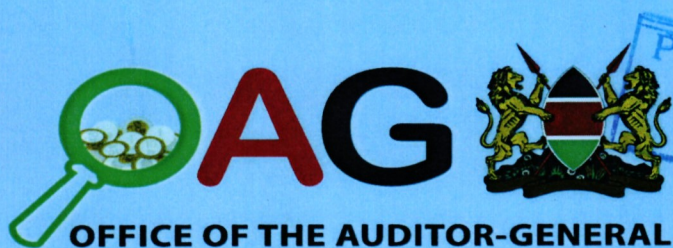


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 MAR 2023	DAY: TUESDAY
TABLED BY:	The Leader of the Majority Party (LOM)
CLERK-AT THE-TABLE:	Inzofu Mwale

REPORT

OF

THE AUDITOR-GENERAL

ON

**ST. AUGUSTINE TEACHERS'
TRAINING COLLEGE - EREGI**

**FOR THE YEAR ENDED
30 JUNE, 2021**



ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE, 2021**

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

St. Augustine Eregi Teachers' Training College was founded in 1949 by the Catholic Mill Hill Fathers to train T4 (P4) teachers. Subsequently, it was handed over to the Catholic Diocese of Kisumu and later to Kakamega Diocese.

In 1955, the College started training T3 (P3) and T2 (P2) teachers.

In 1960, the first group of T1 (P1) teacher-trainees, was admitted.

In 1967 Eregi Teachers' Training College became full Government managed institution upon absorbing Mukumu, Kibabii and St. Joseph's Kitale Teachers' Training Colleges which were hitherto being managed by the church.

(b) Principal Activities

In the year 2007, the Vision and Mission for the College were developed as follows: -

Vision

To be a leading Teacher Training and Education Centre.

Mission

Develop holistic primary school teachers through consistent quality training to face and adapt to the challenges of the society.

Motto

100% Discipline, Diligence and Dedication.

Core Values

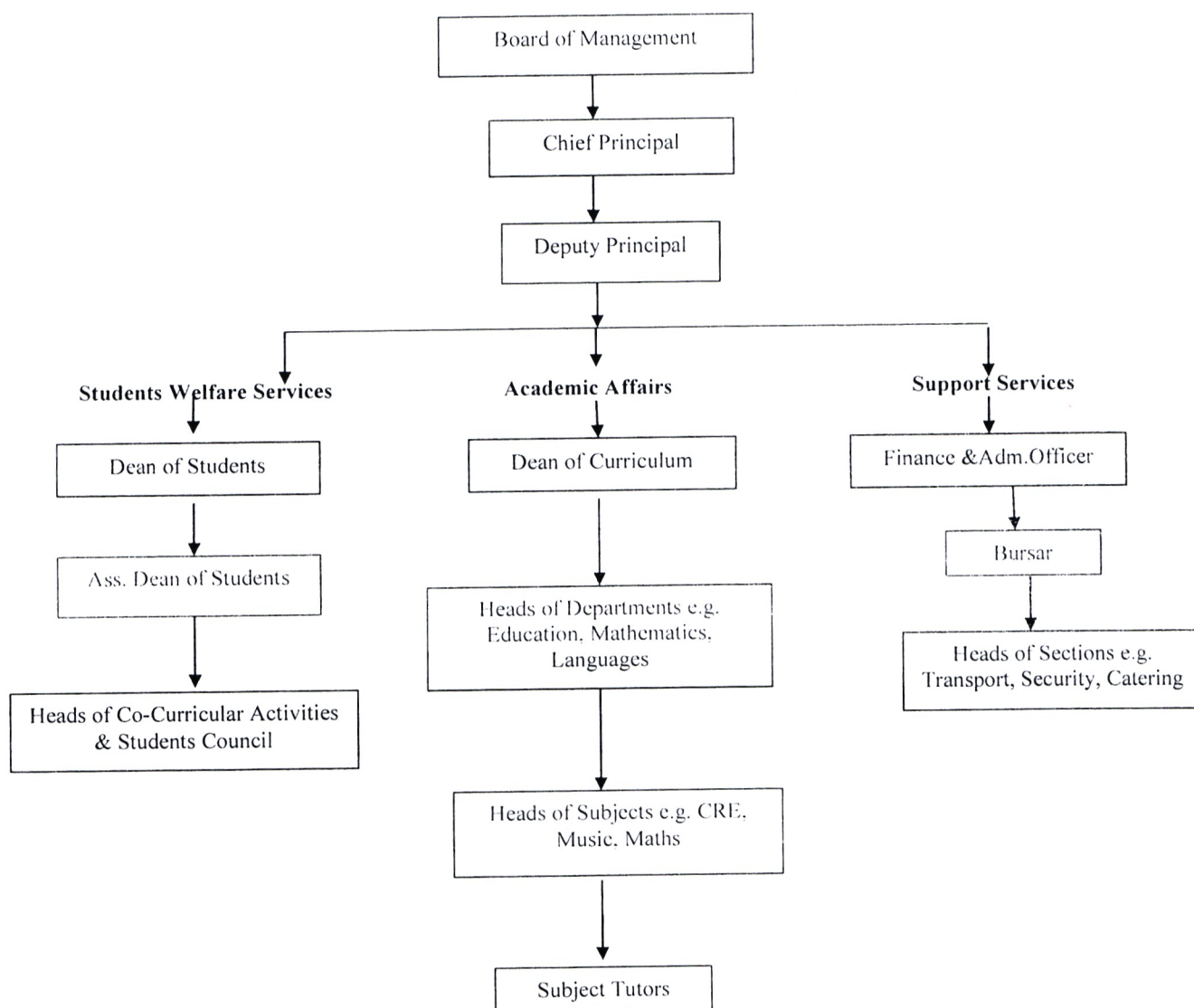
The following are the key living values that the College strives to inculcate among the students as well as the stakeholders:-

- (c) Godliness
- (d) Diligence
- (e) Discipline
- (f) Co-operation.
- (g) Dedication
- (h) Honesty
- (i) Integrity
- (j) Respect.
- (k) Courage
- (l) Obedience.

