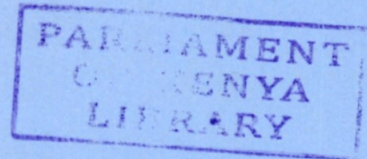


REPUBLIC OF KENYA



REPORT




OF

THE AUDITOR-GENERAL

ON

**GALANA TEACHERS
TRAINING COLLEGE**

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 APR 2026	
DAY: Tuesday	
TABLED BY:	Horr Samuel chepkong'ath
CLERK-AT THE-TABLE:	A. Chibuka



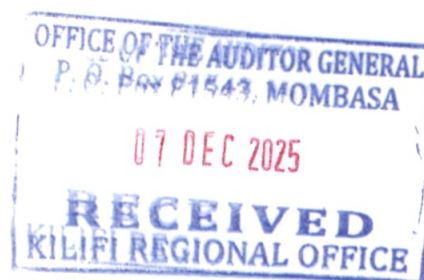
Republic of Kenya



Galana Teachers Training College

**GALANA TEACHERS TRAINING COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS**

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



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



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

TABLE OF CONTENTS

1.	Acronyms and Glossary of Terms.....	iii
2.	Key Galana TTC Information and Management.....	iv-xi
3.	Members of the Board of Management of Galana Teachers Training College.....	vii-xii
4.	Key Management Team.....	xii
5.	Statement from the Chairman of the Board of Management.....	xiii
6.	Report from the Principal.....	xiv
7.	Corporate Governance Statement.....	xv-xvi
8.	Management Discussion and Analysis.....	xvii-xviii
9.	Environmental And Sustainability Reporting.....	xix-xx
10.	Report of the Board of Management.....	xxi
11.	Statement of the Board Management’s Responsibility.....	xxii
12.	Report of the Independent Auditor.....	xxiii
13.	Statement of Financial Performance.....	1
14.	Statement of Financial Position.....	2
15.	Statement of Changes in Net Assets.....	3
16.	Statement of Cash flows.....	4
17.	Statement of Comparison of Budget and Actual Amount.....	5
18.	Notes to the Financial Statements.....	6-25
19.	Appendices.....	25-28



1. Acronyms & Glossary of Terms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTC	Teacher Training College
Fiduciary Management	Key management personnel who have financial responsibility in the entity
KSHS	Kenya Shillings
FY	Financial Year
DPTE	Diploma in Primary Teacher Education
UDPTE	Diploma in Primary Teacher Education -Upgrade
DECTE	Diploma in Early Childhood Teacher Education
UDECTE	Diploma in Early Childhood Teacher Education-Upgrade
CBC	Competency Based Curriculum
CSL	Community Service Learning
Govt	Government



2. KEY INFORMATION AND MANAGEMENT

(a) Background information

Galana Teachers Training College is a National Public Teacher Training College established under the Basic Education Act, 2013. It was registered by the Ministry of Education on Monday July 16th 2018. The College is managed by Board of Management as per section 55 (1)(f) of the Basic Education Act 2013. The College is domiciled in Kenya, Kilifi County, Magarini Sub County. The financial management of the College is guided under the Public Finance Management Act, 2012, and Regulations 2015.

(b) Principal Activities

The principal activities of the College as provided by the Basic Education Act 2015 are to offers the following courses;

- i. Diploma in Primary Teacher Education (DPTE)
- ii. Diploma in Early Childhood Teacher Education (DECTE)
- iii. Upgrade programs leading to Diploma in Primary Teacher Education (UDPTE) and Diploma in Early Childhood Teacher Education (UDECTE)

iv. Mission Statement

To Provide Quality Teacher Education and Training that produces Patriotic, Competent, Innovative and Self-directed Professionals.

v. Vision Statement

To be a Centre for Globally Competitive Teacher Education and Training.

