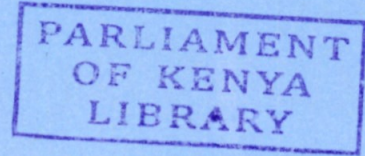


REPUBLIC OF KENYA



**REPORT**



**OF**


**THE AUDITOR-GENERAL**

**ON**

**SEME TEACHERS TRAINING COLLEGE**

**FOR THE YEAR ENDED**

**30 JUNE, 2025**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: 07 APR 2025	
DAY: Tuesday	
TABLED BY:	Hon. Samuel Chepkong'o MP
CLERK-AT THE-TABLE:	A. Shibusko

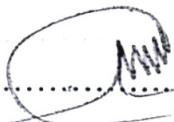
Seme Teachers College  
Annual Report and Financial Statements for the year ended 30th June 2025

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In preparing the financial statements, the Principal has assessed the *College's* ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that the *College* will not remain a going concern for at least the next twelve months from the date of this statement.

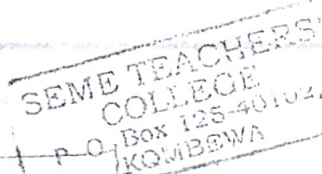
**Approval of the financial statements**

The *College's* financial statements were approved by the Board on 28<sup>TH</sup> August 2025 and signed on its behalf by:



Name: Prof. Samwel Okuro

Chairperson of the Board



SEME TEACHERS' COLLEGE  
P.O. Box 125-40102,  
KOMBWEA

Name: Lorraine Mukoya

Accounting Officer/Chief Principal

**11. Statement of Board of Governors/ Board's Responsibilities**

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

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

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

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

**Seme Teachers College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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**10. Report of the Board/Board of Governors**

The Board members submit its Financial Statement for the FY 2024/2025 which show the state of affairs of the college. The college has not been audited since its inception in the year 2019.

**Principal activities**

The principal activities of the college continue to be; offering of training to teacher trainees at Diploma Level

**Results**

The results of the College for the year ended June 30 are set out on page 1-4

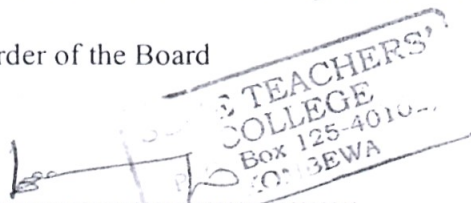
**Board/Board of Governors**

The members of the Board /Board who served during the year are shown on page vi-x

**Auditors**

The Auditor General is responsible for the statutory audit of the *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 of Management**  
**Seme Teachers College**

**Date:** .....

**Seme Teachers College**  
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The college pays its suppliers and service providers in time. For the year under review, suppliers were paid upto the last month of supply except for suppliers who supplied items towards the end of the Financial Year. The suppliers have since been paid

**Corporate Social Responsibility / Community Engagements**

There were no major CSR projects/services during the Financial Year.

**Seme Teachers College**  
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## **9. Environmental and Sustainability Reporting Statement**

### **Sustainability strategy and profile**

The college procures most of the goods and services competitively. Public advertisements are made and all individuals and companies are allowed to bid. 30% of the tenders are reserved for minority groups i.e women, PLWD and the youth. Local suppliers are encouraged to bid for all the tenders. Currently over 50% of our suppliers are from the surrounding community

### **Environmental performance**

- The college planted over 150 trees during the Financial Year. A number of trees withered due to bad weather while others were removed to give room for construction work going on in the college
- On waste management, we still use traditional ways of burning solid waste while sharp objects and bottles from the college clinic are taken to Kombewa Sub-County Hospital for disposal. The new hostel under construction was fitted with a bio-digester which is a clean solid/water management unit.
- Waste bins are located at strategic places to facilitate waste segregation and management

### **Employee welfare**

- The Board of Management has tasked the Finance Committee to come up with a Human Resource Policy that will guide future employment, promotions and discipline of staff. Currently the Board advertises for vacancies publicly for the public to apply.
- To improve skills, the college facilitates staff for relevant workshops. The college is considering having an appraisal and reward system. These will be captured in the Human Resource Policy yet to be developed by the Board
- The Board of Management sponsored the Doc, DOS and the Bursar for a senior management training at Thogoto Teachers College
- In order to enhance safety in the work place, the employees are provided with safety working materials like; masks, hand gloves, gumboots and all the buildings are fitted with fire extinguishers

### **Market place practices-**

The organisation should outline its efforts to:

#### **a) Responsible competition practice.**

To promote fair competition, most of our goods and services are procured through open tender and invitation for quotation.

#### **b) Responsible Supply chain and supplier relations**

**Seme Teachers College**  
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**8. Management Discussion and Analysis**

**Key Projects During the Year**

- NG-CDF Seme constituency started the Phase one of construction of eight classrooms. Four classrooms were built and are currently in use
- Phase one of 520 capacity ladies hostel is complete and the ladies are using it. Phase two is expected to start in July 2025
- NG-CDF National Board is currently constructing a Learning Resource Centre. The project will be completed by October 2025

**Compliance with Statutory Requirements**

- The college has complied with all the statutory requirements including recovery of statutory deduction e.g NNSF, SHI, Affordable Housing Levy and NITA. These deductions have been paid in full to the relevant bodies within the stipulated time.

**Major Risks Facing the College**

- There are no major risks facing the college except for lack of land title for the land where the college sits. The college is in discussion with individuals who donated land to the college and soon the matter will be sorted.
- During the said Financial Year, one of the security guards unlawfully gained access to the Finance/Secretary Office and plucked seven cheque leaves. The Board of Governors handled the matter closely with the Kenya Police and DCI. The culprit was apprehended and taken to court. One of the cheques of Ksh. 74,550 which was erroneously paid by the bank was paid back by the bank after college's intervention

**Seme Teachers College**  
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All Board deliberations are officially communicated by the Board of Management Secretary who is also the Principal and Chief Executive Officer of the college. The other members can only make such communications with the express authority of the board

**xii. Terms of reference of the committee**

The committees of the board work on delegated authority by the full board. All deliberations of the committee must be approved by the full/executive board before they are implemented.

**xiii. Policy on related party transactions**

The current board is yet to develop a policy on related party transactions

**Seme Teachers College**  
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**v. Number of Board meetings held and the attendance to those meetings by members**

The full Board and the Executive Board met as indicated in the table below

No	Committee	No. of meetings	Attendance	Remarks
1.	Executive Board	3		
2.	Finance and General Purpose Committee	7		
3.	Audit and Risk Committee	0		
4.	Academic Standards	1		
5.	Discipline and Human Rights	1		
6.	College Infrastructure Committee	0		

**vi. Succession Plan**

The Board members serve for three years and may be elected back for a further one term depending on performance. Replacement of members who are removed as per the act are replaced by the Ministry of Education after getting recommendations from the BOM selection panel

**vii. Policy to Manage Conflict of Interest**

There is currently no documented policy on management of conflict of interest, however where a member is conflicted, the same is recorded in the minutes during meetings

**viii. Remuneration of Board of Management**

The Board members are not paid a salary but are reimbursed for transport during meetings. A flat rate of Ksh. 8,000 is paid to the members during full board meetings while the chair of the board is paid Ksh. 10,000. These figures were however changed effective 1<sup>st</sup> July 2025. The chairman will be paid Ksh. 12,000 while the rest of the members will be paid Ksh. 10,000. For committee meeting, the committee chair is paid Ksh. 8,500 while the other members are paid Ksh. 8,000. Individuals invited by the college to be in attendance are paid at the rate of regular board members

**ix. Ethics and Conflict**

Members are expected to carry themselves with decorum during meetings and are not expected to discuss the matters of the board with outsiders without the express authority of the board. The members are also guided by the provisions of chapter six of the Kenyan Constitution. Conflicts among the members are handled by the Discipline and Ethics Committee of the Board

**x. Governance and Audit**

The operations of the board are subject to both the internal and external auditors. This ensures that the Board does not overstep its mandate

**xi. Communication Policy**

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

The college does not have a strategic plan but the same is being worked on for the period 2026-2030

**7. Corporate Governance Statement**

**i. Appointment of Board members, Process of appointment and removal of directors, The size, diversity, and demographics of the Board, Existence of the board charter**

The appointment of the Board of Management members is the sole responsibility of the Ministry of Education through the County Education Board. The process starts with the constitution of a selection panel by the County Director of Education who chairs the panel. The panel proposes names from different categories as stipulated in the Basic Education Act. The Board members are drawn from diverse back ground including, professionals, PWD, special interest groups, the local community and is gender balanced. The proposed names are forwarded to the Cabinet Secretary in charge of Basic Education for approval, The current Board was appointed in ..... and will be in office for a period of three years to..... The act defines the procedure of removal of a member. The current board does not have a charter

**ii. Roles and functions of the board**

The functions of the Board include but not limited to the following;

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

**(iii) Induction, training, and development**

The current Board was inducted by the County Director of Education during the inauguration. A formal training has not been done to the Board but plans are underway to do so. We have included in the budget for the FY 2025/2026 money to train and induct the Board

**iv. Board and members performance**

The performance of the Board and Board members has been above board. Members are regular in meeting and constructively deliberate on the agenda at hand  
A total of four Full Board meetings were held during the year. The committees of the

**Seme Teachers College**  
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**14. Budget for FY 2025/2026**

The Board of Management has reviewed and approved the college's budget estimates for the financial year 2025/2026.

**15. Ongoing Challenges**

Despite notable progress, several challenges persist:

- Delays in securing land title deeds
- Lack of a college bus or van
- Absence of a substantive Deputy Principal
- Insufficient infrastructure (e.g., male hostel, dining hall, administration block, waste disposal systems)
- Poor drainage system
- Frequent electricity outages
- High student fee arrears
- Continued use of manual financial systems instead of an ERP solution

**Conclusion**

In closing, I wish to sincerely thank the Ministry of Education for disbursing grants for the 2024/2025 financial year. I kindly appeal for regular and timely release of future grants to ensure seamless operations at the college.