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(c) Key Management

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



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(m) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Mr. Katua G. Manundu
2.	Deputy Principal	Dr. Silas Chepkwony
4	Dean of Curriculum	Mr. Solomon Mirikau
5	Dean of students	Mrs. Susan Ligeve
6	Head of Finance	Mr. Josiah Egadwa
7	Bursar	Mr. Leonard Odendo
8	A/Clerk	Mr. Samuel Osengo

(n) Entity Headquarters

P.O. Box 100-50300
MARAGOLI
Eregi-Bushiangala Road
KAKAMEGA SOUTH, KAKAMEGA COUNTY - KENYA

(o) Entity Contacts

Telephone: 0202125380/0202424398
E-mail: info.eregicollege@gmail.com
Website: www.eregiteacherscollege.ac.ke

(p) Entity Bankers

Kenya Commercial Bank
Kakamega Branch
KENYA.

Equity Bank
Mbale Branch
KENYA.

Absa
Kakamega Branch
KENYA.

(q) Independent Auditors

Auditor General
Office of Auditor General
Anniversary Towers
Nairobi, Kenya.

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(r) Principal Legal Adviser

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

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II. THE BOARD OF MANAGEMENT

The current Board of Management is charged with responsibility of management of the College by the Basic Education Act, 2013, was dully formed by the County Education Board and inaugurated to start working on 23rd April, 2019. The membership is as follows: -

	Name: Rt. Rev. Joseph Obanyi Sagwe D.O.B : 10/03/1967 Key Qualifications: Doctorate in Canon LAW– Pontifical Lateran University, Rome. Work Experience: March 2015 to Date – consecrated Bishop of Catholic Diocese of Kakamega, 2004 to 2014 – Vicar General of the Catholic Diocese of Kisii, - Current Board Chairman, Eregi Teachers College
--	--

Name: Mr. Gerald Bulimo Makomere D.OB: 15/10/1956 Key Qualifications: Bachelor of Science (Agriculture) – university of Nairobi Work Experience: 2012 to date Board Member Eregi TTC, Deputy Chairman B.O.M. Eregi TTC 1982 -1985 – District Animal Production Officer, Ministry of Agriculture and Livestock Development – Busia and Kakamega Districts 1985 -2016 – Branch Manager Agricultural Finance Corporation.	
--	---

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Name: Dr. Collin K. Matamba

D.O.B:

Key Qualifications: Doctor of Philosophy in Conflict resolution and Management – Masinde Muliro University (MMUST).

Work Experience: 2015 to present – County Executive Member, Ministry of Health, Kakamega County.

2014 – 2015: Chief Officer – Ministry of Education, Kakamega County.

2012 – 2013: Senior Lecturer MMUST



Name: Dosiana Olivia Mukwila Ahindukha

D.O.B: 17.03.1957

Key Qualifications: BA (UON), PGDE Kenyatta University, Masters in Leadership policy in Education (Moi University)

Work Experience: 1990 – 2009 – Principal of St. Agnes Girls Shibuye, 2009 – 2012 – Principal St. Pauls Erusui Girls Secondary School.

2012 – 2017 – County Director of Education(TSC) Baringo and Homabay

Name: Mr. Richard Aiden Andabwa

D.O.B: 1950

Key Qualifications: Cambridge school Certificate 1968

Work experience: Retired banker



Name: Mrs Grace Amugotso Idala

D.O.B: 27/12/1947

Key Qualifications: Bachelor of Arts (Education) U.O.N 1973

Work Experience: 1997 – 2003 – Senior Principal Kaimosi TTC

1983 – 1984 – Headmistress Solian Girls

1978 – 1983 – Deputy Headmistress – Kenya High School

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	Name: Gabriel Fwaya D.OB: 12.6.1969 Key Qualifications: LLB Hons. University of Nairobi Work Experience: Practicing advocate for over 22 years
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Name: Mr. Matekwa John Gregory Khamati D.OB: 27/7/1968 Key Qualifications: Bachelor of Science and PGDE. Egerton University. Work Experience: 1995 – 2009 Teacher of Mathematics, Computer Studies and Physics at Pan Paper High School Webuye. 2010 – Date: Constituency Elections Coordinator – Webuye, Kitui Central, Ikolomani and Bondo Constituencies.	
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	Name: Pascal Atsenga Musonye D.OB: 1968 Key Qualifications: Master of Education 2002 Egerton University. Work Experience: Over 25 years of teaching and scripting and Directing of various Drama items/genres. Staff representative on the Board of Management Eregi TTC.
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	Name: Lydia Aluvala D.OB: 1968 Key Qualifications: B.Sc. in Food and Nutrition and Dietetics, 2015 – Kenyatta University Work Experience: Coordinator and trainer in various health promotion projects and programmes since 2002.
---	--

	Name: Otieno Titus Ojwang' D.OB: 3/05/1977 Key Qualifications: National Diploma in Land Surveying from the Kenya Institute of Surveying and Mapping - 2002. Work Experience: Has wide experience in various aspects of surveying in and outside Kenya. Currently is attached to the Ministry of lands in Busia since 2012
--	---

	Name: Genvieve Imbayi D.OB: 20/11/1970 Key Qualifications: BA -- Egerton University 1994 and Diploma in Human Resource Management by Kenya Institute of Management 2007. Work Experience: 2005 – 2016 Manager rehabilitation school in Kakamega 2002 – 2004 – District Childrens' Officer - Kakamega -currently the Sub county Childrens' officer in the Ministry of Labour and Social protection.
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Name: Makotsi Makotsi Jimmy

D.OB: 3/5/1958

Key Qualifications: BA (Hons) University of Nairobi.

