14%), driven by the high number of graduands likely contributing to higher fees/charges related to graduation ceremonies and certifications.

Expenditure Variance Analysis

Total Expenditures increased by Ksh 13,052,209.15, or 10%, from Ksh 138,913,251 in 2023-2024 to Ksh 153,07,6176in 2024-2025

Key Expenditure Variances:

Use of goods and services: This expenditure category saw the largest absolute increase, rising by Ksh14,457,354 (15.67%). This significant unfavorable variance is directly attributable to the high student population, leading to increased consumption of consumables, utilities, and general operating supplies.

Repairs and maintenance: Costs rose by Ksh 1,529,055 (9.52%). This increase is due to necessary spending to address delapidations of assets, indicating a required investment to maintain the physical infrastructure.

Employee costs: A favorable variance of Ksh 1,158,588 (-6.26%) was achieved. This reduction is attributed to a strategic decision to engage less casuals, indicating better workforce management or a shift toward core, full-time staff.

Depreciation and amortization expense: This non-cash expense decreased by Ksh 1,629,870.85 (-16.88%). This favorable variance is counter-intuitive to the provided reason that there was an increase in fixed asset additions including motor vehicles. The decrease in depreciation suggests that a higher proportion of assets were fully depreciated, or there was a change in asset useful lives or depreciation policy that temporarily slowed the expense recognition, despite new additions.

Board Expenses: A reduction of Ksh 45,741 (-10.70%) was realized, explained by holding three board meetings instead of the scheduled four, as the final board meeting was held in the end of the academic year which was in July 2025

The institution's financial health is strong, evidenced by the 50% increase in Net Surplus. The success is clearly tied to effective revenue generation from its core business: student fees and auxiliary services (rentals). The favorable variances in these areas substantially offset the planned increase in operating expenses necessitated by the larger student body.

While the increase in Use of goods and services is understandable given the rise in student enrollment, management must continue to monitor operational efficiency to ensure expenses remain proportionate to revenue growth. The reduction in government grants highlights the institution's increasing reliance on self-generated funds, making the performance of the student and rental segments crucial for future stability.

2. Key Projects and Investment Decisions

During the reporting period, the College implemented or continued several key projects aligned with its Strategic Plan to improve infrastructure and pedagogical resources.

A. Implemented Projects (Completed)

PROJECT				Completion Status
Purchase of Toyota Hiace Van	Pcs	1	5,650,000.00	100%
40 students mounted outdoor metallic benches	Works	40	640,000	100%
Purchase of a Tractor - John Deere	Pcs	1	3,750,000	100%
Gakenia hall Stage lighting and Gypsum installation	Works	1	598,770	100%
TOTAL			10,638,770	100%

3. Compliance with Statutory Requirements

Management confirms that Thogoto TTC maintained **material compliance** with all relevant statutory and regulatory frameworks during the financial year 2025.

- **Financial Reporting (IPSAS):** The College successfully prepared its financial statements on the Accrual Basis of Accounting under the International Public Sector Accounting Standards (IPSAS).
- **Tax Compliance:** All statutory deductions (PAYE, Affordable Housing Levy) were remitted promptly, and the College maintains a valid Tax Compliance Certificate (TCC) from the relevant revenue authority.
- **Pension & Social Security:** All employer and employee contributions to pension schemes (e.g., NSSF) and social security funds (e.g., NHIF) were remitted on time.

4. Major Risks Facing the Organisation

The Board and Management utilize a formal Enterprise Risk Management (ERM) framework to identify, assess, and mitigate risks. The major risks identified for the coming financial year are detailed below:

Risk Category	Description	Mitigation Strategy
Financial Risk	Cash Flow Volatility: Delayed disbursement of government capitation and late fee payments resulting in liquidity strain.	Maintain a robust working capital facility; strict adherence to the Debtors Management Policy; aggressive follow-up on outstanding tuition fees.
Operational Risk	Curriculum Change: Failure to fully integrate national educational reforms (e.g., CBC) into teacher training programs quickly and effectively.	Dedicated Faculty Training and Development budget; curriculum review committee monitoring; hiring of specialized education experts.
Regulatory Risk	Funding Cuts: Reduction in governmental allocations due to national fiscal constraints.	Diversify revenue streams (commercial short courses, grants); advocate for continued and stable funding through Ministry channels.
Infrastructure Risk	Aging Facilities: Deterioration of older physical assets leading to high maintenance costs and disruption of services.	Implementation of the rolling 5-year Capital Maintenance Plan; targeted investment in critical repairs (e.g., roofing, plumbing).

5. Material Arrears in Statutory and Other Financial Obligations

Management acknowledges the imperative of fulfilling all statutory and financial obligations promptly.

Statutory Arrears: As of June 30, 2025, the College reports **no material arrears** in statutory obligations, including but not limited to PAYE, NSSF, and NHIF contributions. Any minor outstanding balances are typically cleared within the first week of the subsequent month.

6. Other Information Considered Relevant

A. Environmental and Social Governance (ESG) Initiatives

The College is committed to sustainable practices. In line with its Environmental and Sustainability Reporting Statement (ESRS), the College achieved a **30%** reduction in its carbon footprint from electricity consumption following the installation of new energy-

efficient lighting. Furthermore, the College is actively promoting community engagement through its student-led mentorship programs in local primary schools.

B. Impact of Technology Adoption

The institution significantly invested in its Enterprise Resource Planning System (ERP). This investment has future-proofed the delivery of administrative and financial services and is essential for supporting blended learning models and strategic decision-making, both of which are expected to become standard in modern education and institutional management

10. Environmental And Sustainability Reporting Statement

1.0. Sustainability Strategy and Profile

1.1. Overview of Global Political and Macroeconomic Trends

The global operating environment presents both strategic opportunities and material risks. **Climate change** continues to be a defining factor, impacting agricultural productivity (reflected in the 2.62% drop in 'Sale of goods' due to unfavorable climate conditions) and requiring adaptive measures in infrastructure and curriculum delivery. Furthermore, rapid **digital transformation** is reshaping pedagogical approaches, necessitating strategic investment in resilient digital infrastructure, such as the new Enterprise Resource Planning (ERP) system. Political and economic volatility globally underscores the importance of institutional self-reliance and efficient resource management.

1.2. Alignment with International Best Practices

The College's sustainability strategy is anchored in the United Nations Sustainable Development Goals (SDGs), with particular focus on three pillars relevant to our mandate:

- **SDG 4: Quality Education:** Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all (Our Core Mandate).
- **SDG 13: Climate Action:** Integrating climate change measures into College policies, planning, and curriculum.
- **SDG 17: Partnerships for the Goals:** Fostering effective public and public-private partnerships.

The College's policy framework mandates the integration of these principles across all administrative, academic, and procurement functions.

1.3. Key Achievements, Failures, and Mitigation

Area	Achievement	Shortcoming/Failure	Mitigation Measures
Financial Resilience	Successful 15.06% increase in self-generated revenue (student fees) due to high enrollment, reducing reliance on government grants.	Unfavorable climate conditions led to a 2.62% drop in 'Sale of goods' (farm production).	Implementation of drought-resistant crop varieties training and investment in small-scale drip irrigation systems.
Operational Efficiency	Successful deployment of the new Enterprise Resource Planning (ERP) system, future-proofing blended learning and administration.	Failure to achieve the target of reducing non-recycled waste by 10%.	Relaunched waste segregation campaign with dedicated waste ambassadors and procurement of standardised, labelled bins for all key areas.
Inclusion	Surpassed the target for allocating tenders to special groups, achieving 32.5% allocation against a 30% target.	Training capacity for PWDs on digital platforms requires enhancement.	Dedicated ICT training sessions for PWD staff and students scheduled for the upcoming financial year.

1.4. Service Delivery and Contract Management

The College maintains a publicly available Service Delivery Charter outlining service standards, timelines, and feedback mechanisms. This Charter is reviewed annually.