**Lorraine Mukoya**

Chief Principal / Secretary, Board of Management

**Seme Teachers College**  
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**6. Partnership with Soko Community**

As part of our expansion plans, we are in discussions with the Soko Community, who have expressed willingness to donate land for establishing a college annex. Stakeholder consultations are ongoing, and formal agreements will be drawn up in due course.

**7. Strategic Plan**

The college currently lacks an active strategic plan. However, a committee has been formed to develop one, and stakeholder input is being collected. We aim to complete and implement the plan by the end of FY 2025/2026.

**8. Land Title Deeds**

Efforts to secure title deeds for the college land are ongoing but have been delayed due to succession issues among the families who donated the land. We are considering involving the State Counsel to expedite the legal process, rather than relying on private law firms.

**9. Asset Valuation**

Due to the high cost of asset valuation, the college has not conducted a formal valuation exercise. Assets continue to be recorded at cost less depreciation in our financial reports.

**10. Fee Payment Challenges**

The college's operations rely heavily on student fees. Unfortunately, many students face difficulties in fee payment, which affects the smooth delivery of services.

**11. Social and Cultural Support**

We are grateful to our sponsor, the ACK Church, for providing regular spiritual support to our students.

Additionally, the college held a vibrant Cultural Week that allowed students to showcase their diverse backgrounds and traditions.

**12. Co-Curricular Activities**

The college actively participated in both regional and national co-curricular events, registering impressive performances. We are optimistic about achieving even greater success in the future.

**13. Procurement**

Procurement of goods and services is conducted through open tendering. We also ensure inclusivity by reserving some opportunities for women, youth, and persons with disabilities.

**Seme Teachers College**  
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## **5. Report of the Chief Principal**

I am pleased to present a summary of the key developments, achievements, and challenges faced by the college during the 2024/2025 financial year. Overall, the year was largely successful, and the following areas are worth highlighting:

### **1. Student Enrolment**

The college currently has a student population of 528. We anticipate an increase with the next intake scheduled for September 2025.

### **2. Academic Programmes**

All academic activities proceeded smoothly throughout the year. Students completed their KNEC School-Based Assessments (both practical and online) successfully. Notably, internet connectivity remained stable, a marked improvement from previous years.

### **3. Staffing**

We are grateful to the Teachers Service Commission (TSC) for deploying over 15 new tutors, which has strengthened our staffing levels. However, the Physical Education department still lacks a designated tutor.

During the year, the TSC transferred the Dean of Students, and a replacement is yet to be appointed. Additionally, following the early retirement of our former Deputy Principal, Mrs. Mosenda, the position remains vacant. Mr. Kennedy Wera, the Dean of Curriculum, is currently serving in an acting capacity.

We also employed two new non-teaching staff: an Accounts Clerk and an IT Technician.

### **4. Board of Management**

The college is governed by a committed Board of Management appointed by the Ministry of Education. The Board operates through various committees and meets quarterly to review institutional progress and make key decisions.

### **5. Infrastructure Development**

We have witnessed steady growth in physical infrastructure. With support from NG-CDF Seme Constituency and Hon. Dr. James Nyikal, the construction of a 520-bed ladies' hostel has reached its second phase, while the eight-classroom block is nearing completion. A Learning Resource Centre, funded under NG-CDF's CSR initiative, is also in its final stages.

To cater to the anticipated increase in student numbers, a temporary 120-bed *mabati* structure is being constructed for use as a male hostel.

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In closing, I extend my heartfelt appreciation to the Chief Principal, teaching and non-teaching staff, our sponsor—the ACK Church—and the student body for their collaboration and dedication in supporting the growth of the college.

Thank you.



**Prof. Samwel Okuro**  
Chairman, Board of Management

#### 4. Chairman's Statement

The 2024/2025 financial year has been quite promising for the college. During this period, a new Board of Management was constituted, with several former members being reappointed. I extend my sincere gratitude to the Ministry of Education and the BOM selection panel for their confidence in our leadership. I also thank my fellow Board members for entrusting me with the responsibility of chairing the Board once again. I am committed to providing visionary leadership that will advance the college's development, and I ask for the continued support of all stakeholders as we work towards building a renewed Seme Teachers' College.

A major priority for this new Board is the formulation of a comprehensive strategic plan—something the college has lacked since its establishment. This plan will serve as a roadmap for the next five years. I wish the strategic planning team every success as they gather input from various stakeholders.

I also appreciate the Teachers Service Commission for deploying an additional fifteen tutors this year, a move that has significantly boosted the college's academic performance.

Efforts are ongoing to secure title deeds for the land on which the college stands. Although there have been some challenges, we are optimistic that these will soon be resolved.




In terms of infrastructure, I'm pleased to report significant progress, largely thanks to the support of the NG-CDF for Seme Constituency and the area MP, Hon. Dr. James Nyikal. The 520-bed ladies' hostel is now in its second phase, while the eight-classroom block is nearing completion. Additionally, the NG-CDF is funding the construction of a Learning Resource Centre, expected to be completed in the 2025/2026 financial year.

As part of our expansion strategy, we are in discussions with the Soko Community regarding the establishment of a college annex on their land. Talks are progressing well, and we look forward to forming a structured partnership soon.

Despite these positive developments, the college continues to face several key challenges, including:


- Absence of official land ownership documents
- Lack of a substantive Deputy Principal, as will be detailed by the Chief Principal
- Inadequate infrastructure: a dining hall, administrative block, and a proper male hostel (students currently reside in temporary mabati structures)
- Unreliable electricity supply
- Insufficient sanitation facilities, including toilets, septic systems, an incinerator, and a biodigester
- Lack of a college van or bus for transport needs

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3.	 <p><i>Christopher Oriyo</i> <b>Bursar</b></p>	<p>Date of birth 23<sup>rd</sup> June 1978</p> <p>Qualification: CPA PART II</p> <p>Duties</p> <ul style="list-style-type: none"> <li>- Custody and maintenance of books of accounts and accountable documents</li> <li>- Ensuring a proper record for each transaction is kept</li> <li>- Developing management mechanism of schools resources and statutory compliance</li> <li>- Working with auditors in ensuring accountability preparation</li> </ul> <p>Preparing regular financial report</p>
4.	 <p>Mrs. Rosemary Achila <b>Ag. Dean of Stdents</b></p>	<p>Date of birth 9th July 1967</p> <p>Qualification: Masters in Education – Kiswahili</p> <p>Duties</p> <p>Teaching</p> <p>Deals with Learners welfare including sharing information with learners, colleagues and other interested parties to promote learners success and development</p> <p>Other delegated duties</p>
5.	 <p>Mr. Caleb Asunda <b>Ag. Dean of Curriculum</b></p>	<p>Date of birth: 24<sup>th</sup> August 1974</p> <p>Qualification: Bed. (Arts)</p> <p>Duties</p> <p>Teaching</p> <p>Curriculum affairs</p> <p>Provision of administrative services and technical assistance to teaching staff in the areas of curriculum development, implementation and evaluation</p>

**Seme Teachers College**  
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**3. Key Management Team**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <i>Lorraine Mukoya</i> <i>Chief Principal</i>	<p>Date of birth: 30<sup>th</sup> January 1969</p> <p>Qualifications-  .M.Ed in Education Planning and Management (EPM)</p> <p>Duties  Teaching and administering teaching functions</p> <p>General administration</p> <p>Human Resource Management</p> <p>Financial Management and Control</p> <p>Any other relevant duties</p>
2.	<p style="text-align: center;">◦</p> <i>Mr. Kennedy Wera</i> <i>Ag. Deputy Principal</i>	<p>Qualification: Bachelors of Education Arts</p> <p>Duties</p> <p>Responsible for the provision of the operational management to ensure service delivery in the institution.</p> <p>The role further provides support to the head of the institution in the development and implementation of education plans, policies, programs and curriculum activities.</p> <p>Any other delegated duties</p>





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<p>14.</p>	 <p><i>Mr. John Mark Nangabo</i> <i>Tutors Rep</i></p>	<p>Date of birth: 1970</p> <p>Qualification: Bed Arts</p> <p>Work Experience Tutor (Seme Teachers College)</p>
<p>15.</p>	 <p><i>Geoffrey Alph Otieno</i> <i>Student Rep</i></p>	<p>Date of birth: 2003</p> <p>Qualification: KCSE (Pursuing Diploma in Primary Teacher Education)</p> <p>Work Experience Student</p>




**Seme Teachers College**  
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11.	 <p><i>Mr. Fredrick Osewe</i>  <i>Member</i>  <i>Chair of Academics Committee</i></p>	<p>Date of birth: 1963</p> <p>Qualification:  MED (Leadership and Management)</p> <p>Work Experience  Chief Officer Education- County  Government of Kisumu</p>
12.	 <p><i>Mr. George Okongo</i>  <i>Member</i></p>	<p>Date of birth: 1979</p> <p>Qualification:  Masters of Arts (Governance and  Development)</p> <p>Work Experience  CEC Finance – Kisumu County</p>
13.	 <p><i>Mrs. Grace Jowi Jobita</i>  <i>Member of Executive Board and</i>  <i>Finance Committee</i></p>	<p>Date of birth: 1972</p> <p>Qualification:  Masters in Community Health and  Development</p> <p>Work Experience  Plan International (South Sudan)</p>