Work Experience: Wide experience in the publishing industry as a manager and publisher. Currently in retirement published several Works.



Name: Gideon Manundu Katua

D.OB: 1965

Key Qualifications: MSc. (HRM) Jomo Kenyatta University
 B.Ed. (Sp. Education) Kenyatta University
 Diploma in Ed. (Sp.Ed.) Kenya Institute of Special Education

Work Experience: 33 years

Muangen Primary School	1 year	1985 – 1986 – Teacher
Yatwa Primary School	3 months	1988 – 1988 - Teacher
Nuu Special School	11 years	1988 – 1999 - H/Teacher
Kilimbabogo TTC	17 years	2002 – 2018 - Lect./DOC
Ugenya TTC	2 years	2019 – 2010 - DOS/ Deputy
Eregi TTC	1 year	2020 – to date Principal

Secretary to Board of Management – Eregi Teachers Training College

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MANAGEMENT TEAM

MANAGEMENT TEAM



Name: Gideon Manundu Katua

D.OB: 1965

Key Qualifications: MSc. (HRM) Jomo Kenyatta University
B.Ed. (Sp. Education) Kenyatta University
Diploma in Ed. (Sp.Ed.) Kenya Institute of Special Education

Work Experience: 33 years

Muangeni Primary School	1 year	1985 – 1986 – Teacher
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Eregi TTC	1 year	2020 – to date Principal

Secretary to Board of Management – Eregi Teachers Training College

	Name: Dr. Silas Chepkwony D.OB: 1st August, 1971 Key Qualifications: Doctor of Philosophy in Educational Planning and Management, Masinde Muliro University of Science and Technology 2010 – 2015. Med in Education Planning at Kenyatta University 2005 – 2009 B.Ed. (Arts) at Kenyatta University 1990 - 1994 Job Group D4 – Senior Principal Work Experience: <table><thead><tr><th>Year</th><th>Place</th><th>Responsibility</th></tr></thead><tbody><tr><td>Jan 2020 – date</td><td>Eregi TTC</td><td>Deputy Principal</td></tr><tr><td>Jan 2018 – Jan 2020</td><td>Mosoriot TTC</td><td>Dean of Curriculum</td></tr><tr><td>Jan 2017 –Jan 2018</td><td>Ugenya TTC</td><td>Dean of Students</td></tr><tr><td>Jan 2005 – Aug. 2005</td><td>Moi Kaptama Sec. School</td><td>Deputy Principal</td></tr></tbody></table>	Year	Place	Responsibility	Jan 2020 – date	Eregi TTC	Deputy Principal	Jan 2018 – Jan 2020	Mosoriot TTC	Dean of Curriculum	Jan 2017 –Jan 2018	Ugenya TTC	Dean of Students	Jan 2005 – Aug. 2005	Moi Kaptama Sec. School	Deputy Principal
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Jan 2020 – date	Eregi TTC	Deputy Principal														
Jan 2018 – Jan 2020	Mosoriot TTC	Dean of Curriculum														
Jan 2017 –Jan 2018	Ugenya TTC	Dean of Students														
Jan 2005 – Aug. 2005	Moi Kaptama Sec. School	Deputy Principal														
	Name: Mirikau Solomon D.OB: 1965 Key Qualifications: MEd. – University of Nairobi Work Experience: Has served as the Dean of Curriculum since 2011. He is a teacher of Language and has authored various titles for secondary and teacher training.															

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	Name: Susan Nduta Ligeve D.OB: 121/10/1969 Key Qualifications: BED Arts 1994 Moi University M.ED 2001 Educational Psychology – Moi University. Work Experience: Dean of Students – 2020 (confirmed) Ag. Dean of Students 2015 – 2020 1994 - School/2021 – Teacher Trainer 1994 – 2007 Okere Secondary School -Homabay
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	Name: Leonard Odendo D.OB: 7/7/1967 Key Qualifications: C.P.A I Work Experience: 2009 to date - Bursar Eregi TTC 1994 – 2009 - Accounts Clerk at Eregi TTC.
--	--

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(IV) CHAIRMANS' STATEMENT

St. Augustine Teachers Training College – Eregi is mandated to offer training in Diploma in Primary Teacher Education and Diploma in Early Childhood Teacher Education.

The board of Management is entrusted with the responsibility of providing leadership in designing conducive plans and strategies that contribute to sound financial management and accountability. This is anchored on the fact that prudent financial management dictates the smooth running of all other activities and an environment that steers quality training of teachers for the 21st century.

During the period 2020 - 2021, the Board of Management achieved the following:

- (a) Repair of college buildings
- (b) Construction of staff toilet (to be completed).
- (c) Paid non-teaching staff their salaries despite there being very few students. The reduced number of students led to reduced income for the college
- (d) Re-fencing of the college.
- (e) Management of statutory obligations such as Income Tax and NHIF.
- (f) Training of Teaching Staff in the Competency Based Curriculum
- (g) Managed recurrent bills such as electricity bills.

CHALLENGES

The period 2020 – 2021, the College grappled with the Covid-19 pandemic. This pandemic affected the running of the college in the following ways:-

- (a) Institutions were closed in March 2020 and re-opened in September, 2020. The College remained closed with no students who used to help with general cleaning of the compound as part of their training.
- (b) The period between December 2020 and September, 2021 was the transition from the 8-4-4- curriculum to the Competency Based Curriculum. There was no intake of PI students and the College remained with a handful of ECDE students. This affected the college in the following ways:-
 - ✓ Inadequate income from fee payment to run the college.
 - ✓ Poor rent collection since most of the resident members of staff were away.