- **Responsible Competition / Service Automation:** Service delivery is enhanced through **Service Automation** (self-service portals for students and staff) and the adoption of a **cashless payment** system to minimize corruption risks. An Anti-Corruption Policy includes a confidential **Whistleblower Reporting Mechanism**.
- **Proportion of Contracts Allocated to Local Suppliers/Contractors:** **65%** of the total value of procurement contracts were awarded to suppliers within the County to support the local economy.
- **Allocation to Special Groups (Youth, Women, PWDs):** **32.5%** of eligible tenders were successfully awarded to these special groups, exceeding the mandated minimum of 30%.

2.0. Environmental Performance and Climate Action

2.1. Environmental Policy and Implementation

The College's Environmental Policy is rooted in the principle of **Resource Conservation and Minimal Environmental Impact**.

Evidence of Implementation (Reducing Environmental Impact):

1. **Automation (Paperless Offices):** Implementation of the new ERP and the shift to digital payment platforms (cashless policy) have reduced internal paper consumption by an estimated **35%** this year. All internal memos and student records are now digital-first.
2. **Water Conservation:** Installation of flow restrictors in washrooms and commissioning of a rainwater harvesting project, reducing reliance on municipal water during the rainy season by **20%**.
3. **Product Impact Reduction:** Successful campaigns to reduce the use of plastic bottles by banning their sale in the main cafeteria and providing dedicated water refill stations.
4. **CO2 Emission Reduction:** Strict vehicle maintenance schedules are maintained to ensure optimal fuel efficiency, alongside the active promotion of non-motorized transport (bicycles and walking paths).

2.2. Effective Waste Management (Reduce, Reuse, Recycle, Disposal)

The College adheres to the **Reduce, Reuse, Recycle (3Rs)** philosophy.

- **Reduce:** Banning the sale of plastic bottles in the main cafeteria.
- **Reuse:** Reusable academic materials (textbooks, furniture) are centrally collected, repaired, and redistributed.
- **Recycle/Segregation:** Dedicated waste segregation bins (Blue for paper, Yellow for plastics, Black for organic/residual) have been deployed across the main campus. A local recycler is contracted for sorted waste pickup.
- **Disposal:** Non-recyclable waste is disposed of through a licensed municipal contractor.

2.3. Biodiversity Management and Climate Change Initiatives

- **Biodiversity:** The **Campus Greening Program** saw over 500 indigenous tree seedlings planted in partnership with the local community to enhance biodiversity.
- **Climate-Smart Technologies:** The College Farm serves as a demonstration unit for **climate-smart technologies**, showcasing water-efficient farming (drip irrigation) and

growing **drought-resistant crop varieties**. **Eco-jikos** have been piloted in staff quarters to promote efficient fuel wood consumption.

- **Green Buildings and Infrastructure:**
 - **Solar Lighting and Heating:** All major external pathways and security lighting are solar-powered. The central hot water system for staff residences was retrofitted with a solar heating system, reducing reliance on grid electricity by an estimated **40%** for heating purposes.
 - **Green Buildings:** The new administration block utilizes automated lighting sensors and open areas to maximize natural light, reducing daytime energy consumption.

3.0. Employee Welfare and Human Capital

3.1. Hiring and Diversity Policy

The College operates under an affirmative action hiring policy guided by meritocracy, fairness, and diversity.

- **Gender Ratio:** The policy aims for a **50:50 gender split** across non-faculty roles. Current ratio stands at **55% Female : 45% Male**.
- **PWD Inclusion:** The College is committed to ensuring at least **3%** of its workforce are Persons With Disabilities (PWD), with a focused recruitment drive underway.
- **Stakeholder Engagements:** Hiring policies are developed and improved through **regular consultations** with employee union representatives, the Board of Management, and the student council, ensuring fairness and policy buy-in.

3.2. Skills Development and Safety

- **Skills Development and Reward Systems:** A robust appraisal system, based on Key Performance Indicators (KPIs), links employee performance to career progression and rewards. The Continuous Professional Development (CPD) policy ensures that all academic staff undergo at least **40 hours of training annually**, focusing on blended learning methodologies and subject-matter excellence.
- **Occupational Safety and Health (OSHA, 2007) Compliance:** The College maintains full compliance with OSHA 2007. The College OSH Committee meets quarterly to review safety standards.
- **Review of Work-Related Injuries:** During the reporting period, **one minor work-related injury** was reported, down from three in the previous year.
- **Efforts to Minimise Injuries:** A renewed focus was placed on improving lighting in common areas and conducting mandatory OSH training for all new staff and contractors.

4.0. Market Place Practices

4.1. Responsible Competition Practice and Anti-Corruption

The College ensures responsible competition and anti-corruption through:

- **Fair Competition:** All major procurement is conducted via **open tendering**, ensuring transparent, competitive, and equitable access for all qualified suppliers.
- **Anti-Corruption:** An Anti-Corruption Policy is enforced, including a confidential **Whistleblower Reporting Mechanism** accessible to staff, students, and suppliers.
- **Improved Service Delivery:** Service delivery is enhanced through the publicly displayed **Service Charter Information, Service Automation** (self-service portals), and the adoption of a **cashless payment** system to minimize corruption risks.

4.2. Responsible Supply Chain and Supplier Relations

The College maintains good business practices by treating its own suppliers responsibly:

- **Honoring Contracts:** All contracted terms and conditions are strictly adhered to.
- **Payment Practices:** The College prioritizes prompt payment, aiming to settle all undisputed supplier invoices within **30 days** of receiving a valid invoice, thereby supporting the financial health of its vendors.
- **Competitive Procurement:** All procurement is conducted competitively to ensure best value for money.

4.3. Responsible Engagement with the Citizens (Ethical Marketing)

The College ensures its outreach and sensitization practices are ethical and responsible:

- **Ethical Marketing:** All College marketing materials, including those for new courses, strictly **avoid false or exaggerated promises**, focusing on providing **adequate, verifiable information** regarding curriculum and accreditation.
- **Public Outreach:** Regular **media and website briefs** are issued to keep the public and stakeholders informed. **Consultative forums** are held with community leaders before initiating any major campus development project.

4.4. Awareness Creation (Safeguarding Citizen Rights)

The College safeguards citizen rights and interests through:

- **Adequate Service Information:** Providing clear and detailed information regarding the application process, fee structures, and course requirements via the official website and admissions office.
- **Data and Privacy Protection:** A robust data privacy policy is in place to protect student, staff, and supplier data, ensuring compliance with relevant data protection legislation.
- **Dispute Resolution and Redress:** A formal internal mechanism exists for students and suppliers to file and resolve disputes, ensuring fair and timely redress.

5.0. Corporate Social Responsibility / Community Engagements

The College's CSR activities are strategically aligned with its co-mandate of teacher education and community upliftment.

Activity	Co-Mandate Alignment/Impact	Evidence of Engagement
Community Education Support	Addressing the shortage of quality teachers in marginalized areas by investing in human capital development.	Awarded 10 full-time scholarships to local community members pursuing teacher training programs at the College.
Environmental Stewardship	Promoting environmental awareness and greening in the community.	Organised and participated in a Tree Planting Initiative at a local primary school, planting over 250 seedlings in partnership with students and local leaders.
Infrastructure Support	Improving education facilities within the immediate community.	Donated 50 refurbished desks and chairs to the neighboring primary school and supported the maintenance of a community access road.
Civic Education	Using institutional expertise to facilitate public participation.	Held an open forum on the Budget Making Process for local residents, providing civic education on public finance a

11. Report of the Board of Management

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

Principal activities

The principal mandate of Thogoto TTC as provided by The Basic Education Act – 2013 is to produce high qualified Human Resource with knowledge and requisite skills.

The college Visions, Missions and Core values underpins every facet of its day-to-day operations.

Results

The results of the Thogoto TTC for the year ended June 30,2025 are set out on page 1-42

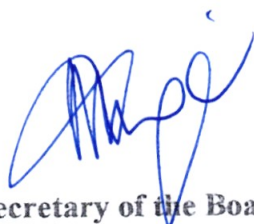
Board of Management

The members of the Board / who served during the year are shown on page vii-xiii. During the year none of the directors retired/ resigned and none was appointed with effect from 1st July 2022 date.