**Seme Teachers College**  
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7.	 <p><i>Dr. Juliet Jagero</i> <i>Vice Chair</i></p>	<p>Date of Birth: 23rd /12/1971</p> <p>Qualification: PhD Kiswahili</p> <p>Work Experience Head of department languages Literacy and Communication Studies in Jamamogi Odinga University Chairperson BoM - Ratta and Sinyolo Girls Secondary Schools</p>
8.	 <p><i>Mr. Maurice Olwe</i> <i>Member</i> <i>Member of Academics Committee</i></p>	<p>Date of birth: 6th April 1965</p> <p>Qualifications: Bed. in Early Childhood Education and primary Option</p> <p>Work Experience Deputy Director Protocol Kisumu County</p>
9.	 <p><i>Mr. Edwin Gor</i> <i>Member of Discipline Committee</i></p>	<p>Date of birth: 23rd May 1967</p> <p>Qualification: Bed Arts</p> <p>Work Experience BoM member Chulaimbo Boys Secondary PTA Chair Kit Mikayi Mixed Secondary Lecturer Jaralam Academy</p>
10.	 <p><i>Mr. Tom Migot</i> <i>Member</i></p>	<p>Date of birth: 1960</p> <p>Qualification: Banking</p> <p>Work Experience Retired Banker- Commercial Bank of Africa</p>

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4.	 <i>Dr.EshaFaki Mwinyihaji</i> <i>Member</i> <i>Member of the Executive Board</i>	<p><b>Date of birth: 1971</b></p> <p>Qualification PhD Religion</p> <p>Work Experience She is currently the Chairperson of the Department of Religion, Theology and Philosophy at Maseno University.</p> <p>She is a 2012-2013 post-doctoral fellow with Foundation for Inter-religious and Intercultural Dialogue, University of Geneva. She received her MPhil in Islamic Studies from Moi University in 2001.</p>
5.	 <i>Moline Otieno</i> <i>Member</i> <i>Member of Finance Committee</i>	<p>Date of birth: 1983</p> <p>Qualification: MBA Finance</p> <p>Work Experience Branch Manager KCB Bank - Ugunja .</p>
6.	 <i>Mr. Joseph J. Owuor</i> <i>Member</i> <i>Member of Finance and Academics Committee</i>	<p>Date of birth:1952</p> <p>Qualification Bachelor of Education (Arts)</p> <p>Work Experience Retired Principal Asumbi Teachers College Members BoM St. Barnabas Girls and Diemo secondary schools</p>

**Seme Teachers Training College**  
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**1. The Board of Management**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <i>Dr. Samwel Okuro</i> <b>BOM Chairman</b>	Date of Birth :16th January 1974  -Qualification: PhD in Economic History, MA in History Bachelors of Education Arts  Work Experience Senior Lecturer school of Humanities Jaramogi Odinga University of Science and Technology
2.	 <i>Lorraine Mukoya</i> <b>Chief Principal/Secretary BOM</b>	Date of birth: 30 <sup>th</sup> January 1969  Qualifications- .M.Ed in Education Planning and Management (EPM)  Work Experience Chief Principal Seme Teachers College
3.	 <i>Godfrey Agwera Ndubi</i> <b>Chair – Finance Committee</b>	Date of birth: 10th May 1962  Qualifications: Bachelor of Commerce  Work Experience -Contractor;

**Seme Teachers College**  
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P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

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

**(k) Principal Legal Adviser**

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

**Seme Teachers College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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

**(e) Fiduciary Oversight Arrangements**

The Members of the Board of Management of the college were appointed by the Cabinet Secretary Ministry of Education on 19<sup>th</sup> June 2024.

The Board has the following committees

- i. Executive Board
- ii. Finance, Procurement and General Purpose Committee
- iii. Audit and Risk Committee
- iv. Academic Standards, Quality and Environment Committee
- v. Discipline and Human Rights Committee
- vi. College Infrastructure Committee

**(f) College Headquarters**

P.O. Box 125-40102  
Kombewa  
Kenya

**(g) College Contacts**

Telephone: (254)0112075087  
E-mail: semeteachcol@gmail.com  
Website: Not yet developed

**(h) College Bankers**

Kenya Commercial Bank (KCB)  
Kisumu Airport Branch

Equity Bank  
Kisumu Angawa Branch (NG-CDF Project)

**(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

**Seme Teachers College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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2. **Key College Information and Management**

(a) **Background information**

Seme Teachers College was incorporated/ established under the Basic Education Act 2015 Act in the year 2019. The College is domiciled in Kenya and is located in Seme Sub-County of Kisumu County. The college is under the Ministry of Education.

(b) **Principal Activities**

i. **The principal Activity** of the College is to offer training in Diploma in Primary Teacher Education (DPTE) and Diploma in Pre Primary and Primary Teacher Education (DPSTE), Diploma in Early Childhood Education (DECTE) and Upgrade to Diploma in Primary Teacher Education and Early Childhood Education (UDECTE)

ii. **Mission**

To provide quality teacher education and training that produces patriotic, competent, innovative and self-directing teachers

iii. **Vision:**

An Institution of all round teacher education and training

iv. **Core Values**

Professionalism, Integrity, Accountability and Team Work

(c) **Key Management**

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

- Board of Management
- Chief Principal and the Administrative staff

(d) **Fiduciary Management**

The key management personnel who held office during the period ended 31<sup>st</sup> March 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Chief Principal	Mrs. Lorraine Mukoya
2.	Ag. Deputy Principal	Mr. Kennedy Wera
3.	Ag. Dean of Curriculum	Mr. Caleb Asunda
4.	Bursar	Mr. Christopher Oriyo
5.	Ag. Dean of Students	Mrs. Rosemary Achila

**Seme Teachers College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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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
TTI	Technical Training Institute
TTC	Teacher Training College
KPEEL	Kenya Primary Equity in Learning
NG-CDF	National Government Constituency Development Fund
SBA	School Based Assessment
MOE	Ministry of Education

**B. Definition of Key Terms**

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

**Comparative Year**- Means the prior period.

**Seme Teachers College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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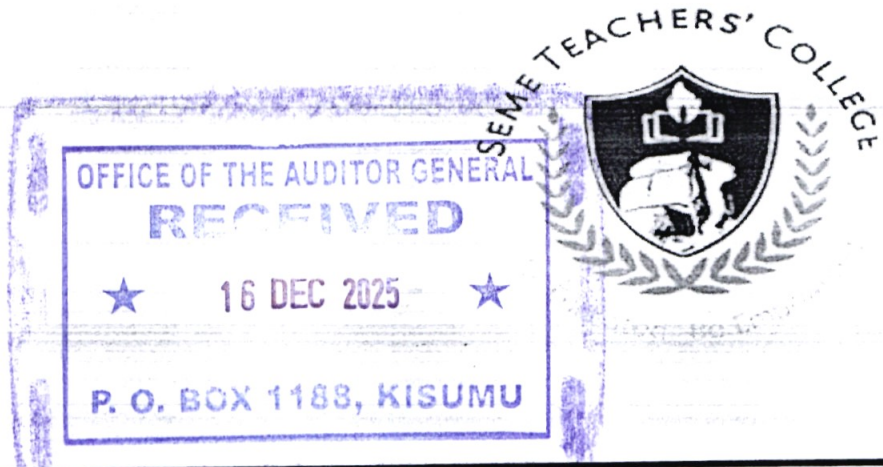
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***SEM TEACHERS TRAINING COLLEGE***

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2025**

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

# REPUBLIC OF KENYA

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**HEADQUARTERS**  
Anniversary Towers  
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NAIROBI

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

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### **PREAMBLE**

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

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

An Adverse Opinion is issued when the Auditor-General determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Adverse Opinion**

I have audited the accompanying financial statements of Seme Teachers Training College set out on pages 1 to 48, which comprise the statement of financial position as at 30 June, 2025 and the statement of 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of Seme Teachers Training College and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Basic Education Act 2013 and the Public Finance Management Act, 2012.

## **Basis for Adverse Opinion**

### **1. Inaccuracies in the presentation and disclosure of financial statements**

Review of the annual reports and financial statements revealed the following instances of non-compliance with the prescribed reporting template:

- i. The header title on Page vi does not indicate the year;
- ii. The statement of financial performance indicates line items: Quarter 4 received in July 2025/206 (Kshs.1,427,688); unrealized revenue (Current fee arrears) (Kshs.4,689,929) and unpaid creditors (Kshs.1,307,858) which should have been included in the respective components;
- iii. The column headings for the statement of financial position and statement of cash flow do not show the respective financial years as requires.
- iv. The statement of changes in net assets reflects notes which are in fact guiding instructions copied from the reporting template, which should have been removed or updated.
- v. The budget notes to the statement of comparison of budget and actual amounts do not include reasons for the over expenditure in use of goods and services, and under expenditures in employee costs and board expenses.
- vi. The financial statements do not include a budget reconciliation to reconcile the actual surplus of Kshs.1,940,500 reported in the statement of comparison of budget and actual amounts, and cash and cash equivalents at 30 June 2025 of Kshs.4,183,582 reflected in the statement of cash flows.

In the circumstances, the financial statements do not fully comply with the accounting standards as prescribed by the Public Sector Accounting Standards Board in according with Section 81(3) of the Public Finance Management Act, 2012 and, therefore, Management was in breach of the law.

### **2. Inaccuracies in the Financial Statements**

Review of the financial statements revealed the following inaccuracies:

#### **2.1. Inaccuracies in the Statement of Changes in Net Assets**

The statement of changes in net assets reflects an amount of Kshs.4,812,845 in respect of transfers of depreciation/amortization from capital fund to retained earnings. However, no schedules and journals were provided to support this amount.