Other challenges include:

- (a) Dilapidated infrastructure due to age.
- (b) Un-serviced college vehicles
- (c) Need for renovation some building
- (d) Leaking water storage tanks
- (e) Inadequate female hostels
- (f) Insufficient ablution blocks
- (g) The college border fence was affected by the construction of Chavakali-Bushangala Road
- (h) Poor fees payment by the students

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WAY FORWARD

- (a) Enhance fee collection
- (b) Revamp the farm activities for income generation
- (c) Installation of solar to save on electricity
- (d) Install energy saving jikos to save on charcoal and firewood.
- (e) Seek financial assistance from the Ministry of Education to improve the infrastructure.
- (f) Seek support from other stakeholders such as the County Government, National Government CDF.

Signed: _____

Rt. Rev. Joseph Obanyi Sagwe
Chairman Board of Management

ST. AUGUSTINE T.T.C-EREGI
P.O. Box 100 - 50300
MARAGOLI

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
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III. PRINCIPALS' REPORT

St. Augustine Teachers Training College – Eregi is a fully fledged teacher training college. The college is authorized to provide training in Diploma in Primary Teacher Education (DPTE) and Diploma in Early years Teacher Education (DECTE). Recently the college was mandated to carry out upgrade training program to Diploma for both ECDE Certificate and PI Certificate teachers. The vision of the College is to be a leading Teacher Training and Education Centre and a preferred choice for all those who aspire to be teachers. The mission statement is to develop holistic Primary School teachers through consistent quality training to face and adapt to the changes of the society, thus making our trainers the most marketable in the pool of teachers. The entire college community adheres to the college motto of 100% discipline, diligence and dedication. The college is guided by the values; Godliness, obedience, diligence, cooperation, respect, dedication, integrity and discipline,

The College sits on 58 acres of land and has great potential to be exploited. The College has the capacity to host national and inter- national events i.e. sports, meetings, marking, workshops etc. It has 37 members of teaching staff, all employed by the Teachers Service Commission. The Non-teaching staff under the Board of Management stands at 53. The teacher training offered is fully residential. The college has a capacity of housing 1000 students observing the Covid 19 protocol.

ACHIEVEMENTS

In the period 2020 – 2021 the College made the following achievements:

- (a) The last 2020 PTE exams were done in November 2020
- (b) Candidates with referrals were given a chance to attend classes and resist the papers in question.
- (c) Repairs were done in some areas that were wanting.
- (d) Ablution block for members of the teaching staff is under construction.
- (e) Water points and sanitation have been put in place in line with the Covid – 19 protocol.
- (f) Teaching staff were trained in the Competency Based Curriculum.
- (g) Electricity bills were paid
- (h) Part of the college was re-fenced.
- (i) Statutory obligations were met NHIF, Income tax.
- (j) Payment of recurrent expenditure such as salaries of the NTS

CHALLENGES

- (a) Due to the transition from 8.4.4. to CBC, there was no intake of PI students and the college remained with a handful of ECDE students finalizing under the 8.4.4. Curriculum. This affected the college in terms of fees collection which reduced significantly due to low enrolment.
- (b) Due to low enrolment, some members of staff were deployed to other stations, this left some staff houses vacant hence low rent collection.
- (c) Dilapidated structures in need of dire repair.
- (d) Inadequate female hostels due to Covid-19 requirements
- (e) Damage to college property (i.e fence & trees) when the main Chavakali – Bushangala Road was being upgraded.
- (f) Old leaking water storage tanks.

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WAY FORWARD

Possible solutions to these challenges include:

- (a) Revamping farm activities for income generating
- (b) Install energy saving jikos and reduce on firewood and charcoal
- (c) Installation of solar to save on electricity
- (d) Jump start the Eregi Alumnus
- (e) Seek financial assistance from stakeholders namely:- Ministry of Education and County Government of Kakamega.
- (f) The church sponsor, Non-governmental institutions.
- (g) Jumpstart the Eregi Alumnus

Signed: _____

ST. AUGUSTINE T.T.C-EREGI
P.O. Box 100 - 50300
MARAGOLI

Gideon K. Manundu

Senior Principal/Secretary Board of Management

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IV. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

St. Augustine Teachers' Training College - Eregi has six (6) strategic pillars and objectives within the current strategic plan for 2021-2022.

These pillars are as follows:-

1. Learning, Teaching and Educational Experience.
2. Research, Innovation and Enterprise
3. Staff, Organization Structure and Institution's Environment.
4. Resources, Infrastructure, Competitiveness and Commercial Income.
5. Inter-Institutional Collaboration.
6. Socio-Economic Engagement and External Stakeholders Partnerships.