Auditors

The Auditor General is responsible for the statutory audit of Thogoto Teachers 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
Nairobi
Date: 3/12/2025

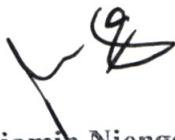
12. Statement of Board of Management Responsibilities

Section 81 of the Public Finance Management Act, 2012 and Basic Education Act of 2013 require the Board members to prepare financial statements in respect of Thogoto TTC, which give a true and fair view of the state of affairs of Thogoto TTC at the end of the financial year and the operating results of Thogoto TTC for that year. The Board members are also required to ensure that Thogoto TTC keeps proper accounting records which disclose with reasonable accuracy the financial position of Thogoto TTC. The Board members are also responsible for safeguarding the assets of Thogoto TTC.

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

The Board members accept responsibility for Thogoto TTC financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Basic Education Act of 2013. The Board members are of the opinion that Thogoto TTC financial statements give a true and fair view of the state of TTC transactions during the financial year ended June 30, 2025, and of the TTC financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the TTC which have been relied upon in the preparation of the TTC financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the principal has assessed the TTC ability to continue as a going concern

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



Eng. Benjamin Njenga
Chairperson of the Board
Date 3/12/2025



Mrs Margaret W. C. Khainga
Accounting Officer/Principal
Date 3/12/2025

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Thogoto Teachers Training College set out on pages 1 to 42, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual

Report of the Auditor-General on Thogoto Teachers Training College for the year ended 30 June, 2025

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

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements submitted revealed the following anomalies:

1.1 Variances Between Statement of Financial Position and Notes to the Financial Statements Balances

The statement of financial position and the corresponding balances as disclosed in the Notes to the financial statements revealed unreconciled variances as analyzed below;

Description	Note	Statement of Financial Position Balance (Kshs)	Note to the Financial Statements (Kshs)	Variance (Kshs)
Receivables from Exchange Transaction FY 2024/2025	19(a)	38,503,592	32,813,230	5,690,362
Receivables from Exchange Transaction FY 2023/2024	19(a)	19,792,132	16,065,170	3,726,962
Long Term Receivables from Exchange Transaction FY 2024/2025	19(b)	-	5,690,362	(5,690,362)
Long term Receivables from Exchange Transaction FY 2023/2024	19(b)	-	3,726,962	(3,726,962)
Property, Plant, and Equipment FY 2023/2024-NBV	21	2,508,140,458	2,512,228,969	(4,088,511)

1.2 Inaccuracies in Revaluation Reserves Balances

The statement of financial position reflects revaluation reserves balance of Kshs.2,486,514,181, which differs from the amount of Kshs.2,517,711,500 reported in the statement of changes in net assets resulting in unexplained variance of Kshs.31,197,319.

1.3 Property, Plant and Equipment and Intangible Assets

The statement of financial position reflects prior year's audited property, plant and equipment balance of Kshs.2,508,140,458 as disclosed in Notes 21 to the financial statements. However, review of the prior year audited financial statements revealed variances on comparative balances as analyzed below;

Details	Comparative Balances as at 30 June, 2024 (Kshs)	Prior Year Audited Balances as at 30 June, 2024 (Kshs)	Variance (Kshs)
Building	282,653,061	279,536,218	3,116,843
Motor Vehicles	21,491,406	12,237,500	9,253,906
Furnitures and Fitting	10,832,488	9,250,992	1,581,496
Computers	3,693,959	1,936,200	1,757,759
Plant and Equipment	7,247,437	5,181,100	2,066,337
Total	325,918,351	308,142,010	17,776,341

Further, the statement of cash flows reflects purchase of property, plant and equipment and intangible assets amount of Kshs.12,612,377 while the corresponding Notes 21 and Note 22 to the financial statements reflect additions of Kshs.11,412,377 and Kshs.1,800,000 totalling Kshs.13,212,377 resulting to unreconciled variance of Kshs.600,000.

1.4 Net Cash Flows from Operating Activities

The statement of cash flows reflects net cash flows from operating activities totalling Kshs.12,819,721 as disclosed in Note 24 of the financial statements. However, analysis of Note 24 to the financial statements revealed the following anomalies;

- i. The surplus is reported as Kshs.15,775,777 instead of Kshs.17,885,633 as reflected in the statement of financial performance resulting in unexplained variance of Kshs.2,109,856.
- ii. Depreciation amount added back is stated as Kshs.7,756,673 instead of Kshs.8,650,815 as reflected in the statement of financial performance resulting to unexplained variance of Kshs.894,142.
- iii. Increase in receivables is indicated as Kshs.18,473,416 instead of Kshs.18,711,460 resulting to unexplained variance of Kshs.238,044.
- iv. Increase in payables is presented as Kshs.8,561,819 instead of Kshs.7,524,381, as disclosed in the statement of financial position resulting to unexplained variance of Kshs.1,037,438.

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

2. Inaccuracies in the Cash and Cash Equivalents

The statement of financial position and as disclosed in Note 18 to the financial statements reflect cash and cash equivalents balance of Kshs.10,811,446. However, the following inaccuracies were noted;

- i. A current account held in a local bank had an overdrawn cash book balance of Kshs.258,362 and a bank balance of Kshs.7,747,946, the variance being unrepresented cheques of Kshs.754,199 and direct deposits of Kshs.7,252,110. However, the direct deposits were not supported and no explanation was provided as to why they remained uncleared and what they related to. Further no explanation was provided for the overdrawn cash book balance.
- ii. Note 18 to the financial statements reflects cash in hand balance of Kshs.425,381, while the cash book reflects a balance of Kshs.584,994 resulting to unexplained variance of Kshs.159,613. Further no board of survey was provided to confirm the accuracy of the balance.
- iii. A current account held in a local bank reported a cash book balance of Kshs.3,568,750. However, reconciliation statements for June, 2025 reflect a cash book balance of Kshs.3,591,848 resulting to unexplained variance of Kshs.23,098.
- iv. A current account held in a local bank reported an overdrawn cash book balance of Kshs.128,367, however no explanation was provided for the overdrawn cash book balance.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.10,811,446 could not be confirmed.

3. Long Outstanding Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 19 to the financial statements reflect a balance of Kshs.38,503,592 relating to receivables from exchange transactions. However, review of the ageing analysis revealed that receivables totalling Kshs.6,951,886 have been outstanding for more than two (2) years. Further, Note 4(f)(a) to the financial statements, under the summary of significant accounting policies on financial instruments in relation to trade and other receivables require the College to recognize it at fair value less allowances for any uncollectable amounts. However, the College has not impaired the long outstanding debt despite having unpaid amounts dating back to 2007.

In the circumstances, the College risks non-recovery of outstanding amounts which might lead to potential loss of income and cash flow challenges.

4. Non-Disclosure of Biological Assets

The statement of financial position reflects non-current assets balance of Kshs.2,513,637,439. However, review of records provided revealed that the College operates a farm with twenty-seven (27) cows and thirty-five (35) pigs, that had not been disclosed in the reported balance and further lacked detailed documentation including valuation. Further, the College had converted part of its land into a forest which had not been valued or included in its financial statements.

In the circumstances, the non-current assets balance of Kshs.2,513,637,439 was understated.

5. Unsupported Inventories Balance

The statement of financial position and as disclosed in Note 20 to the financial statements reflect inventories balance of Kshs.652,130. However, review of documents provided for audit revealed that the summary of inventories movement during the year indicating the opening balance at the beginning of the year, additions during the year and the closing balance was not provided for audit review. Further, there was no evidence of quarterly stock take carried out during the year under review. In addition, review of the payment vouchers revealed that the full cost of consumables was expensed at the time of purchase, with no evidence of issuance from the stores.