## **2.2. Inaccuracies in the Statement of Cash Flows**

The statement of cash flows reflects Kshs.1,940,500 in respect of net cash flows from operating activities with no cash flows from investing and financing activities. However, the statement reflects Kshs.1,630,754 as net increase in cash and cash equivalent, resulting in unreconciled variance of Kshs.309,746. In addition, the statement shows an opening balance for cash and cash equivalent of Kshs.2,552,827, while the closing balance in the previous year's financial statements was Kshs.2,522,827, resulting in unreconciled balance of Kshs.30,000.

## **2.3. Inaccuracy in Note 6(a) – Transfers from Other Government Entities (Categorized)**

Note 6 (a) on transfers from other Government entities (categorized) reflects nil amount, while the statement of financial performance and Note 6 shows Kshs.4,108,164, resulting in an unreconciled variance of negative Kshs.4,108,164.

## **2.4. Inaccuracies in Note 46 – Cash Generated from Operations**

Note 46 on cash generated from operations reflects nil amount in respect of surplus for the year, while the statement of financial performance shows surplus for the year amount of Kshs.6,408,749, resulting in an unexplained variance of negative Kshs.6,408,749.

Similarly, the Note reflects nil amount in respect of net cash flow from operating activities, while the statement of cash flows shows a corresponding amount of Kshs.1,940,500, resulting in an unreconciled variance of negative Kshs.1,940,500.

Further, the Note reflects nil amount in respect of increase in receivables, while re-computation gives an increase in receivables of Kshs.1,117,617, resulting in an unreconciled variance of negative Kshs.1,117,617.

In addition, the Note reflects increase in payables of Kshs.700,000 as a negative amount instead of positive amount.

In the circumstances, the accuracy and fair presentation of the financial statements could not be confirmed

## **3. Variance between Financial Statement and Supporting Schedules**

The statement of financial performance, and as disclosed in Note 15 to the financial statements, reflects an amount of Kshs.40,162,334 in respect of use of goods and services. However, the supporting ledger provided for audit shows a corresponding amount of Kshs.40,893,500, resulting in an unreconciled variance of Kshs.731,165

Further, the statement of financial performance reflects an amount of Kshs.3,952,313 in respect of employee cost. However, the supporting schedule provided for audit indicates a corresponding amount of Kshs.5,010,861, resulting in unexplained and unreconciled variance of Kshs.1,058,548.

In the circumstances, the accuracy and completeness of the use of goods and services and employee costs amounts of Kshs.40,162,334 and Kshs.3,952,313 respectively, could not be confirmed.

#### **4. Misclassification of Expenditure under Employees' Costs**

The statement financial performance, and as disclosed in Note 16 to the financial statements, reflects an amount of Kshs.3,952,313 in respect of employee costs. However, this amount includes misclassified payments amounting to Kshs.495,000 for contracted security services.

In the circumstances, the classification, accuracy and completeness of employee costs amount of Kshs.495,000 could not be confirmed.

#### **5. Unsupported Depreciation and Amortization Expense**

The statement of financial performance, and as disclosed in Note 18 to the financial statements, reflects an amount of Kshs.949,368 in respect of depreciation and amortization expense for buildings and workshops, office equipment, and furniture and fittings. However, review of asset records provided for audit revealed that Management maintained a manual asset register which was incomplete and lacked relevant information such as depreciation rate, annual depreciation, accumulated depreciation and net book values. As a result, the depreciation and amortization expense as reported could not be reconciled and agreed with the asset register. Further, no asset register was maintained or provided for buildings and workshops. In addition, depreciation rates for property, plant and equipment were not indicated in the summary of significant accounting policies in the financial statements.

In the circumstances, the accuracy and completeness of the depreciation and amortization expense of Kshs.949,368 could not be confirmed.

#### **6. Unsupported Cash and Cash Equivalents**

The statement of financial position, and as disclosed in Note 26 to the financial statements, reflects a balance of Kshs.4,183,581.95 in respect of cash and cash equivalents. However, review of the cash records revealed the following anomalies:

- i. Included in the balance is Kenya Commercial Bank (KCB) Current account balance of Kshs.2,657,984 which differs with the bank balance of Kshs.1,661,873, resulting in a variance of Kshs.996,111. No explanation has been given for the variance.
- ii. Further, the balance includes Equity bank account balance Kshs.297,657 whose supporting bank statement, cash book, bank confirmation certificate or any document were not provided for audit.
- iii. In addition, the balance includes cash in hand balance of Kshs.348,965 and Imprest of Kshs.423,050 which were not supported by any documents.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.4,183,581.95 could not be confirmed.

## **7. Unsupported Property, Plant and Equipment**

The statement of financial position, and as disclosed in Note 32 of the financial statements reflects a balance of Kshs.30,420,490 in respect of property, plant and equipment. However, review of the assets records revealed that Management maintained a manual asset register that was incomplete and lacked details such as depreciation rate, accumulated depreciation, annual depreciation, and net book values. Therefore, the net book values as indicated in the property, plant and equipment movement schedule under Note 32 of the financial statement could not be reconciled or confirmed with the asset registers. In addition, no asset register maintained for land, buildings and workshops and no ownership document or title deed for land occupied by the College were provided for audit. Further, review of land records and related documents revealed that the land occupied by the College was donated by four (4) property owners. However, no survey was done to determine the sizes of land donated to the College and therefore the parcel number and actual size of land occupied by the College could not be determined.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.30,420,490 could not be confirmed.

## **8. Unsupported Expenditure on Use of Goods and Services**

The statement of financial performance, and as disclosed in Note 15 to the financial statements, reflects an amount of Kshs.40,162,334 in respect of use of goods and services. However, this amount includes payments amounting to Kshs.1,290,660 whose supporting relevant documents were not provided for audit.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.1,290,660 could not be confirmed

## **9. Unsupported Current Portion of Receivables from Exchange Transactions**

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.4,689,929 as disclosed in Note 27(a) to the financial statements. However, no aging analysis was provided to support the balance and Management did not explain the 47% increase from the previous year's balance of Kshs.2,500,000.

In the circumstances, the accuracy and completeness of the current portion of receivables from exchange transactions balance of Ksh.4,689,929 could not be confirmed.

## **11.0. Unconfirmed Opening Balances**

Review of the financial statement revealed unreconciled variances between the reported comparative (opening) balances and previous year's closing balances as detailed below:

<b>Component</b>	<b>Closing Balance 2023/2024 (Kshs.)</b>	<b>Opening Balance 2023/2024 (Kshs.)</b>	<b>Variance (Kshs.)</b>
Miscellaneous Income	296,000	224,150	71,850
Use of Goods and Services	19,101,287	17,283,630	1,817,657
Employee Cost	1,649,102	2,492,905	(843,803)
Board Expenses	586,805	1,261,035	(674,230)
Depreciation Expense	909,495	846,391	63,104
Cash and Cash Equivalent	2,522,827	2,550,527	(27,700)
Property Plant and Equipment	28,251,007	33,765,464	(5,514,457)

In the circumstances, the accuracy and completeness of the reported comparative balances could not be confirmed:

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects revenue budget of Kshs.45,160,000 against actual revenue of Kshs.48,251,066, resulting in over-collection of Kshs.3,091,066 or 7% of the budget.

In addition, the statement reflects use of goods budget amount of Kshs.36,905,640 and actual expenditure of Kshs.40,162,334, resulting in excess vote of Kshs.3,256,694. Further, the statement indicates repairs and maintenance budget amount of Kshs.1,140,000 and actual expenditure of Kshs.1,307,858, resulting in excess vote of Kshs.167,858

In the circumstances, the authorization of the excess votes could not be confirmed.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

## **Other Information**

The Management is responsible for the Other Information set out on page iii to xxvi which comprise of Key College Information and Management, Board of Management, Chairperson's Statements, Report of the Chief Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting Statement, Report of the Board of Governors and Statement of Board of Governors Responsibility. 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources sections of my report, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Lack of Approved Salary Structure**

Review of the Human Resource records revealed that the College lacked an approved salary structure to guide in matters relating to the employees' remuneration, contrary to Section 11(a) of the Salaries and Remuneration Commission (SRC) Act, 2011, which mandates the Commission to set and regularly review the remuneration and benefits of all State officers and advise the National and County Governments on the remuneration and benefits of all other public officers. In the absence of this structure, Management may not achieve the objectives of the salary structure which are to:

- i. Attract and retain key skills needed to achieve overall corporate objectives.
- ii. Achieve transparency in the remuneration package.

- iii. Provide adequate pay differentials to compensate for skill and ability, experience, performance and responsibility.
- iv. Relate pay to performance as a means of promoting positive culture and motivating employees towards higher levels of achievements.
- v. Provide adequate incentives for increased managerial efficiency, improved accountability and controls.

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

## **2. Non-Compliance with Board Guidelines**

Review of the Board of Management records maintained at the College revealed that the College held meetings without sending notices to the board members, contrary to Section 6(2) of the Fourth Schedule of the Basic Education Act, 2013, which states that every meeting of the Board of Management shall be convened by giving at least fourteen (14) days' notice in writing to every member unless three (3) quarters of the total members of a Board of Management otherwise agree.

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

## **3. Failure to Maintain an Imprest Register**

Review of the imprest records maintained by the College revealed that although ledgers provided for audit review show that the staff of the College were issued with imprests, the College did not maintain an imprest register to track the issue and surrender of imprest and account for outstanding imprests, contrary to Section 93(4)(b) of Public Finance Management (National Government) Regulations, 2015, which states that before issuing temporary imprests under Paragraph (2), the Accounting Officer shall ensure that the applicant has no outstanding imprests and the applicant has been recorded in the Imprest Register including the amount applied for.

In the circumstances, Management was in breach of the law

## **4. Failure to Provide Approved Staff Establishment**

During the year under review, it was noted that the College lacked an approved staff establishment, contrary to Section B.2 (1) of the Human Resource Policies and Procedures Manual for the Public Service (2016), which states that every ministry/state department shall prepare human resource plans to support achievement of goals and objectives in their Strategic plans. The plans shall be based on comprehensive job analysis and shall be reviewed every year to address emerging issues and needs.