St. Augustine Teachers' Training College - Eregi develops its annual work plans based on the above 6 pillars. The assessment of the Board's performance against its annual work plan is done on a quarterly basis. Eregi achieved its performance targets set for 2020-2021 period for its 6 strategic pillars as indicated in the diagram below:-

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Learning, Teaching and Educational Experience.	To sustain and further develop an inclusive learning community that empowers learners to be successful in a dynamic environment.	1. Develop an effective model that enhances St. Augustine TTC- Eregi engagement with different schools and the wider community.	1. Engage partnerships with schools in the community for teaching practice and graduate absorption. 2. Sustain Administration of continuous Assessment Tests.	- Improved performance in PTE and ECDE results - Improved teacher attendance
		1. Work with a diverse range of stakeholders.	1. Pilot admission of students with specific disabilities. 2. Review/develop the Disabilities Manual/Guidelines.	
Research, Innovation and Enterprise	To support sustainable learning and training through relevant and excellent collaborative research, innovation and knowledge based enterprise development.	1. Develop and a roadmap for research based approaches for learners and teachers.	1. Develop a research based model of teacher training in St. Augustine TTC- Eregi.	- Wifi installation - Increased hours for library - Issuance of electronic receipts
Staff, Organization Structure and Institution's Environment	To enhance our working environment and organizational structure to support all staff to perform to their full potential.	1. Enhanced training for Board of Management. 2. Supporting departmental strategic plans to meet St. Augustine TTC- Eregi master plan.	1. Enhanced Board of Management training. 2. Development of departmental work plan. 3. Departmenta and subject meetings 4. Preparation of schemes of work and lesson plans	- Timely revision program - Training of staff in CBC - Improved worker engagement
Resources, Infrastructure,	To continue to offer a competitive, modern.	1. Develop a Resource	1. Map out financial	- Link with

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Competitiveness and Commercial Income.	learning and research environment by providing a flexible, cost effective, commercially viable and fit for purpose connected infrastructure.	Strategy. 2. Develop strategies for optimized fees collection.	resources potential sources. 2. Establish a database of potential sources of alternative income.	potential stakeholders - Assistance from CDF - Decentralized decision making
Inter-Institutional Collaboration	To create a cross-disciplinary learning environment that builds on its capacity for developing and maintaining strategic consolidation and collaborative relationships with quality external partners in academic and talent identification and nurturing sectors regionally, nationally and internally.	1. Establish a working relationship with other tertiary institutions.	1. Memorandum of Understanding with partner institution for a status upgrade.	- Use of primary schools for teaching practice - Improved community relations - Use of college facilities by the community
Socio-Economic Engagement and external Stakeholder Partnership.	To construct and embed a sustainable and measurable approach to civil engagement (social, economic, cultural) that permeates St. Augustine TTC- Eregi curriculum and advances extra-institutional development.	1. External stakeholder engagement. 2. Assessment of St. Augustine TTC- Eregi external context.	1. Conduct a comprehensive stakeholder mapping exercise. 2. Conduct a needs analysis on perceptions of St. Augustine TTC- Eregi.	- Link with CDF, county and regional education offices - Link with internet providers e.g safaricom - Link with county government

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V. CORPORATE GOVERNANCE STATEMENT

The top management organ of St. Augustine Teachers' Training College - Eregi is the Board of Management. The Board runs its affairs through frequent board meetings. The meetings may be:-

- (i) Full Board meetings.
- (ii) Executive Board meetings.
- (iii) Board Committee meetings.

During this period, two (2) full board meetings were held with 15 and 14 members attending the first and the second meetings respectively.

Three (3) Executive Board meetings were held with all the seven executive members in attendance.

One Financial Board Committee meeting was also held with all the committee members attending.

Attendance in the executive board and financial committees vary depending on the agenda of the meeting.

On succession, the County Director of Education chairs the vetting committee of board members for appointment by the CS to the Board for a period of three (3) years. The Board is composed of PTA representative, DEB nominee, representative of the teaching staff, special interest groups, persons with special needs, student representative and coopted members. Board is inaugurated every after three (3) years, however, the Board Secretary who is the College Principal may stay for a shorter or longer period depending on how long he/she heads the College.

The appointment and removal of a board member is upon expiry and resignation of the said member.

Members of the Board are required to observe article 6 of the Constitution on leadership and integrity.

The College has a service charter that stipulates the service that clients can access and the timelines.

Appointment and removal of Board member is the mandate of the Cabinet Secretary (CS), Ministry of Education.

The roles and functions of the Board consist and but not limited to the following: -

- a) Promote the best interests of the institution and ensure its development;
- b) Promote quality education for all pupils in accordance with the standards set under this Act or any other written law;
- c) Ensure and assure the provision of proper and adequate physical facilities for the institution;
- d) Manage the institution's affairs in accordance with the rules and regulations governing the occupational safety and health;
- e) Determine cases of pupils' discipline and make reports to the County Education Board. (CEB) provide for the welfare and observe the human rights and ensure safety of the pupils, teachers and non-teaching staff at the institution;
- f) Allow reasonable use of the facilities of the institution for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may be determined including the charging of a fee;
- g) Administer and manage the resources of the institution;
- h) Receive, collect and account for any funds accruing to the institution;
- i) Perform any other function to facilitate the implementation of its functions under this Act or any other written law.

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The Performance of the Board was effective during the said period. The board carried out its functions diligently.

There are no conflicts of interest in the Board of Management.

The Board members are paid sitting allowance ranging from Ksh. 3,000 and Ksh. 7,000 when they have sittings/meetings.

To promote Ethics and Governance Audit, the Board members through sub-committees monitor the activities and programs in the college through the Principal. The books of accounts are also audited yearly by the County and Regional School Auditors. The Board members attend meetings when required.

VI. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

St. Augustine TTC-Eregi exists to transform lives. This is our purpose; driving force behind everything we do. It is what guides us to deliver our strategy. Putting the students' first, delivery of relevant services, and improving operational and academic excellence. Below is a highlight of strategies and activities that promotes the institution's strategic objectives.

Sustainability Strategy and Profile.

The institution has made deliberate efforts to ensure sustainability of its programs and priorities. These include but not limited to the following:

- Providing good working conditions for its workers so as to maintain a motivated work force.
- Continuous appraisal of the staff to maintain high standards of delivery.
- Providing conducive environment for students study so as to maintain high academic standards.