In the circumstances, the accuracy of the inventories balance totalling Kshs.652,130 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Thogoto Teachers Training College in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
	2023/2024	Non-Adherence to Ethnicity Rule
	2023/2024	Irregular Procurement of Contracted Security Services
	2023/2024	Weak Controls in Management of Student Fees and Charges
	2023/2024	Lack of Approved Policy Documents
	2023/2024	Failure to Maintain an Asset Register

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Errors in Presentation of Financial Statements

Review of the financial statements revealed the following anomalies;

1.1 Non-Compliance with Section Layout Requirements

The Management discussion and analysis and environmental and sustainability reports do not begin on separate pages as required by the reporting format.

1.2 Inconsistencies Between Management Discussion and Analysis and Statement of Performance

The Management discussion and analysis reflects use of goods and services, depreciation and amortization and surplus amounts of Kshs.106,818,080, Kshs.8,512,819 and Kshs.19,551,629 respectively. However, the statement of financial

performance reflects Kshs.108,346,080, Kshs.8,650,815, and Kshs.17,885,633 for the items respectively resulting in unreconciled variances.

1.3 Missing Financial Year Headings in Notes 18 and 26 to the Financial Statements

Review of the financial statements revealed that Note 18 and Note 26 to the financial statements did not indicate the current and comparative financial years headings.

In the circumstances, the accuracy of the information on the management discussion and analysis could not be confirmed.

2. Irregular Direct Procurement

The statement of financial performance and as disclosed in Note 11 to the financial statements reflect use of goods and services totalling Kshs.108,346,080. However, the following observations were made relating to the expenditure:

- i. The professional and consultancy services amount of Kshs.868,000 for development of the strategic plan was single sourced.
- ii. Catering, conferences and delegations was procured through the Request for Quotation (RFQ) method. However, included in the amount are items totalling Kshs.25,669,265 relating to the supply of chicken, vegetables and shop items which were sourced from single dominant suppliers.
- iii. The statement of financial performance and as disclosed in Note 15 to the financial statements reflect Kshs.17,597,678 in respect to repairs and maintenance. The College procured various goods, works and services amounting to Kshs.8,341,415 in the year under review using direct procurement.
- iv. Included in use of goods and services is Kshs.54,658,314 relating to catering, conferences and delegations. Review of sampled payment vouchers totalling Kshs.45,081,984 revealed that the items were not competitively procured.

This was contrary to Section 103(2) of the Public Procurement and Asset Disposal Act, 2015, which provides that a procuring entity may use direct procurement only if the goods, works, or services are available from a particular supplier or contractor, or where that supplier has exclusive rights and no reasonable alternative or substitute exists.

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

3. Employee Costs

The statement of financial performance and as disclosed in Note 12 to the financial statements reflect employee costs of Kshs.17,875,671. However, review of records provided revealed the following;

3.1 Irregular Recruitment of Casual Staff

Included in the amount is Kshs.2,097,410 for casual salaries. During the year under review, the College engaged twenty-one (21) casual staff for their operations in the farm and kitchen. However, casuals' personal records were not maintained to show how they were recruited. Further, there was no record of advertisements and application for the roles. In addition, the casual staff served the College for more than three (3) months in

the financial year under review without written contracts contrary to the Employment Act which provides that a contract of services for more than three (3) months should be in writing. The basis used to pay the casuals could not be confirmed as the entity did not have an established salary structure for casual employees. This was contrary to Section 37(1)(2) and (b) of the Employment Act 2007 which requires that casual staff working continuously for more than a month be converted to term contracts.

3.2 Non-Adherence to Ethnicity Rule

Review of employee records for the College revealed that twenty-eight (28) or approximately 67% of employees of the total population of forty-two (42) staff were from the dominant ethnic community in the County. This was contrary to Section 7(l) and (2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

3.3 Lack of Representation for Persons Living with Disabilities

Review of staff composition revealed that none of the forty-two (42) employees were identified as persons living with disabilities (PWDs). This was contrary to Section 13 of Persons with Disabilities Act, 2025 which states that in reservation of employment the Council shall endeavor to secure the reservation of five per cent of all casual, emergency and contractual positions in employment in the public and private sectors for persons living with disabilities.

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

4. Anomalies in Staffing as per Staff Establishment

The statement of financial performance and as disclosed in Note 12 to the financial statements reflect employee costs of Kshs.17,875,671. Review of the staff establishment against the Human resources records revealed the following variances;

Position	Optimum Number	Existing Number	Variance
ICT Technician	1	2	-1
Driver	6	3	3
Librarian	2	1	1
Accounts Clerk	2	1	1
Cleaners	2	4	-2
Groundmen	8	5	3
Security	11	1	10
Clinical Officer	1	0	1
Total	33	17	16

In the circumstances, Management was in breach of its staff establishment guidelines.

5. Lack of Integration of Climate Change Action Plans

The statement of financial performance and as disclosed in Note 11 to the financial statements reflect use of goods and services amount of Kshs.108,346,080. Review of the College's systems of governance and operations revealed that there was no designated unit within the College to handle climate change mitigation related matters.

Further, no department within the College has a designated unit with staff to coordinate mainstreaming of climate change action plan and other climate change statutory functions into sectoral strategies. This was contrary to Section 15(1) of the Climate Change Act, 2016 which requires each Government entity to integrate climate change action plans into sectoral strategies and within the Institution's operations.

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

6. Non-Compliance with Procurement Planning and Reservation Requirements

Review of the Procurement Plan provided for audit revealed that the Plan did not integrate preference and reservation schemes as required under the Public Procurement and Asset Disposal Act, 2015 and its Regulations. Specifically, the plan did not demonstrate the allocation of at least 30% of the procurement budget to disadvantaged groups (youth, women, and persons with disabilities). Further, there was no evidence of submission of the Procurement Plan to the Public Procurement Regulatory Authority within the stipulated 60 days after the commencement of the financial year.

In addition, the Procurement Plan for the financial year was not approved by the relevant authority as required under the Public Procurement and Asset Disposal Act, 2015. The absence of an approved Procurement Plan undermines proper planning, transparency, and accountability in the procurement process, and increases the risk of irregular, uncoordinated, and non-compliant procurement.

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

7. Failure to Deduct Public Procurement Capacity Building Levy

The statement of financial performance and as disclosed in Note 11 to the financial statements reflect expenditure amounting to Kshs.108,346,080 under use of goods and services. Review of a sample of payment vouchers provided for audit revealed that the College made payments amounting to Kshs.78,060,775 to various suppliers under public procurement contracts. However, the payments were not subjected to the mandatory deduction as provided by the Public Procurement Regulatory Authority (PPRA) Circular No. Ref: PPRA/6/5/VOL.II (224) dated 30 August, 2024, which provides that there shall be paid a levy by a supplier on all procurement contracts signed between the supplier and procuring entity, at the rate of zero-point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes.

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

8. Unprocedural Procurement on Private Security Services

The statement of financial performance and as disclosed in Note 16 to the financial statements reflect expenditure amounting to Kshs.1,890,000 relating to contracted security services. However, review of the supporting documents revealed that, no Local Service Orders (LSOs) were provided to support the procurement and authorization of the services rendered. Further, payment vouchers amounting to Kshs.1,417,500 did not indicate voucher numbers, making it difficult to trace the payments. This was contrary to Sections 135(1) of Public Procurement and Asset Disposal Act, 2015 which requires that the existence of a contract shall be confirmed through the signature of a contract

document incorporating all agreements between the parties and such contract shall be signed by the Accounting Officer or an officer authorized in writing by the Accounting Officer of the procuring entity and the successful tenderer.

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

9. Invoices Without Electronic Tax Invoices

The statement of financial performance and as disclosed in Note 9 to the financial statements, reflect Kshs.55,371,403 under rental revenue from facilities and equipment. Review of invoices issued to client organizations revealed that the invoices for the revenue stream were not Electronic Tax Invoices as required by the Kenya Revenue Authority (KRA). Further, it was noted that the College provides VAT-able services; however, Management did not apply, charge, or account for Value Added Tax (VAT) in accordance with the Value Added Tax Act, 2013 and the related regulations.