In the circumstances, 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **Lack of Risk Management Policy**

Review of records revealed that the College lacked a risk management policy, an indication that the College did not have a framework for management of any risk and hence, it was not possible to identify, assess and control risks. As a result, it is not possible to define the entity's risk appetite and set the risk tolerance levels by identifying boundaries against unacceptable exposure to risks. This was contrary to Section 165(1) of the Public Finance Management (National Government) Regulations, 2015, stipulates that the Accounting Officer of a Government entity should develop risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations

In the circumstances, the effectiveness in risk management and the College's ability to carry out risk analysis and respond to the risk identified 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 Governors**

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

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

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

	Notes	FY 2024/2025	Comparative FY 2023/2024
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from National Government	6	4,108,164	3,708,836
Grants from donors and development partners	7	00	00
Transfers from other levels of government	8	00	355,000
Public contributions and donations	9	00	00
Quarter 4 received in July 2025/206		1,427,688	00
		<b>5,535,852</b>	<b>4,063,836</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	10	43,955,487	19,710,976
Sale of goods	11	00	00
Rental revenue from facilities and equipment	12	25,600	50,000
Finance income	13	23,651.15	00
Miscellaneous income	14	138,164	224,150
Unrealized revenue (current fee arrears)		4,689,929	
<b>Revenue from Exchange transactions</b>		<b>48,832,831.15</b>	<b>19,985,126</b>
<b>Total Revenue</b>		<b>54,368,683.15</b>	<b>24,048,962</b>
<b>Expenses</b>			
Use of goods and services	15	40,162,334.7	17,283,630.75
Employee costs	16	3,952,313	2,492,905
Board /Board Expenses	17	888,060	1,261,035
Depreciation and amortization expense	18	949,368	846,391
Repairs and maintenance	19	1,307,858	2,713,840
Unpaid Creditors		700,000	
Contracted services	20	00	00
Grants and subsidies	21	00	00
Finance costs	22	00	00
<b>Total Expenses</b>		<b>47,959,933.7</b>	<b>24,597,801.75</b>
<b>Other Gains/(Losses)</b>			
Gain on sale of assets	23	00	00
Gain/ Loss on fair value of investments	24	00	00

**Seme Teachers College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

Impairment loss	25	(00)	(00)
<b>Total Other Gains/(Losses)</b>		<b>00</b>	<b>00</b>
<b>Net surplus/(deficit) for the year</b>		<b>6,408,749.45</b>	<b>(548,839.75)</b>

*(The notes set out on pages 8 to 50 form an integral part of the Annual Financial Statements).*

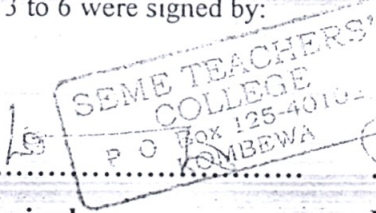
The Financial Statements set out on pages 3 to 6 were signed by:



**Chairman of Board/Board**

**Date**

29/8/25



**Principal**

**Date**

29/8/25



**Finance Officer**

**ICPAK No**

**Date**

29/8/25

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

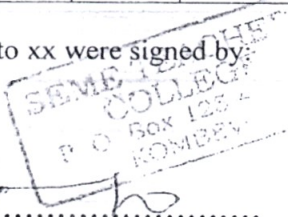
14. Statement of Financial Position As At 30th June 2025

Description	Notes	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	4,183,581.95	2,550,527.50
Current portion of receivables from exchange transactions	27(a)	4,689,929	2,500,000
Receivables from non-exchange transactions	28	1,427,688	00
Inventories	29	00	00
Investments in financial assets	30	00	00
Prepayments	31	00	00
<b>Total Current Assets</b>		<b>10,301,198.95</b>	<b>5,050,527.5</b>
<b>Non-Current Assets</b>			
Long term receivables from exchange transactions	27(b)	403,169	403,169
Investments	30	00	00
Property, plant, and equipment	32	30,420,490	33,765,464
Intangible assets	33	00	00
Investment property	34	00	00
Biological Assets	35	00	00
<b>Total Non-Current Assets</b>		<b>30,823,659</b>	<b>34,168,633</b>
<b>Total Assets (A)</b>		<b>41,124,857</b>	<b>39,219,160</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	36	700,000	00
Refundable deposits from customers	37	00	00
Current provisions	38	00	00
Finance lease obligation	39	00	00
Deferred income	40	00	00
Employee benefit obligation	41	00	00
Payments received in advance	42	00	390,207
Current portion of borrowings	43	00	00

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Description	Notes	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
Social Benefits	46	00	00
<b>Total Current Liabilities</b>		<b>700,000</b>	<b>390,207</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	39	00	00
Deferred income	40	00	00
Non-Current Employee Benefit Obligation	41	00	00
Non- Current Borrowings	43	00	00
Non-Current Provisions	44	00	00
Service Concession Liability	45	00	00
Social benefits	46	00	00
<b>Total non- current liabilities</b>		<b>00</b>	<b>00</b>
<b>Total Liabilities (B)</b>		<b>700,000</b>	<b>390,207</b>
<b>Net Assets (A-B)</b>		<b>40,424,857</b>	<b>38,801,253.5</b>
<b>Represented By:</b>			
Revaluation Reserves		00	00
Accumulated Surplus		13,549,401.95	7,140,652.5
Capital Fund		26,875,455.05	31,688,301
<b>Net Assets</b>		<b>40,424,857</b>	<b>38,828,953.50</b>

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



Chairman of Board/Board

Principal

Finance Officer

ICPAK No

Date

Date

Date

15. 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, 2024 (previous year)	00	7,140,652.5	31,688,301	38,828,953.5
Revaluation gain	00	-	-	00
Surplus/(deficit) for the year	-	6,408,749.45	-	6,408,749.45
Capital grants received during the year	-	-	00	00
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	00	(4,812,845.95)	-
At June 30, 2025	00	13,549,401.95	26,875,455.05	40,424,857

Note:

1. For items that are not common in the financial statements, the College should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).

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**16. Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	Insert	Insert
		Current FY	Comparative FY
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from National Government entities		4,108,164	3,708,836
Grants from donors and development partners		00	00
Transfers from other levels of government		00	355,000
Public contributions and donations		00	00
Rendering of services- fees from students		43,955,487	19,710,976
Sale of goods		00	00
Rental revenue from facilities and equipment		25,600	50,000
Finance income		23,651.15	00
Miscellaneous income		138,164	224,150
<b>Total Receipts</b>		<b>48,251,066.15</b>	<b>24,048,962</b>
<b>Payments</b>			
Use of goods and services		40,162,334.7	17,283,630.75
Employee costs		3,952,313	2,492,905
Board /Board Expenses		888,060	1,261,035
Repairs and maintenance		1,307,858	2,713,840
Contracted services		00	00
Grants and subsidies		00	00
<b>Total Payments</b>		<b>46,310,565.7</b>	<b>23,751,410.75</b>
<b>Net Cash Flows from operating activities</b>	47	<b>1,940,500.45</b>	<b>297,552.25</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(00)	00
Proceeds from sale of property, plant and equipment		00	00
<b>Net cash flows used in investing activities</b>		<b>(00)</b>	<b>(00)</b>
<b>Cash flows from financing activities</b>			
Proceeds From Borrowing		00	00
Repayment Of Borrowings		(00)	(00)
<b>Net cash flows used in financing activities</b>		<b>(00)</b>	<b>(00)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>1,630,754.95</b>	<b>(297,551.25)</b>
Cash and Cash equivalents at 1 JULY	26	2,552,827.00	2,336,011.00
<b>Cash and Cash equivalents at 30 JUNE</b>	26	<b>4,183,581.95</b>	<b>2,552,827.00</b>

*(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)*

17. 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
<b>Budget carryovers from the previous year*</b>	-	0	-	0	0	0
<b>Receipts</b>						
Transfers from other National Government entities	8,000,000	0	8,000,000	4,108,164	3,891,836	51.35%
Grants from donors and development partners	00	0	00	00	0	-
Transfers from other levels of government	..	0	..	00	0	-
Public contributions and donations	00	0	00	00	0	-
Rendering of services- fees from students	37,163,000	0	37,163,000	43,955,487	(6,792,487)	118.23%
Sale of goods	00	0	00	00	00	00
Rental revenue from facilities and equipment	00	0	00	25,600	(25,600)	-
Finance income	00	0	00	23,651.15	(23,651.15)	-
Miscellaneous Income	00	0	00	138,164	(138,164)	-
<b>Total Receipts</b>	<b>45,160,000</b>	<b>0</b>	<b>45,160,000</b>	<b>48,251,066.15</b>	<b>3,091,066.15</b>	<b>106.84%</b>
<b>Payments</b>						
Use of goods and services	36,905,640	-	36,905,640	40,162,334.7	3,256,694.7	108.83%
Employee costs	4,944,000	0	4,944,000	3,952,313	991,687	79.94%
Board /Board Expenses	2,170,000	0	2,170,000	888,060	1,281,940	40.92%
Repairs and maintenance	1,140,000	0	1,140,000	1,307,858	167,858	114.65%
Contracted services	00	0	00	00	00	-
Grants and subsidies	00	0	00	00	00	-
<b>Total Expenditure Payments</b>	<b>45,159,640</b>	<b>0</b>	<b>45,159,640</b>	<b>46,310,565.7</b>	<b>1,150,925.7</b>	<b>102.55%</b>
<b>Capital Expenditure Payments</b>	<b>00</b>	<b>0</b>	<b>00</b>	<b>00</b>	<b>0</b>	<b>0</b>
<b>Surplus</b>	<b>3,360</b>	<b>0</b>	<b>3,360</b>	<b>1,940,500.45</b>	<b>-</b>	<b>-</b>

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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 Exchequer. Budget carryovers should not include third-party funds such as contractors' retention.)*

*(Entities can present the Statement of Comparison of Budget & Actual amounts in a different format/categorization as approved by the governing body.)*

**Budget notes**

- The MOE grant was less as compared to the amount projected. Quarter four grant was received in the financial year 2025/2026
- A number of repairs and improvements were done in preparation for the September 2024 intake
- The fee payment went slightly high due to measures that were put in place by the college

**18. Notes to the Financial Statements**

**1. General Information**

Seme Teachers' College is established by and derives its authority and accountability from Basic Education Act. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is provision of Diploma in Primary and Pre-Primary Teacher Education.