Environmental performance

- St. Augustine TTC-Eregi has ensured sustainability of the environment through establishment of a tree nursery. This has made it possible to have continuous replacement of mature harvested trees by planting more every year.
- Waste bins have been placed at strategic points to ensure proper disposal of the wastes.
- 5000 trees donated by equity bank were planted during 2020-21 period.
- The institution has sewerage and lagoons to ensure proper sewage disposal.
- Incinerator has been constructed.
- Waste management companies have been contracted to collect wastes that cannot be incinerated.

Employee welfare

- To ensure good employee welfare, the institution has undertaken the following: -
 - (i) CBA has been signed with KUDHEHA
 - (ii) To ensure gender equity, the institution has employed both men and women with 35 being men, and 18 women.
 - (iii) Embraced appraisal of both teaching and non-teaching staff.
 - (iv) Capacity building is key and a number of workers attended seminars during this period.
 - (v) Fire extinguishers have been installed in every building to ensure safety of people and property.

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FOR THE YEAR ENDED 30TH JUNE, 2021

(vi) Safety training on firefighting has been maintained to create awareness for the need of safety.

(vii) Employees in various sections have been provided with the right work gear and implements for their relevant work.

Market place practices-

- The institution has an open tender system where tenders are advertised and interested parties encouraged to apply.
- Reservation for special groups i.e. youth, women and persons living with disabilities is always provided as indicated in the procurement act.
- Consumer sustainability survey is carried out to find out the level of satisfaction.
- Quality control committee is in place for the vetting of goods and services provided
- Suppliers are paid for goods and services provided.
- Sensitization on health matters i.e. Covid-19 protocols undertaken
- Training programs for staff growth and development.

Corporate Social Responsibility/Community Engagements

The community benefits from the college in the following ways:

- Use of college facilities for community activities such as football etc.
- Engaging the community during cultural festivals
- Visiting the orphanage to donate foodstuffs and toiletries (Divine Providence Home)
- Cleaning the market during the Community Health Week
- Tenders given to members of the community to supply foodstuffs and labour
- Using local schools for teaching practice.
-

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

- A. Report on the 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 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 Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 St. Augustine Teachers Training College - Eregi set out on pages 1 to 16, which comprise the statement of financial

position as at 30 June, 2021, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the St. Augustine Teachers Training College - Eregi as at 30 June, 2021, 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 Public Finance Management Act, 2012, and the Basic Education Act, 2013.

Basis for Qualified Opinion

Property, Plant and Equipment

The statement of financial position reflects a property, plant and equipment balance of Kshs.15,043,885. The balance excludes an undetermined value of land measuring 21.5 hectares whose ownership documents were not provided for audit review. The balance also excludes buildings, furniture and fittings, computers, equipment and other assets that are owned by the institution.

Further, the College did not maintain an updated Assets register showing details relating to date of purchase, supplier, cost, location, accumulated depreciation and net book values.

In addition, the statement of financial performance does not include depreciation and amortization expenses as required by IPSAS Board.

In the circumstances, the accuracy, completeness and fair value of the balance of Kshs.15,043,885 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Augustine Teachers Training College - Eregi Management in accordance with ISSAI 130 on 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis totalling to Kshs.19,713,747 and Kshs.27,583,505 respectively, resulting to an overfunding of Kshs.7,869,758 or 40% of the budget. Similarly, the Fund spent Kshs.27,404,542 against an approved budget of Kshs.23,434,553 resulting to over-expenditure of Kshs.3,969,989 or 17% of the budget. This is therefore underbudgeting on funding leading to unauthorized expenditure on planning and implementation.

In the circumstances, proper budgetary control principles were not followed.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing 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

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 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 overall governance were not effective.

Basis for Conclusion

1. Lack of IT Business Continuity Plan and Disaster Recovery Plan

During the year under review, the College did not have a data recovery strategy plan, an offsite back-up storage facility and an IT strategic committee.

In the circumstances, it may not be possible to recover data in case of a calamity or disaster and the operations may be disrupted.

2. Lack of Internal Audit Function

During the year under review, the College did not have an internal audit function.

In the circumstances, Management did not receive the services and benefits of internal controls.

3. Lack of Board Charter and Work Plan

The College did not have a Board Charter and work plan for the year to guide them on how to run College business as required by Mwongozo Code of Governance for State Corporations guidelines.

In the circumstances, the oversight function offered by the Board was not effective.

4. Lack of Human Resource Policy and Finance Policy

In the year under review, Management did not have a Human Resource Policy and a finance policy. As a result, the management of finance and human resource affairs was carried out without proper guidelines.

In the circumstances, the existence on effective Human Resource Policy and Guidelines could not be established.

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 control, 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 Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the College's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or cease its operations.

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

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

The Board of 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015, and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015, and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may

occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi

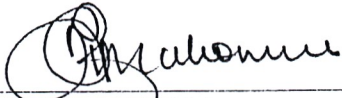
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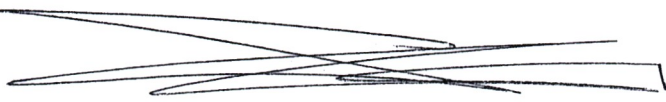
ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
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(xiii) STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2021

	Notes	2020/2021
Revenue from Non-exchange Transactions		Kshs
Transfer from the National Government-grants	6	14,910,332.00
Revenue Exchange Transactions		
Rendering of services-Fees from students	7	5,128,727.00
Sale of goods	8	274,870.00
Rental revenue from facilities	9	1,370,400.00
Other Incomes	10	139,000.00
Revenue Exchange Transactions		6,912,997.00
Total Revenue		21,823,329.00
Expenses		
Use of goods and services	11	18,345,671.00
Employee costs	12	16,079,729.00
Repairs and maintenance	13	1,080,323.00
Total expenses		35,505,723.00
Net Surplus/Losses for the year		-13,682,394.00