In addition, review of sampled payment vouchers revealed that supplies amounting to Kshs.75,909,760 under use of goods and services were not supported with electronic tax invoices, which was contrary to Regulation 6(1) of the VAT (Electronic Tax Invoices) Regulations, 2020.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Approved Policy Documents

Review of documents revealed that the Institution did not have approved policy documents to guide its operations which include the Finance Policy and Procedures Manual, Human Resource Policy, ICT Policy, Disaster Recovery Plan, Risk Management Policy, Staff Code of Conduct and Ethics, Fee Payment Policy, Rent policy, Audit Charter, Inventory policy and Admission Policy and Procedures.

In the absence of the approved policy documents, operations during the year under review may not have been effectively managed or aligned with Institutional objectives and regulatory requirements resulting in operational inefficiencies and weak internal controls.

2. Weaknesses in the Management and Control of Fuels and Oils

The statement of financial performance and as disclosed in Note 11 to the financial statements reflect Kshs.108,346,080 for use of goods and services which include fuel and oil expenditure totalling Kshs.4,092,285. However, during the audit, several weaknesses were identified in the management, documentation and control of fuel usage as indicated below:

- i. Fuel statements or detailed fuel consumption records were not provided for audit review.
- ii. Motor vehicle work tickets were not properly completed, and lacked essential details such as the quantities of fuel and oil drawn, payment voucher numbers and local purchase order numbers. The lack of proper documentation reduces the reliability of fuel usage records and compromises the integrity of the audit trail.
- iii. No monthly fuel reconciliations were conducted to compare fuel drawn, consumed and remaining balances. The absence of regular reconciliations indicates weak internal controls and increases the risk of fuel losses, wastage or undetected inaccuracies.

In the circumstances, it was not possible to reconcile fuel usage with vehicle work tickets and to confirm the accuracy, completeness, and validity of the reported fuel expenditure.

3. Anomalies in Rental Revenue from Facilities and Equipment

The statement of financial performance and as disclosed in Note 9 to the financial statements reflect rental revenue from facilities and equipment of Kshs.55,371,403. The following anomalies were noted in relation to this revenue;

3.1 Gaps in Residential Rental Revenue

Review of records provided for audit and physical verification carried out in October, 2025 revealed that the College has fifty (50) residential units which comprises of one (1) one bedroom, twenty-three (23) two bedrooms, twelve (12) three bedrooms, eight (8) double rooms, three (3) bedsitters and three (3) single rooms. It was noted that the houses are allocated to staff, with significant inconsistencies in the rental rates charged as analyzed below;

Unit Status	Monthly Rent Charged (Kshs.)	Quarterly Rent Charged (Kshs.)
1 Bedroom	1,800	5,400
2 Bedrooms	2,100	6,300
2 Bedrooms	4,080	12,240
2 Bedrooms	4,260	12,780
2 Bedrooms	1,200	3,600
3 Bedrooms	7,800	23,400
3 Bedrooms	2,550	7,650

Unit Status	Monthly Rent Charged (Kshs.)	Quarterly Rent Charged (Kshs.)
3 Bedrooms	4,260	12,780
3 Bedrooms	4,440	13,320
3 Bedrooms	4,575	13,725
Bedsitter	750	2,250
Double	750	2,250
Double Room	825	2,475
Double Room	975	2,925
Single Room	825	2,475
Single Room	750	2,250
Single Room	825	2,475

Despite the varying rates, no documentary evidence such as valuation reports or market rent surveys was provided to support the basis for determining the rental charges.

Further, Management confirmed that four (4) units are occupied by administration officers who are not paying rent, while two (2) units remain unoccupied.

3.2 Gaps in the Invoicing of Income from Hire of Premises

The statement of financial performance and as disclosed Note 9 to the financial statements reflect Kshs.55,371,403 in relation to rental revenue from facilities and equipment. However, review of records revealed that Management used the same invoice book for both official invoicing and issuance of proforma invoices. The practice compromises the integrity of accounting records and makes it difficult to establish a clear audit trail between services rendered, invoices issued and payments received. The lack of distinction between official and proforma invoices increases the risk of revenue misstatement, duplication, or potential manipulation of financial records.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and Board of Management

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 December, 2025

Thogoto Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

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

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions		0	0
Transfers from other National Government entities	6	15,081,432	16,603,816
		15,081,432	16,603,816
Revenue from Exchange transactions			
Rendering of services- fees from students	7	97,474,656	84,719,892
Sale of goods	8	3,614,613	3,285,551
Rental revenue from facilities and equipment	9	55,371,403	46,407,263
Miscellaneous income	10	1,085,702	934,818
Revenue from Exchange transactions		157,546,374	135,347,524
Total Revenue		172,627,806	151,951,340
Expenses			
Use of goods and services	11	108,346,080	92,249,876
Employee costs	12	17,875,671	18,520,539
Board Expenses	13	381,928	427,669
Depreciation and amortization expense	14	8,650,815	9,656,544
Repairs and maintenance	15	17,597,678	16,068,623
Contracted services	16	1,890,000	1,890,000
Grants and subsidies	17		100,000
Total Expenses		154,742,172	138,913,251
Net surplus/(deficit) for the year		17,885,633	13,038,089

The Financial Statements set out on pages 1 to 42 were signed by:



Eng. Benjamin Njenga
Chairman of Board

Date .. 3/12/2025



Mrs Margaret W.C
Khainga

Chief Principal

Date ..3/12/2025



Purity W. Kamuri

Finance Officer
ICPAK No 24411

Date ..3/12/2025

15. Statement of Financial Position As At 30th June 2025

Description	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	18	10,811,446	10,604,102
Current portion of receivables from exchange transactions	19(a)	38,503,592	19,792,132
Inventories	20	652,130	1,453,261
Total Current Assets		49,967,170	31,849,495
Non-Current Assets			
Long term receivables from exchange transactions	19(b)		
Property, plant, and equipment	21	2,512,107,439	2,508,140,458
Intangible assets	22	1,530,000	
Total Non-Current Assets		2,513,637,439	2,508,140,458
Total Assets (A)		2,563,604,609	2,539,989,953
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	23	12,484,750	4,960,369
Total Current Liabilities		12,484,750	4,960,369
Non-Current Liabilities			
Total non-current liabilities		0	4,960,369
Total Liabilities (B)		12,484,750	4,960,369
Net Assets (A-B)		2,551,119,858	2,535,029,584
Represented By:			
Revaluation Reserves		2,486,514,181	2,489,388,768
Accumulated Surplus		64,605,677	46,720,044
Net Assets		2,551,119,858	2,535,029,584

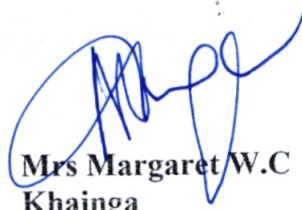
Thogoto Teachers Training College
Annual Report and Financial Statements for the year ended 30th June 2025

The Financial Statements set out on pages 1 to 42 were signed by:



Eng. Benjamin Njenga
Chairman of Board

Date: 3/12/2025



Mrs Margaret W.C
Khainga
Chief Principal

Date: 3/12/2025



Purity W. Kamuri
Finance Officer
ICPAK No 24411

Date: 3/12/2025

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023 (previous year)	2,517,711,500.00	32,602,727.00		2,550,314,227.00
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	-	-	14,117,317.00
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	2,517,711,500.00	46,720,044.00	-	2,564,431,544.00
At July 1, 2024 (current year)	2,517,711,500.00	46,720,044.00	-	2,564,431,544.00
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	17,885,633	-	17,885,633
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2025	2,517,711,500.00	64,605,677	-	2,582,317,177