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

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

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**3. Adoption of New and Revised Standards**

(When an IPSAS becomes effective on 1st January 20xx, it is applicable in Kenya from 1st July 20xx)

*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	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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 College. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>State the expected impact of the standard to the College if relevant</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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>State the expected impact of the standard to the College if relevant</i>
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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>State the expected impact of the standard to the College if relevant</i>
IPSAS 46: Measurement	<b><i>Applicable 1<sup>st</sup> January 2025</i></b>

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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"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the College if relevant</i></p>
<p>IPSAS 47: Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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 College 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>State the expected impact of the standard to the College if relevant</i></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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>State the expected impact of the standard to the College if relevant</i></p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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>State the expected impact of the standard to the College if relevant</i></p>
<p>IPSAS 50: Exploration For &amp; Evaluation of Mineral Resources</p>	<p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></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"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> <li>iii. Disclosures that identify and explain the amounts in the College's financial statements arising from the exploration for and evaluation of</li> </ol>

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	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. <i>State the expected impact of the standard to the College if relevant</i>
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**iii. Early adoption of standards**

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

#### 4. Summary of Significant Accounting Policies

##### a) Revenue recognition

##### i) Revenue from non-exchange transactions

##### **Transfers from other government entities**

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

##### ii) Revenue from exchange transactions

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

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

##### **Sale of goods**

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

##### **Interest income**

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

##### **Rental income**

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

**b) Budget information**

The original budget for FY 2024/2025 was approved by the Board or Board on 27<sup>th</sup> *June 2025*. The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

**c) Taxes**

***Current income tax***

The College is exempt from paying taxes

***Sales tax/ Value Added Tax***

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

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

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

**d) Investment property**

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

**e) Property, plant and equipment**

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

**f) Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the College. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The College also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the College will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**g) Intangible assets**

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

**h) Biological Assets**

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

**i) Research and development costs**

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

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

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

**j) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The College does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one College and a

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

### ***Financial assets***

#### ***Classification***

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

#### **Subsequent measurement**

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

#### **Amortized cost**

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

#### **Fair value through net assets/ equity**

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

### **Fair value through surplus or deficit**

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

### **Trade and other receivables**

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

### **Impairment**

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

### ***Financial liabilities***

#### ***Classification***

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

#### **k) Inventories**

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

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

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

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

### **Inventories (Continued)**

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

#### **l) Provisions**

Provisions are recognized when the *College* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *College* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

#### ***Contingent liabilities***

The *College* does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

#### ***Contingent assets***

The *College* does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *College* in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

#### **m) Social Benefits**

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

**n) Nature and purpose of reserves**

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

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

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

**p) Employee benefits**

**Retirement benefit plans**

The *College* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an *College* pays fixed contributions into a separate *College* (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. (*the College to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies*)

**q) Foreign currency transactions**

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

**r) Borrowing costs**

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

**s) Related parties**

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

**t) Service concession arrangements**

The *College* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *College* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *College* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**u) Cash and cash equivalents**

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

**v) Comparative figures**

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

**w) Subsequent events**

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

## 5. Significant Judgments and Sources of Estimation Uncertainty

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

### **Estimates and assumptions.**

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

### **Useful lives and residual values**

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

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

### **Provisions**

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

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

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

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**6. Transfers from National Government**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	00	00
Operational Grant	4,108,164	3,708,836
Development grants	00	00
Other Grants	00	00
<b>Total unconditional Grants</b>	<b>4,108,164</b>	<b>3,708,836</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Library Grant	00	00
Hostels Grant	xxx	00
Administration Block Grant	00	00
Laboratory Grant	00	00
Learning Facilities Grant	00	00
Other Organizational Grants	00	00
<b>Total Government Grants and Subsidies</b>	<b>4,108,164</b>	<b>3,708,836</b>

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

Name of the College Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative 2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
NG- CDF	00	00	00	00	355,000
<b>Total</b>	00	00	00	00	355,000

*(Ensure that the amount recorded above as having been received from the Ministry fully reconciles to the amount recorded by the sending Ministry. An acknowledgement note/receipt should be raised in favour of the sending Ministry.)*

*\*Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached.*

*(NB: Total of column 1 should tie to the first part of note 6 on unconditional grants)*

The details of the reconciliation have been included under appendix xxx

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7. Grants from Donors and Development Partners

Description	2024/2025	2023/2024
	Kshs	Kshs
JICA- Research Grant	00	00
World Bank Grants	00	00
In-Kind Donations	00	00
Donations transferred to revenue-conditions met	00	00
Other Grants (specify)	00	00
<b>Total Grants from Development Partners</b>	<b>00</b>	<b>00</b>

(a) Reconciliations of grants from donors and development partners

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Balance unspent at beginning of year</b>	<b>00</b>	<b>00</b>
Current year receipts	00	00
Conditions Met - Transferred to Revenue	00	00
<b>Conditions Yet To Be Met - Remain Liabilities</b>	<b>00</b>	<b>00</b>

(Provide brief explanation for this revenue)

8. Transfers from Other Levels of Government

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfer from County XX	00	00
Transfer from XX University	00	00
Transfer from XX Institute	00	00
<b>Total Transfers</b>	<b>00</b>	<b>00</b>

9. Public Contributions and Donations

Description	2024/2025	2023/2024
	Kshs	Kshs
Public Donations	00	00
Donations from Local Leadership	00	00
Donations from Religious Institutions	00	00
Donations from Alumni	00	00
Other Donations	00	00
<b>Total Donations and Contributions</b>	<b>00</b>	<b>00</b>

(Provide brief explanation for this revenue)

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**10. Rendering of Services**

Description	Current FY 2024/2025	2023/2024
	Kshs	Kshs
Boarding	14,913,858	7,803,288
Tuition Fees	975,039	518,211
LT & T	1,967,049	1,010,286
Medical	507,236	275,750
Activity Fees	973,624	516,945
RMI/Rehabilitation	1,439,961	757,799
VRM/Replacement	2,869,993	1,416,514
Admin Cost	1,198,976	612,602
Practicum	692,765	589,337
EWSC	1,875,907	589,337
Students Council	168,494	163,394
Personal Emoluments	3,939,517	1,835,866
ICT	1,827,964	917,447
Track Suit	717,845	664,020
Students ID	80,454	79,100
Clubs	165,165	161,230
Straw Board	78,500	78,210
Hockey Stick	778,765	732,540
KUCCCPs	452,195	00
KNEC/Exams	6,475,723	331,030
Fee arrears	562,750	510,050
Refunds (net)	1,293,707	0
Assessment Book		312748
<b>Total Revenue from The Rendering of Services</b>	<b>43,955,487</b>	<b>19,875,704</b>

Comprise of fee received from students

**11. Sale of Goods**

Description	2024/2025 Current FY	2023/2024
	Kshs	Kshs
Sale of Books	00	00
Sale of Publications	00	00
Sale of Farm Produce	00	00
Cafeteria sales	00	00

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Other sales (specify)	00	00
<b>Total Revenue from Sale of Goods</b>	<b>00</b>	<b>00</b>

*(Provide brief explanation for this revenue)*

**12. Rental revenue from facilities and equipment**

Description	2024/2025	2023/2024
	Kshs	Kshs
Hire of Facilities and Equipment	00	50,000
KNEC Administration	25,600	00
Operating Lease Revenue	00	00
Others ( <i>specify</i> )	00	00
<b>Total</b>	<b>25,600</b>	<b>50,000</b>

The college was used as an examination Centre for students having resits.

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**13. Finance Income**

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest on Savings Account	23,651.15	00
Interest income from treasury bills	00	00
Interest income from treasury bonds	00	00
Interest from outstanding debtors	00	00
Others ( <i>specify</i> )	00	00
<b>Total finance income</b>	<b>23,651.15</b>	<b>00</b>

*Interest earned on cash in colleges savings account (Motor vehicle Replacement Fund)*

**14. Miscellaneous Income and Recoveries (net)**

Description	2024/2025	2023/2024
	Kshs	Kshs
Insurance recoveries- NNSF	00	120,650
Insurance – SHA	00	35,520
PAYE	(786)	8,408
NITA	(5,650)	00
Bank charges on bounced cheque	2,190	00
PMC	00	00
Net income on tender application	65,500	00
Unpaid cheque	21,144	00
NTS Welfare	00	00
Housing Levy – Net	(35,034)	00
KPEEL Project – net	90,800	00
<b>Total other income</b>	<b>138,164</b>	<b>164,578</b>

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**15. Use of Goods and Services**

Description	2024/2025	2023/2024
	Kshs	Kshs
Boarding	19,110,717	8,551,521
Tuition	2,035,020	1,603,545
LT & T	1,028,400	1,339,215
Medical	430,035	107,600
Activity	5,790,360	3,018,196
RMI	1,307,858	00
Motor Vehicle	00	4,000
Administrative Cost	2,894,397.70	1,237,758.75
Teaching Practice	00	166,170
EWSC	1,345,665	472,596
Students Council	142,295	95,655
ICT	1,330,487	59,549
Track Suit	662,400	608,900
Students ID	81,200	900
Clubs and Environment	45,150	70,030
Straw Board	00	00
Hockey Stick	00	3,000
KUCCPS	808,500	00
KNEC	3,149,850	2,700
Assessment Book	00	1,200
<b>Total goods and services</b>	<b>40,162,334.7</b>	<b>17,283,630.75</b>