The Financial Statements set out on pages 1-16 were signed on behalf of the College Board of Management by;


CHAIRMAN B.O.M


FINANCE OFFICER/BURSAR


PRINCIPAL

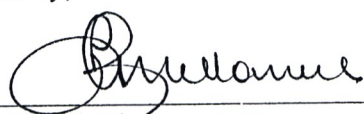
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(xiv) STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2021

	Notes	2020/2021
Assets		Kshs
Current Assets		
Cash and Cash Equivalents	15	1,617,844.00
Current portion of receivable from exchange transactions	16	847,158.00
Receivable from non-exchange transactions	20	7,330,166.00
Inventories	17	389,090.00
Total Current Assets		10,184,258.00
Non-current Assets		
Property plant and equipment	18	15,043,885.00
Long term trade receivables	21	34,388,923.00
Total non-current Assets		49,432,808.00
Total Assets		59,533,073.00
Liabilities		
Current Liabilities		
Trade payables and other payables	19	17,847,344.00
TOTAL LIABILITIES		17,847,344.00
Accumulated surplus/deficit		-13,682,394.00
Capital fund		41,685,729.00
Total fund		28,003,335.00

The Financial Statements set out on pages 1-16 were signed on behalf of the college Board of Management by;


CHAIRMAN BOM


FINANCE OFFICER/BURSAR

ST. AUGUSTINE T.T.C-EREGI
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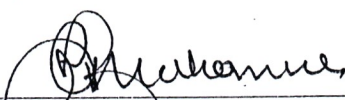

PRINCIPAL

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ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2021

(xvi) **STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2021**

	Notes	2020/2021
Cash Flows from Operating Activities		Kshs
Receipts		
Transfers from other government entities/grant		7,580,166.00
Rendering services -- Fees from students		4,833,169.00
Sale of goods		274,870.00
Rental revenue from facilities and equipment		40,000.00
Other Income		12,728,205.00
Total Receipts		25,456,410.00
Payments		
Compensation of employees		12,856,437.00
Use of goods and services		17,239,764.00
Repairs and maintenance		799,843.00
Total Payments		30,896,044.00
Cash flows from operating activities		-5,439,634.00
Cash and cash equivalents 1 July 2021		0
Cash and cash equivalents as at 30 June 2021	15	1,617,844.00

The Financial Statements set out on pages 1-16 were signed on behalf of the college Board of Management by;


CHAIRMAN B.O.M


FINANCE OFFICER/BURSAR


PRINCIPAL

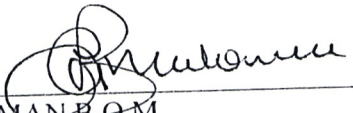
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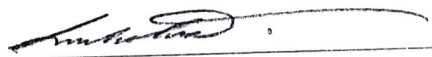
(xvii) **STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR
THE YEAR ENDED 30TH JUNE, 2021**

	Original Budget	Actual on Comparable	Performance Difference	Utilization Difference
	2020/2021	2020/2021	2020/2021	2020/2021
	Kshs	Kshs	Kshs	%
REVENUE				
Transfer from government grants	18,029,107.00	7,580,166.00	10,448,941.00	57.9%
Rendering of service-Fees from students		18,819,887.00	-18,819,887.00	100%
Sale of goods	481,240.00	290,102.00	191,138.00	39.7%
Tender	139,000.00	139,000.00	0.000	-
Rental income	1,064,400.00	313,950.00	750,450.00	70.5%
Seminar		440,400.00	-440,400.00	
TOTAL REVENUES	19,713,747.00	27,583,505.13	-7,869,758.13	
EXPENSES				
Compensation of employee-salaries	14,804,202.00	12,684,437.00	2,119,765.00	14.3%
Use of goods and services	8,630,351.00	14,720,105.06	-6,089,754.06	-70.5%
Total expenditure	23,434,553.00	27,404,542.06	-3,969,989.06	
Surplus for period	-3,720,806.00	178,963.07	-11,839,747.19	

The Financial Statements set out on pages 1-16 were signed on behalf of the College Board of Management by;


CHAIRMAN B.O.M


FINANCE OFFICER/BURSAR


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NOTES TO BUDGET ESTIMATES IN COMPARISON TO THE ACTUALS

1. Transfer of Government Grants

The College had expected to receive grants totaling to Ksh.18, 029,107.00. That meant we were to get a quarterly grant of Ksh.4, 507,276.75. The third and fourth quarters were not received totaling to Ksh.9, 014,553.50. This has made our utilization difference to be 57.9%

2. Sale of Goods

The College had anticipated receiving Ksh.481, 240.00 for sale of Farm produce but received only 290,102.00. The following are reasons for low income:-

- (i) The Poultry section was not in operation due to Covid-19 pandemic.
- (ii) There was persistent drought which made the production of vegetables to drop.
- (iii) Two fish ponds were not replenished due to lack of fingerlings in the market.
- (iv) We had anticipated harvesting honey but due to lack of enough bees only one beehive had bees.

3. Rental Income

The College didn't get the anticipated rental income of Ksh.1, 064,400.00 due to:-

- (i) Most of College rental houses were vacant after the transfer of tutors to other institutions.
- (ii) Some houses were converted into isolation centers for Covid-19 pandemic.

4. Compensation of Employees

The College had budgeted to pay salaries for year 2020/21 of Ksh.14,344,55.00. The College only paid up to April, 2021 due to non-transfer of grants for two quarters.

5. Use of Goods and Services

We received students who had not completed their course work in the year 2019/2020 due to Covid-19 pandemic. These students received services and had not been budgeted for in the year 2020/21.