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		15,081,432	16,603,816
Rendering of services- fees from students		92,672,098	81,326,894
Sale of goods		2,726,524	2,051,623
Rental revenue from facilities and equipment		37,430,955	36,102,092
Receipts for Other Payables		778,350.00	0
Miscellaneous income		1,087,534	934,818
Total Receipts		149,776,893	137,019,243
Payments			
Use of goods and services		100,275,714	89,941,463
Employee costs		17,361,951	18,522,039
Board Expenses		381,928	427,669
Repairs and maintenance		16,709,078	15,997,523
Contracted services		1,732,500	1,890,000
Grants and subsidies			100,000
Payments for Other Payables		496,000	0
Total Payments		136,957,171	126,912,294
Net Cash Flows from operating activities	24	12,819,721	10,106,949
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(12,612,377)	(608,292)
Net cash flows used in investing activities		(12,612,377)	(608,292)
Cash flows from financing activities			
Proceeds From Borrowing			
Repayment Of Borrowings			
Net cash flows used in financing activities			
Net Increase/(Decrease) in Cash and Cash equivalents		207,344	9,498,657
Cash and Cash equivalents at 1 JULY	18	10,604,102	1,105,445
Cash and Cash equivalents at 30 JUNE	18	10,811,446	10,604,102

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*				10,604,102	10,604,102	
Receipts						
Transfers from other National Government entities	11,800,000	-	11,800,000	15,081,432	-3,281,432	28%
Grants from donors and development partners	-	-	-	-	-	-
Transfers from other levels of government	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- fees from students	98,584,160	-	98,584,160	92,672,098	5,912,062	6%
Sale of goods	3,765,000	-	3,765,000	2,726,524	1,038,476	27%
Rental revenue from facilities and equipment	31,340,000	-	31,340,000	37,430,955	-6,090,955	19%
Finance income	-	-	-	-	-	-
Miscellaneous Income	-	-	-	1,087,534	-1,087,534	-
Total Receipts	145,489,160	-	145,489,160	148,998,543	3,509,383	2%
Payments						
Use of goods and services	119,170,383	-	119,170,383	100,275,714	18,894,668	16%
Employee costs	15,022,027	-	15,022,027	17,361,951	2,339,924	16%
Board /Council Expenses	600,000	-	600,000	381,928	218,072	36%
Repairs and maintenance	8,806,750	-	8,806,750	16,709,078	7,902,328	90%
Contracted services	1,890,000	-	1,890,000	1,732,500	157,500	8%
Grants and subsidies	-	-	-	-	-	-
Total Expenditure Payments	145,489,160	-	145,489,160	136,461,171	9,027,998	4%
Capital Expenditure Payments	23,040,000	-	23,040,000	9,998,770	13,041,230	57%

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Surplus					2,538,602	25,087,417	
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(Budget carryovers This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the Exchequer. Budget carryovers should not include third-party funds such as contractors' retention.)*

Budget notes

1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14

1. Transfer from other Govt entities - Highly Favorable. This over-realization of revenue is due to unforeseen additional disbursements or grants received mid-year from government entities, which were not factored into the original budget.
2. Sale of goods - Adverse. This underperformance is directly attributable to the under-realization of sale of farm produce revenue due to changes in climate (e.g., drought, excessive rain), which negatively impacted crop yield and livestock sales.
3. Rental Revenue from facilities - Highly Favorable. This significant over-realization is due to increased opportunities for the hire of facilities (halls, grounds, equipment) throughout the year, maximizing non-tuition revenue generation.
4. Other Income - Highly Favourable (Unbudgeted). This revenue was unbudgeted and realized from unexpected income sources, such as exams resits and recoveries for lost items by students.
5. Use of goods and services - Highly Favourable. This significant underspending is primarily due to lower student enrollment than anticipated. This reduced the demand for major consumables, including teaching materials, printing, and catering supplies, leading to substantial savings.
6. Compensation of Employee - Adverse. This overspending is due to unbudgeted increases in personnel costs, specifically the engagement of casual staff and the addition of salaries for Board of Management (BOM) teachers, which were not fully captured or provided for in the original budget.

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7. Board Expenses - Favourable. The underspending occurred because one board meeting that was scheduled towards the end of the term was conducted just after the financial year had officially ended, shifting the related expenses into the subsequent period.
8. Repair and Maintenance - Highly Adverse. This major overspending was necessitated by urgent and unforeseen repairs for dilapidated facilities. These essential works could not be deferred and required immediate action to ensure the safety and continuity of college operations, exceeding the contingency budget.
9. Other Expenditure - Adverse (Unbudgeted). This expenditure relates to the non-teaching staff tour that took place during the financial year, which was not provisioned for in the approved budget.

2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

Budget Reconciliation

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	2,538,602
1	Transfers from other govt entities and govt grants	-3,281,432
2	Rendering of services- fees from students	5,912,062
3	Sale of goods	1,038,476
4	Rental revenue from facilities and equipment	-6,090,955
5	Other income	-1,087,534
6	Use of goods and services	18,894,669
7	Compensation of employees	-2,339,924
8	Board / Council Expenses	218,072
9	Contracted Services	1,575,00
10	Repair and Maintainance	-7,902,328
	Closing Cash and Cash Equivalent as per the statement of Cash flows	10,811,446

19. Notes to the Financial Statements

1. General Information

Thogoto TTC is established by and derives its authority and accountability from Basic Education Act 2013. The Thogoto TTC is wholly owned by the Government of Kenya and is domiciled in Kenya. The Thogoto TTC's principal activity is to provide highly qualified Human Resources with requisite knowledge, skills and attitudes..

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

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

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Thogoto TTC. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>No impact of this standard to the College</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>No impact of this standard to the College</i>
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>No impact of this standard to the College</i>
IPSAS 46: Measurement	Applicable 1st January 2025

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	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>No impact of this standard to the College</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Thogoto TTC shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>No impact of this standard to the College</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>No impact of this standard to the College</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>No impact of this standard to the College</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the Thogoto TTC's financial statements arising from the exploration for and evaluation of

Thogoto Teachers Training College

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	<p>mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p><i>No impact of this standard to the College</i></p>
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iii. Early adoption of standards

Thogoto TTC did not early- adopt any new or amended standards in year 2024/2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

The Thogoto TTC 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 Thogoto TTC.

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.

a) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on 19th *July 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Thogoto TTC upon receiving the respective approvals to conclude the final budget. Accordingly, the college did not record additional appropriations. The college's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

b) Taxes

Current income tax

Thogoto TTC is among public learning institutions in Kenya. all public learning institutions are classified as not for profit making organizations and they enjoy tax exemptions and incentive from the Government because they provide services that positively influence social welfare. these services should be provided free of charge, below costs or at a very minimal cost. the not for profit making organizations include Charities/NGO's/Trusts, Churches, hospitals, schools among others. For not for profit making organizations to be excepted from income tax, it must have been established solely to:

- Relieve poverty or distress of the public
- advance religion or Education.

Thogoto TTC by virtue of being a public learning institution and classified as a not for profit making organization have been exempted from income tax.

Not for profit making organizations are exempted from income tax on income received from the activities of the organization if the income is wholly used to support the public and benefit purpose for which the organization was established to advance Education by training, diploma primary Teachers.

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.

b) Investment property

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

c) 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, Thogoto TTC recognizes such parts as individual assets with specific useful lives and depreciates them using the reducing balance method of depreciation. 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.

d) Leases

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

c) 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. Thogoto TTC amortizes its Intangible assets using the reducing balance method of amortization.

d) Biological Assets

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

e) Research and development costs

The Thogoto TTC expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Thogoto TTC 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.

f) 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. Thogoto TTC does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of Thogoto TTC and a financial liability or equity

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instrument of another Entity. At initial recognition, Thogoto TTC measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Thogoto TTC 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. Thogoto TTC recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

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

g) Inventories

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

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

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

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

Inventories (Continued)

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or

distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Thogoto TTC.

h) Provisions

Provisions are recognized when Thogoto TTC 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 Thogoto TTC 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

Thogoto TTC 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

Thogoto TTC 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 Thogoto TTC 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.

i) 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. Thogoto TTC recognises a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that Thogoto TTC will incur in fulfilling the present obligations represented by the liability.

j) Nature and purpose of reserves

Thogoto TTC creates and maintains revaluation reserves. The policies adopted in maintaining revaluation reserves are ;-

- 1) Transfer Proportionately as the Asset Is Depreciated -Each year, the excess depreciation resulting from revaluation is transferred from revaluation reserve to retained earnings.
- 2) Transfer Entire Reserve When Asset Is Disposed - Upon sale or derecognition, the whole balance relating to that asset is transferred to retained earnings.

k) Changes in accounting policies and estimates

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

l) Employee benefits

Retirement benefit plans

Thogoto TTC does not provide 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. (

m) Foreign currency transactions

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

n) 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.

o) Related parties

Thogoto TTC regards a related party as a person or 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.

p) Service concession arrangements

Thogoto TTC 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, Thogoto TTC recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together

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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, Thogoto TTC also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

q) 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.

r) Comparative figures

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

s) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of Thogoto TTC'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. Thogoto TTC 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 Thogoto TTC. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Thogoto TTC.
- 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 not raised.