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**16. Employee Costs**

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	3,952,313	2,492,905
<b>Employee Costs</b>	<b>3,952,313</b>	<b>2,492,905</b>

**17. Board/Board Expenses**

Description	2024/2025	2023/2024
	Kshs	Kshs
Chairman's Honoraria	00	00
Board Members Transport Reimbursement	809,450	1,261,035
Other Board/Board Expenses/meals	78,610	00
<b>Total</b>	<b>888,060</b>	<b>1,261,035</b>

**18. Depreciation and Amortization expense**

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	949,368	949,368
<b>Total depreciation and amortization</b>	<b>949,368</b>	<b>949,368</b>

**19. Repairs and Maintenance**

Description	2024/2025	2023/2024
	Kshs	Kshs
General Repairs and Maintenance	1,307,858	2,713,840
<b>Total Repairs and Maintenance</b>	<b>1,307,858</b>	<b>2,713,840</b>

**20. Contracted Services**

Description	2024/2025	2023/2024
	Kshs	Kshs
Actuarial valuations	00	00
Investment valuations	00	00
Property valuations	00	00
Other (specify)	00	00
<b>Total contracted services</b>	<b>00</b>	<b>00</b>

**21. Grants and Subsidies**

Description	2024/2025	2023/2024
	Kshs	Kshs
Community Development	00	00
Education Initiatives and Programs	00	00
Social Development	00	00
Social benefits expenses	00	00
Community Trust	00	00
Sporting Bodies	00	00
Others (specify)	00	00
<b>Total Grants and Subsidies</b>	<b>00</b>	<b>00</b>

*Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42.*

**22. Finance Costs**

Description	2024/2025	2023/2024
	Kshs	Kshs
Borrowings (Amortized Cost)*	00	00
Finance Leases (Amortized Cost)	00	00
Unwinding of Discount from lease liabilities	00	00
Interest on Bank Overdrafts	00	00
Interest on Loans from Commercial Banks	00	00
Others (specify)	00	00
<b>Total Finance Costs</b>	<b>00</b>	<b>00</b>

*(\*Borrowing costs that relate to interest expense on acquisition of non-current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)*

**23. Gain On Sale of Assets**

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, Plant and Equipment	00	00
Intangible Assets	00	00
Other Assets not capitalised	00	00
<b>Total Gain On Sale of Assets</b>	<b>00</b>	<b>00</b>

**24. Gain/(loss) on Fair Value Investments**

Description	2024/2025	2023/2024
	Kshs	Kshs
Fair value on equity investments	00	00
Fair value arising from investment property	00	00
Fair value arising from biological assets	00	00
Fair value- other financial assets (specify)	00	00
<b>Total Gain</b>	<b>00</b>	<b>00</b>

**25. Impairment Loss**

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, Plant and Equipment	00	00
Intangible Assets	00	00
<b>Total Impairment Loss</b>	<b>00</b>	<b>00</b>

**26. Cash and Cash Equivalents**

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	753,582.5	1,884,093.5
On - Call Deposits	00	00
Savings Account	2,657,984.45	00
Cash in hand	348,965	638,734
Others – Un surrendered imprest	423,050	27,700
<b>Total Cash and Cash Equivalents</b>	<b>4,183,581.95</b>	<b>2,550,527.5</b>

*(The amount should agree with the closing and opening balances as included in the statement of cash flows)*

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1286979056	(774,234.50)	575,580.50
Kenya Commercial Bank	1286957184	1,230,160	812,856
Kenya Commercial Bank CA	1319611478	2,657,984.45	198,000
Equity Bank, etc.	1260279479091	297,657	297,657
<b>Sub- Total</b>		<b>3,411,546.95</b>	<b>1,884,093.5</b>
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		00	00
Equity Bank – etc.		00	00
<b>Sub- Total</b>		<b>00</b>	<b>00</b>
<b>c) Fixed Deposits Account</b>			
Kenya Commercial Bank		00	00
Bank B		00	00
<b>Sub- Total</b>		<b>00</b>	<b>00</b>
<b>d) Staff Car Loan/ Mortgage</b>			
Kenya Commercial Bank		00	00
Bank B		00	00
<b>Sub- Total</b>		<b>00</b>	<b>00</b>
<b>e) Others(Specify)</b>			
Cash in Transit		00	00
Cash in Hand		348,965	638,734
Mobile Money account		00	00
Imprest		423,050	27,700
<b>Sub- Total</b>		<b>772,015</b>	<b>666,434</b>
<b>Grand Total</b>		<b>4,183,581.95</b>	<b>2,550,527</b>

27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	4,689,929	2,500,000
Rent Debtors	00	00
Consultancy Debtors	00	00
Other Exchange Debtors	00	00
Less: Impairment Allowance	(00)	(00)
<b>Total Current Receivables</b>	<b>4,689,929</b>	<b>2,500,000</b>

27 (b) Long- term Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Non-Current Receivables</b>		
Previous years fee balances		403,169
<b>Total</b>		<b>403,169</b>
Current Portion Transferred To Current Receivables	403,169	
<b>Total Non-Current Receivables</b>	<b>403,169</b>	<b>403,169</b>
<b>Total Receivables</b>	<b>403,169</b>	<b>403,169</b>

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs	% of total	Kshs	% of total
	<b>Current F</b>	<b>% of total</b>	<b>Comparative FY</b>	<b>% of total</b>
Less than 1 year	4,689,929	92%	-	%
Between 1- 2 years	00	%	-	-
Between 2-3 years	419,636	8%	-	-
Over 3 years	00	00	00	%
<b>Total (a+b)</b>	<b>5,109,565</b>	<b>%</b>	<b>2,500,000</b>	<b>%</b>

**27 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions**

Description	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	00	00
Provisions during the year	00	00
Recovered during the year	00	00
Write offs during the year	00	00
At the end of the year	<b>00</b>	<b>00</b>

*(College to state the expected credit loss rates for various categories of its receivables. The College should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)*

**28. Receivables from Non-Exchange transactions**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Current Receivables</b>		
Capitation Grants*	00	00
Transfers from Other Govt. entities	1,427,688	00
<b>Total Current Receivables</b>	<b>1,427,688</b>	<b>00</b>

*(\*Receivables on capitation grants are recognised for monies received after year end but relating to the year under review).*

**28 (a) Ageing Analysis on Receivables from Non-Exchange Transactions**

Description	2024/2025		2023/2024	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,427,688	%	00	00
<b>Total</b>	<b>1,427,688</b>	<b>100%</b>	<b>00</b>	<b>00</b>

**28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions**

Description	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	00	00
Additional provisions during the year	00	00
Recovered during the year	00	00
Written off during the year	00	00
At the end of the year	<b>00</b>	<b>00</b>

**29. Inventories**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Consumable stores	00	00
Maintenance stores	00	00
Health Unit stores	00	00
Electrical stores	00	00
Cleaning Materials stores	00	00
Catering stores	00	00
Less: Impairment allowance	00	00
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>00</b>	<b>00</b>

*(Provide brief explanation on inventories)*

**Detailed disclosure on inventories**

	Insert Current FY	Insert Comparative FY
<b>Opening balance</b>	<b>00</b>	<b>00</b>
Additional Inventory in the year	00	00
Inventory expensed in the year	00	00
Write-downs in the year	00	00
Others specify	00	00
<b>Closing balance</b>	<b>00</b>	<b>00</b>

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**30. Investments in financial assets**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>a) Investment in Treasury Bills and Bonds</b>		
<b>Financial Institution</b>		
CBK	00	00
CBK	00	00
<b>Sub- Total</b>	<b>00</b>	<b>00</b>
<b>b) Investment with Financial Institutions/ Banks</b>		
Bank X	00	00
Bank Y	00	00
<b>Sub- Total</b>	<b>00</b>	<b>00</b>
<b>c) Equity Investments (Specify)</b>		
Equity/ Shares in Company Xxx	00	00
<b>Sub- Total</b>	<b>00</b>	<b>00</b>
<b>Grand Total</b>	<b>00</b>	<b>00</b>

*(College should disclose whether the fixed investment financial assets are measured at amortised cost or at fair value through changes in net assets/ equity) Investments in equity should be measured at fair value through surplus or deficit. Other information to be disclosed includes the interest rates, maturity dates, valuation methodology, and impairment of these investments.*

**d) Shareholding in other entities**

For investments in equity shares listed under note 30 (c) above, list down the equity investments under the following categories:

Name of College where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	Insert Current FY	Insert Comparative FY
	%	%	%	Kshs	Kshs	Kshs
College A	00	00	00	00	00	00
	00	00	00	00	00	00

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**31. Prepayments**

Description	<i>Insert Current FY</i>	<i>Insert comparative FY</i>
	Kshs.	Kshs.
Insurance	00	00
Rent	00	00
Water	00	00
Internet	00	00
Others ( <i>Specify</i> )	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