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2021

I. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

St Augustine Teachers Training College Eregi is established by and derives its authority and accountability from Basic Education Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is Training of Primary Schools Teachers.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *St Augustine Teachers Training College Eregi* 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 6 - 21

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *St Augustine Teachers Training College Eregi*.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, Basic Education Act 2013 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
ANNUAL REPORT AND FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

Rental income arising from tenant occupation of staff houses is included in revenue.

b) Budget information

The original budget for FY 2020/2021 was approved by the Board of Management on 10TH December 2020.

St Augustine Teachers Training College Eregi budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

c) Taxes

Current income tax

St Augustine Teachers Training College Eregi is exempt from paying taxes.

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Property, plant and equipment

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

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
ANNUAL REPORT AND FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) 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. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the St Augustine Teachers Training College Eregi.

ST. AUGUSTINE TEACHERS' TRAINING COLLEGE - EREGI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

f) Employee benefits

Retirement benefit plans

The St Augustine Teachers Training College Eregi provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which St Augustine Teachers Training College Eregi 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.

g) Related parties

The St Augustine Teachers Training College Eregi regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the Board of Management, the Principal and Senior managers.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held 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 which were not surrendered or accounted for at the end of the financial year.

4. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions.

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

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Notes to the Accounts

6 Transfers from National Government Ministries

Description	2020/2021
	Kshs
Unconditional grants	
Operational grant	14,910,332.00
Total	14,910,332.00

7 RENDERING OF SERVICES

Description	2020/2021
	Kshs
Teaching Practice	36,300.00
Teaching Equipment & Stores	192,200.00
Electricity Water & Conservancy	273,960.00
Local Transport & Travel	31,924.00
Activity	37,000.00
Medical	29,100.00
Contingencies	176,632.00
Repairs, Maintenance & Improvement	102,700.00
Motor Vehicle Repairs	93,230.00
Vehicle Fund and Insurance	24,595.00
Boarding Equipment & Stores	1,337,015.00
Examination	2,579,750.00
Gratuity Fund	21,400.00
Rehabilitation fund	29,300.00
Computer Study	35,900.00
Personal Emoluments	105,916.00
Students Council	21,805.00
Total	5,128,727.00

8 SALE OF GOODS

Description	2020/2021
	Kshs
Sale of farm produce	254,070.00
Sale of mattresses	20,800.00
Total	274,870.00

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9 HIRE OF FACILITIES

Description	2020/2021
	Kshs
Hire of bus	10,000.00
Rental income	920,000.00
Seminar	440,400.00
Total	1,370,400.00

10 OTHER INCOME

Description	2020/2021
	Kshs
Tender income	139,000.00
Total	139,000.00

11 USE OF GOODS AND SERVICES

Description	2020/2021
	Kshs
Travelling/Accommodation/Fuel	1,632,864.00
Teaching Practice	31,270.00
Teaching Equipment & Stores	246,688.00
Power bills/Electrical Appliances	2,224,447.00
Catering	6,513,389.00
Activity	7,000.00
Purchase of Drugs	118,792.00
Contingencies	597,658.00
Examination Payment	2,644,250.00
Rental Expenses	11,690.00
Tender Expenses	34,500.00
Tree Harvesting	282,500.00
Covid-19 Works and Materials	764,945.00
Seminar	70,115.00
Court deposits	774,968.50
Vehicle Fund & Insurance	2,369,125.00
Caution	200.00
Farm inputs	21,270.00
Total	18,345,671.00

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12 EMPLOYEE COST

Description	2020/2021
	Kshs
Salaries and wages	15,100,341.00
Gratuity	979,388.00
Total	16,079,729.00

13 REPAIRS AND MAINTENANCE

Description	2020/2021
	Kshs
Repair of Building and Furniture	880,125.00
Motor Vehicle Repairs	200,198.00
Total	1,080,323.00

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DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS		
KENYA COMMERCIAL BANK	Account Number	2020/2021 Kshs
College Fund	1103649949	449,416.00
Main Account	1103650041	4,996.00
Gratuity A/C	1102432768	43,547.00
Caution	1102498793	92,183.00
Vehicle Account	1102498890	223,995.00
Seminar Account	1102498599	3,892.00
Examination	1102466212	46,052.00
Farm Account	1118464095	77,140.00
ABSA ACCOUNT- Rent	2025584395	474,344.00
14EQUITY BANK-ECDE	0960261258013	64,239.00
		1,479,804.30
Cash on Hand		138,040.00
Grand Total		1,617,844.00

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16 RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2020/2021
	Kshs
Student Debtors	295,558.00
Rent Debtors	535,100.00
Advance	16,500.00
Total Current Receivables	847,158.00

17 INVENTORIES

Description	2020/2021
	Kshs
Stationery	50,511.00
Maintenance Stores	224,754.00
Health Unit Stores	7,445.00
Cleaning Materials Stores	37,440.00
Catering Stores	68,940.00
Total Inventories at Realizable Value	389,090.00

18 PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles	Total
COST VALUE	Kshs	Kshs
Additions		
Net Book Value	15,043,885.00	15,043,885.00

19 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2020/2021
	Kshs
Payables	17,847,344.00
Total Trade and Other Payables	17,847,344.00

20 RECEIVABLES FROM NON EXCHANGE TRANSACTIONS

	2020/2021
	Kshs
National Government/MOE Grants	7,330,166.00
Total Deferred income	7,330,166.00

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Long Term receivables from Exchange Transactions	2020/2021
	Kshs
Student Fees Arrears	32,174,544.00
Other Receivables	1,694,179.00
Rent	520,200.00
Total Long Term Receivables	34,388,923.00