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

6. Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional Grants		
Operational Grant	15,081,432	16,603,816
Total Government Grants and Subsidies	15,081,432	16,603,816

(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
Ministry of Education	15,081,432	-	-	15,081,432	16,603,816
Total	15,081,432	-	-	15,081,432	16,603,816

7. Rendering of Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Boarding equipment and stores	36,380,000.00	30,190,000
Teaching and learning materials	2,612,000	2,434,000
Activity	2,612,000	2,434,000
Repairs/ Rehabilitation	3,918,000	3,651,000
Motor Vehicle Replacement	7,836,000	7,302,000
Administration costs	3,265,000	3,042,500
Electricity water and conservancy	5,166,536	4,814,452

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L T&T	5,224,000	4,868,000
Teaching Practice	1,047,500	2,183,500
Student Council	251,400	511,400
Clubs and environmental	251,400	574,600
Examination fee	8,692,900	2,311,400
Medical	1,306,000	1,217,000
Personal emolument subsidy	11,257,720	10,490,540
ICT	5,224,000	4,868,000
Student ID	125,700	318,900
Spots Equipments	2,304,500	3,508,600
Total	97,474,656	84,719,892

8. Sale of Goods

Description	2024/2025	2023/2024
	Kshs	Kshs
Disposal of empties	23,100	7,600
Sale of farm produce	3,541,513	3,249,726
Dispersal of Scrap Metals	50,000	28,225
Total Revenue from Sale of Goods	3,614,613	3,285,551

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9. Rental revenue from facilities and equipment

Description	2024/2025	2023/2024
	Kshs	Kshs
Residential rent income	1,527,045	1,346,580
Contingent Rentals		
Hire of premises	51,377,656	43,448,383
Hire of Motor Vehicles	1,631,302	937,300
Hire of college grounds	835,400	675,000
Total Contingent Rentals	53,844,358	45,060,683
Total	55,371,403	46,407,263

10. Miscellaneous Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Exam Resit	293,480	
Teachers' welfare contributions		50,000
Non-Teaching welfare contributions		151,200
Dividends	1,832	5,007
Replacement of lost items	27,900	4,350
Graduation fee	762,490	-
Learning Toolkit Incomes		724,261
Total other income	1,085,702	934,818

11. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Teaching and learning materials	56,000	593,730

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Industrial attachment costs	914,030	667,887
Electricity	5,904,973	5,425,181
Activity Expenses	7,057,726	6,655,878
Administrations expenses	4,513,860	3,419,184
Travelling and Accommodation	5,998,546	4,321,289
Subscriptions to professional bodies	23,718	36,200
Student council expenses	713,870	13,000
Examination fees	2,553,470	4,914,100
Catering, conferences, and delegations	54,658,314	43,537,140
Fuel and oil	4,092,285	4,133,589
Utensils cookerries	366,514	236,725
Farm expenses	4,395,444	1,366.285
Students I.D. Expenses	82,500	110,180
Printing and stationery	514,080	4,165
Hire charges	297,505	66,500
Teachers welfare disbursement		148,000
Sports Equipment expenses	516,980	
Clubs and environmental expenses	21,625	
Internet expenses	1,021,685	939,692

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Boarding expenses	2,640,931	2,030,590
Medical expenses	296,547	298,957
Conferences/ workshops and seminars		50,000
Postage and courier services		564
Water	950	143,068
Advertisement		10,000
Bank Charges	51,538	45,059
Insurance	1,218,664	1,076,219
Safety and occupational health expenses	28,900	20,300
Professional & Consultancy Services	868,000	382,000
P.E. Kit Expenses	1,299,300	2,547,600
LTK Toolkit Expenses		930,642
Audit Fees	1,528,000	
Graduation Expenses	1,703,280	
Staff Social Development Expenses	757,094	
KNEC Honorarium	2,914,298	8,126,152
CDACC Honorarium	1,335,453	
Total good and services	108,346,080	92,249,876

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12. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	15,778,261	16,488,081
Casual Salaries	2,097,410	
Employee related costs - contributions to pensions and medical aids		1,384,076
Travel, motor car, accommodation, subsistence and other allowances		587,182
Housing benefits and allowances		61,200
Employee Costs	17,875,671	18,520,539

13. Board Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Meeting Allowance	381,928	427,669
Total	381,928	427,669

14. Depreciation and Amortization expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	8,380,816	9,656,544
Intangible assets	270,000	
Investment property carried at cost		
Total depreciation and amortization	8,650,816	9,656,544

15. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Motor Vehicle Maintenance	1,365,409	1,839,690
Machinery & Plant Maintenance	409,014	212,970
Building Maintenance	11,233,931	9,803,535
Sewerage & Water Maintenance	2,722,630	2,213,019
Roads & Grounds Maintenance	175,750	62,790
Computers & Printers Maintenance	1,111,943	828,922
Furnitures & Fittings Maintenance	579,001	1,107,697
Total Repairs and Maintenance	17,597,678	16,068,623

16. Contracted Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Contracted Security Services	1,890,000	1,890,000
Total contracted services	1,890,000	1,890,000

17. Grants and Subsidies

Description	2024/2025	2023/2024
	Kshs	Kshs
Education Initiatives and Programs		100,000
Total Grants and Subsidies		100,000

18. Cash and Cash Equivalents

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Current Account	10,226,321	10,178,430
Cash In Hand	585,125	425,672
Total Cash and Cash Equivalents	10,811,446	10,604,102

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1107134617	7,044,301	3,783,341
Kenya Commercial Bank	1107134544	3,568,749.80	1,367,341
Equity Bank.	0570296420382	-258,362	4,904,567
Family Bank	10200017790	-128.367	123,181
Sub- Total			10,178,430
b) Others			
Cash in Hand		425,381	425,672
Sub- Total		425,381	425,672
Grand Total		10,811,446	10,604,102

19. Receivables from Exchange transactions

19 (a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Fees Receivable- DPTE Y1	827,568	2,166,750
Fees Receivable DECTE Y2		1,523,228
Fees Receivable-DPTE Y2	6,315,346	233,132
Fees Receivable- DPTE Y3	272,129	127,849
Fees Receivable- DECTE Y3	1,127,061	2,013,071
Fees Receivable – Deferred Students	915,934	
Residential Rent Receivables	291,520	422,245
Receivables From Hire of Facilities	22,595,543	9,578,895
Receivables From Sale of Goods	468,129	
Total Current Receivables	32,813,230	16,065,170

19 (b) Long- term Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Non-Current Receivables	5,690,362	3,726,962
Total	-	-
Current Portion Transferred To Current Receivables	-	-
Total Non-Current Receivables	-	-
Total Receivables	5,690,362	3,726,962

19 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current FY	% of total	Comparativ FY	% of total
Less than 1 year	26,567,390	69.05%	16,064,44	81%
Between 1- 2 years	4,955,040	12.88%	71,676	0.40%
Between 2-3 years	3,329,906	8.65%	1,164,160	6%
Over 3 years	362,198	9.41%	249,126	12.60%
Total (a+b)	38,474,316	100%	19,792,13	100%

20. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Boarding Inventories	199,660	199,690
Dispensary Inventories	81,163	56,436
Kitchen Inventories	371,307	1,092,380
RMI Inventories		19,200
Farm Inventories		35,895
EWC Inventory		49,690
Total Inventories at lower of Cost and Net Realizable Value	652,130	1,453,261

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21. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2%	10%	13%	33%	10%			
At 1 July 2023 (previous year)	2,220,000,000	282,653,061	21,491,406	10,312,196	3,693,959	6,575,290	-	-	2,544,725,912
Additions				520,292		88,000			608,292
Disposals									
Transfers/Adjustments									
Revaluation									
At 30th June 2024 (previous FY)	2,220,000,000	282,653,061	21,491,406	10,832,488	3,693,959	7,247,437			2,545,918,351
Additions		598,770	9,400,000	952,607	181,000	280,000			11,412,377
Disposals									
Transfer/Adjustments									
Revaluation									
At 30th June 2025 (current year)	2,220,000,000	283,250,609	28,396,709	10,956,697	3,462,038	7,527,437			2,553,593,491
Depreciation And Impairment									
At 1 July 2023 (previous year)		8,707,567	9,034,375	2,158,745	1,932,017	1,615,988			23,448,692
Depreciation		5,478,910	2,491,406	816,113	406,602	463,512			9,656,543
Disposals									
Impairment									
At 30 Jun 2024 (current year)		14,186,477	11,525,781	2,974,858	2,338,619	2,079,500			8,242,819
Depreciation		5,328,322	1,424,323	913,928	296,247	417,996			8,380,815
Disposals									
Impairment									
Transfer/Adjustment									

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Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 30 th Jun 2025 (current year)		19,514,799	12,950,104	3,888,785	2,634,865	2,497,496			41,348,054
Net Book Values									
At 30 th Jun 2024 (previous year)	2,220,000,000	268,466,584	9,965,625	7,857,630	1,355,340	4,583,790			2,512,228,969
At 30 th Jun 2025 (current year)	2,220,000,000	263,735,810	15,446,605	7,067,911	827,172	5,029,941			2,512,107,440

Notes to the Financial Statements (Continued)

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).

21 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	2,220,000,000		2,220,000,000
Buildings	283,250,609	19,514,799	263,735,810
Plant And Machinery	7,527,437	2,497,496	5,029,941
Motor Vehicles including Motorcycles	28,396,709	12,950,104	15,446,605
Computers and Related Equipment	3,462,038	2,634,865	827,172.57
Office Equipment, Furniture, And Fittings	10,956,696	3,888,785	7,067,911
Total	2,553,593,490	41,486,051	2,512,107,440

22. Intangible Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost		
At beginning of the year		
Additions	1,800,000	
At end of the year	1,800,000	
Additions—internal development		
At end of the year	1,800,000	
Amortization and impairment		
At beginning of the year		
Amortization	270,000	
At end of the year	270,000	
Impairment loss		
At end of the year		
NBV	1,530,000	

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23. Trade and Other Payables

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade payables	9,360,928		2,379,513	
Prepaid fees- Previous years	252,779		4,500	
Deferred Students	51,420			
Prepaid fees- DECTE Y1	0			
Prepaid fees DPTE Y1	1,272,967		1,956,570	
Prepaid fees DECTE Y2			324,927	
Prepaid fees- DPTE Y2	1,410,379		156,018	
Prepaid fees-DPTE Y3	29,424		12,699	
Prepaid fees- DECTE Y3	106,853		126,142	
Total Trade and Other Payables	12,484,750		4,960,369	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	8,258,193	88%	4,817,028	99%
1-2 years	593,401	6%	4,500	1%
2-3 years	509,333	5%		
Over 3 years	0	0%		
Total (to tie to totals above)	9,360,928	100 &		100 %

Thogoto TTC also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. Thogoto TTC's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at a rate of 6% for the first ksh 8,000 and 6% for any amount above Ksh 8,000 per employee per month.

24. Cash generated from operations.

Surplus for the year before tax	2024/2025		2023/2024	
	Kshs		Kshs	
Adjusted for:	15,775,777			
Depreciation	7,756,673			
Working Capital Adjustments	23,532,451			
Increase in Inventory	(801,131)			
Increase in Receivables	18,473,416			
Increase in Payables	8,561,819			
Net Cash Flow from Operating Activities	12,819,721			

25. Financial Risk Management

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

Thogoto TTC's financial risk management objectives and policies are detailed below:

(i) Credit risk

Thogoto TTC 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.

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.

Thogoto TTC has significant concentration of credit risk on amounts due from 2007

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

(ii) Liquidity risk management

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

(iii) Market risk

Thogoto TTC is yet to put in place an internal audit function to assist it in assessing the risk faced by Thogoto TTC 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 an entity income or the value of its holding of financial instruments. The objective of market risk management is to manage and control

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

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

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

a) Foreign currency risk

Thogoto TTC has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

b) Interest rate risk

Interest rate risk is the risk that the Thogoto TTC'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

Thogoto TTC 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.

iv) Capital Risk Management

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Revaluation Reserve	2,582,317,177	
Retained Earnings	64,605,677	
Total Funds	2,646,922,854	
Total Borrowings	0	
Less: Cash and Bank Balances	10,811,446	

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Net Debt/(Excess Cash and Cash Equivalents)	-10,811,446	
Gearing	-0.41%	

26. Related Party Balances**Nature of related party relationships**

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

Government of Kenya

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

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

The transactions and balances with related parties during the year are as

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Transactions with Related Parties		
B) Purchases from related parties		
Purchases of electricity from kplc	5,904,973	5,425,181
Total	5,904,973	5,425,181
a) Grants /Transfers from the Government		
Grants from National Govt	15,081,432	16,603,816
Total	15,081,432	16,603,816
b) Key Management Compensation		
Compensation to Key Management	765,765	765,765
Total	15,081,432	16,603,816

27. Events After The Reporting Period

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

28. Ultimate And Holding Thogoto TTC

The Thogoto TTC is a Semi-Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

29. Currency

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

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20. 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.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Inaccuracies in the Financial Statements – Depreciation Variance of 523,001 Variance in Revaluation Reserve – ksh 28322732	The variance for Depreciation was reconciled The Variance for Revaluation Reserve was reconciled	Resolved	Resolved
2	Variances in Fees from students Variances in Revaluation Reserve	The variances were reconciled	Resolved	Resolved
3	Long-standing receivables from the Hire of Facilities	Dedicated Follow-up: A specific task force remains assigned to aggressively pursue the recovery of all debts in the category through formal demand letters and structured payment plans, effective immediately	Not Resolved	Not Resolved
4	Unsupported Rental Income	To immediately address this weakness and regularize all existing tenancies, the institution has Initiated the process of drafting comprehensive and legally sound tenancy agreements for all rental units is actively underway	Not Resolved	Not Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5	Non-Disclosure of Biological Assets	Immediate Action: The Farm Manager has been instructed to establish and maintain detailed animal registers recording births, growth stages (weight/age), consumption of feed, and estimated fair value for quarterly reporting.	Not Resolved	Not Resolved
1	Weak Controls in the Management of Students' Fees- Students Cleared Exams without Clearing Fees	Management acknowledges the need for stronger documentary evidence. The long-outstanding portion primarily consists of fees owed by students who have already graduated. The debts have not been written off as they are legally collectable. Management commits to recover unpaid balances and write off the Irrecoverable.	Not Resolved	Not Resolved
2	Lack of Approved Policy Documents	Management commits to ensuring that all necessary policy documents will be formally approved by the Board and effectively communicated and implemented across the institution. This action will fully establish the necessary institutional framework to ensure consistency, accountability, and regulatory compliance in all functional areas.	Not Resolved	Not Resolved
3	Failure to maintain the Asset Register	The Finance and Inventory teams are currently compiling a comprehensive, formal Fixed Asset Register. This process involves gathering historical purchase records and physical inspection data to	Not Resolved	Not Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		populate the FAR with all required financial and accounting details		

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Thogoto TTC responsible for the implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.

Mrs. Margaret W.C Khainga
Accounting Officer
 Date: 3/12/2025

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