## 32. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Depreciation Rate</b>	<b>00</b>	<b>2.5%</b>	<b>12.5%</b>	<b>33.3%</b>	
<b>At 30<sup>th</sup> June 2024 (previous FY)</b>	<b>5,300,000</b>	<b>23,337,392</b>	<b>2,615,270</b>	<b>117,200</b>	<b>31,369,862</b>
Additions	00	00	00	00	00
Disposals	00	00	00	00	00
Transfer/Adjustments	00	00	00	00	00
Revaluation	00	00	00	00	00
<b>At 30<sup>th</sup> June 2025 (current year)</b>	<b>5,300,000</b>	<b>23,337,392</b>	<b>2,615,270</b>	<b>117,200</b>	<b>31,369,862</b>
<b>Depreciation And Impairment</b>					
<b>At 1 Jun 20XX (previous year)</b>	-				
Depreciation	-				
<b>At 30 Jun 20XX (current year)</b>		-	-	-	-
Depreciation	-	(583,434)	(326,908)	(39,026)	(949,368)
<b>At 30<sup>th</sup> Jun 20XX (current year)</b>	-				
<b>Net Book Values</b>					
<b>At 30<sup>th</sup> Jun 20XX (previous year)</b>	<b>5,300,000</b>	<b>23,337,392</b>	<b>2,615,270</b>	<b>117,200</b>	<b>31,369,862</b>
<b>At 30<sup>th</sup> Jun 20XX (current year)</b>	<b>5,300,000</b>	<b>22,753,957</b>	<b>2,288,361</b>	<b>78,172</b>	<b>30,420,490</b>

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**33. Investment Property**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
At beginning of the year	00	00
Additions	00	00
Disposal during the year	00	00
Depreciation	00	00
Impairment	00	00
Gain or loss on fair value- if fair value is elected	00	00
<b>At end of the year</b>	<b>00</b>	<b>00</b>

*(For investment property held at fair value, changes in fair value should go through the statement of financial performance. Where cost model is elected, depreciation and impairment should not be charged. Investment measured at fair value should be evaluated at the end of the reporting period for changes in fair value.). College should disclose the independent valuers, rental income from the investment property if any and the direct costs attributed to the investment property. Any charges on the investment property as well as any difficulty in classifying this asset as an investment property.*

**34. Biological Assets**

	2024/2025	2023/2024
	Kshs	Kshs
Trees in a plantation forest	00	00
Animals: Dairy Cattle, Pigs, Sheep	000	00
Others (Specify)	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

*(Provide the necessary disclosures)*

**35. Trade and Other Payables**

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade payables/Owing to suppliers	700,000		00	
<b>Total Trade and Other Payables</b>	<b>700,000</b>		<b>00</b>	
<b>Ageing analysis:</b>	<b>2024/2025</b>	<b>% of the Total</b>	<b>2023/2024</b>	<b>% of the Total</b>
Under one year	700,000	100%	00	00
<b>Total (to tie to totals above)</b>	<b>700,000</b>	<b>100%</b>	<b>00</b>	<b>00</b>

**36. Refundable Deposits from Customers/Students**

Description	2024/2025	2023/2024
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	Kshs	Kshs
Consumer deposits	00	00
Caution money	00	00
Other refundable deposits	00	00
<b>Total Deposits</b>	<b>00</b>	<b>00</b>

(Provide brief explanation)

**37. Current Provisions**

Description	Leave provisio n	Bonus provisio n	Gratuity Provisio ns	Other provisio n	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Balance at The Beginning of The Year</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
Additional Provisions	00	00	00	00	00
Provision Utilised	00	00	00	00	00
Change Due To Discount And Time Value For Money	00	00	00	00	00
Transfers From Non -Current Provisions	00	00	00	00	00
<b>Total Provisions</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

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**38. Finance Lease Obligation**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>At the start of the year</b>	<b>00</b>	<b>00</b>
Discount interest on Lease Liability	00	00
Paid during the year	00	00
<b>At end of the year</b>	<b>00</b>	<b>00</b>

**Maturity Analysis**

Period	Amount
	Kshs
Year 1	00
Year 2	00
Year 3	00
Year 4	00
Year 5 and Onwards	00
Less: Unearned Interest	00
<b>Total</b>	<b>00</b>

**Analysed as:**

Description	Amount
	Kshs
Current	00
Non- Current	00
<b>Total</b>	<b>00</b>

**39. Deferred Income**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
National Government	00	00
International Funding Bodies	00	00
Public Contributions and Donations	00	00
<b>Total Deferred Income</b>	<b>00</b>	<b>00</b>

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The deferred income movement is as follows:

Description	National government	International funders/donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	00	00	00	00
Additions during the year	00	00	00	00
Transfers to capital fund	00	00	00	00
Transfers to income statement	00	00	00	00
Other transfers	00	00	00	00
Balance carried forward	00	00	00	00

*Include columns as needed for the various sources of income deferred.*

**Analysed as:**

Description	Amount
	Kshs
Current	00
Non- Current	00
<b>Total</b>	<b>00</b>

#### 40. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	00	00	00	00	00
Non-Current Benefit Obligation	00	00	00	00	00
<b>Total Employee Benefits Obligation</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

#### Retirement benefit Asset/ Liability

The College operates a defined benefit scheme for all full-time employees from July 1, 20xx. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial valuers on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

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Description	2024/2025	2023/2024
	Kshs	Kshs
Discount Rates	00	00
Future Salary Increases	00	00
Future Pension Increases	00	00
Mortality (Pre- Retirement)	00	00
Mortality (Post- Retirement)	00	00
Withdrawals	00	00
Ill Health	00	00
Retirement	00	00

**Recognition of Retirement Benefit Asset/ Liability**

**a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:**

Description	2024/2025	2023/2024
	Kshs	Kshs
The return on defined plan assets	00	00
Actuarial gains/ losses arising from changes in demographic assumptions	00	00
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	00	00
Actuarial gains and losses arising from experience adjustments	00	00
Others ( <i>specify</i> )	00	00
Adjustments for restrictions on the defined benefit asset	00	00
<b>Remeasurement of the net defined benefit liability (asset)</b>	00	00

**b) Amounts recognised in the Statement of Financial Position**

Description	2024/2025	2023/2024
	Kshs	Kshs
Present value of defined benefit obligations(a)	00	00
Fair value of plan assets(b)	00	00
Funded status(=a-b)	00	00
Restrictions on asset recognised	00	00
Others ( <i>specify</i> )	00	00
<b>Net asset or liability arising from defined benefit obligation</b>	00	00

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The College also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The College's obligation under the scheme is limited to specific contributions legislated from time to time.

**41. Payments received in advance.**

Description	2024/2025	2023/2024
	Kshs	Kshs
Fees received in advance	00	00
Others (Specify)	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

**42. Borrowings**

Description	2024/2025	2023/2024
	Kshs	Kshs
Balance at beginning of the year	00	00
External borrowings during the year	00	00
Domestic borrowings during the year	00	00
Repayments of external borrowings during the year	00	00
Repayments of domestic borrowings during the year	00	00
Balance at end of the year	00	00

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43 a) Analysis of External and Domestic Borrowings

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>External borrowings</b>		
Dollar denominated loan from 'xx organization'	00	00
Sterling pound denominated loan from 'yyy organization'	00	00
Euro denominated loan from zzz organization'	00	00
<b>Domestic borrowings</b>		
Kenya shilling loan	00	00
<b>Total balance at end of the year</b>	<b>00</b>	<b>00</b>

43 b) Breakdown of Long and Short-Term Borrowings

Description	2024/2025	2023/2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	00	00
Long Term Borrowings	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

(NB: the total of this statement should tie to note 44 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

43. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	00	00	00	00	00
Additional Provisions	00	00	00	00	00
Provision utilised	00	00	00	00	00
Change due to discount and time value for money	00	00	00	00	00
Less: Current portion	00	00	00	00	00
<b>Total deferred income</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

(NB: The current portion deducted in this note should tie to line on current portion transferred from non- current provisions under note 38)

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44. Service Concession Arrangements

Description	2024/2025	2023/2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	00	00
Accumulated depreciation to date	00	00
Net carrying amount	00	00
Service concession liability at beginning of the year	00	00
Service concession revenue recognized	00	00
Service concession liability at end of the year	00	00

45. Social Benefit Liabilities

Description	2024/2025	2023/2024
	Kshs	Kshs
Health social benefit scheme	00	00
Unemployment social benefit scheme	00	00
Orphaned and vulnerable benefit scheme	00	00
People Living with disabilities benefit scheme	00	00
Elderly social benefit scheme	00	00
Bursary social benefits	00	00
<b>Total</b>	<b>00</b>	<b>00</b>
Current social benefits	00	00
Non- current social benefits	00	00
<b>Total (tie to totals above)</b>	<b>00</b>	<b>00</b>

*Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.*

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46. Cash generated from operations.

Surplus for the year before tax	2024/2025	2023/2024
	Kshs	Kshs
<b>Adjusted for:</b>		
Depreciation	949,368	
Non-Cash grants received	00	00
Contributed assets	00	00
Impairment	00	00
Gains and Losses on Disposal of Assets	00	00
Contribution to provisions	00	00
Contribution to impairment allowance	00	00
Finance Income	23,651.15	00
Finance Cost	00	00
<b>Working Capital Adjustments</b>		
Increase in Inventory	00	00
Increase in Receivables	()	00
Increase in Deferred Income	00	00
Increase in Payables	(700,000)	00
Increase in Payments received in advance	00	0
<b>Net Cash Flow from Operating Activities</b>	<b>00</b>	<b>00</b>

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)*

**47. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Contingent Assets</b>		
Insurance Reimbursements	00	00
Assets arising from determination of Court Cases	00	00
Reimbursable Indemnities and Guarantees	00	00
Others ( <i>Specify</i> )	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

**Contingent Liabilities**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Contingent Liabilities</b>		
Court Case Xxx against ( <i>The College</i> )	00	00
Bank guarantees in favour of subsidiary	00	00
Contingent liabilities arising from Contracts including PPPs	00	00
Others ( <i>Specify</i> )	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

(Give details)

**48. Events After The Reporting Period**

The MOE sent quarter four grants in the first week of July 2025/2026.

**49. Ultimate And Holding College**

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

**50. Currency**

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