vi. Core Values

1. Honesty
2. Integrity
3. Professionalism
4. Teamwork
5. Love,
6. Tolerance
7. Dignity
8. Respect

(c) Key Management team

Galana Teachers Training College in its functions is supported the following key organs:

1. Board of Management
2. Accounting officer/ Principal
3. Dean of Curriculum
4. Dean of students
5. Director, Practicum
6. Bursar/Accountant



(d) Fiduciary Management Team

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

SN.	Designation	Name	Period
1.	Ag. Principal	Janet Mkang'ombe Mwadiga	15 th February 2023 - Date
	Principal	Luke Lagat Chebet	1 st July 2022-15 th Feb 2023
2.	Deputy Principal	Janet Mkang'ombe Mwadiga	1 st Jul 2022-15 th Feb 2023
3	Dean of Curriculum	Abdikadir Musa Bare	1 st July 2022 -30 th June 2023
4	Dean of Students	Fredrick Micheni Kaburu	1 st July 2022 -30 th June 2023
5	Bursar/Accountant	Gabriel Mwangome Mwagambo	1 st July 2022 -30 th June 2023
6	Director, Practicum	Catherine Katite Kazungu	1 st July 2022 -30 th June 2023

NB. The principal Mr. Luke Lagat Chebet was transferred to Egoji TTC, the then deputy principal Mrs. Janet Mkang'ombe Mwadiga took over as the acting principal of the college

(e) Fiduciary Oversight Arrangements

The Board of Management exercises prudent leadership, innovative and good judgement which is to the best interest of the College. The Management ensures that proper management structure is maintained and makes sure that the structure functions to maintain corporate integrity, reputation and responsibility. The Executive Board of Management assists the Principal on urgent day-to-day academic, administrative and development matters such as efficient management of human, physical and financial resources of the College. In order to ensure efficient governance and oversight role, committees of the Board of Management (Table 1) have been established in accordance to the Fourth Schedule Part 1(2); and 61. (2) of the Basic Education Act, 2013.

Table 1. Roles of the Committees of the board of management.

i. Executive Board of Management Committee

- a. Represents the full board of Management
- b. Makes decisions concerning any college matters in the absence of the full board of management
- c. Receives and manage resources of the college

ii. Finance, Procurement and General Purposes Committee

- a. Supervise and oversee all finance and procurement activities of the college
- b. Advise on ways of financing the college activities through income generating activities

iii. Academic Standards, Quality and Environment Committee

- a. Ensure standard and maintain quality in the institution
- b. Supervise and oversee curriculum implementation
- c. Monitors the general environment in the college to ensure ambient and secure environment for learning
- d. Any other responsibility that will facilitate proper implementation of the curriculum to safeguard quality and standards.



iv. Audit Committee

- a. Oversee the college budget and financial statements.
 - b. Advises the BOM on matters college expenditure in line with the budget.
-

v. Human Rights and Student Welfare Committee

- a. Ensure rights of trainees, tutors and other staff are upheld
- b. Enhance students welfare is taken care of.

vi. Discipline, Ethics and Integrity Committee

- a. Determine cases of both teacher trainees and tutors' discipline and make reports to County Education Board.
- b. Facilitate and ensure provision of guidance and counseling for teacher trainees

vii. Infrastructure Committee

- a. Determine infrastructure needs at the college
- b. Advise the board on management of the cost effective means of acquisition of infrastructure and other assets at the college.
- c. Monitor the progress of construction projects at the college



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

Key Information and Management (Continued)

(f) Galana TTC's Headquarters

Kilifi County.

Magarini Sub County.

P.O. Box 5846-80200, MALINDI, KENYA

(g) Galana TTC's Contacts

Telephone: +254 769 976 849

E-mail: galanateacherscollege@gmail.com

Website: www.gttc.ac.ke

(h) Galana TTC's Bankers

GOK-MOE	OTHER COMMERCIAL BANKS		
Central Bank of Kenya Haile Selassie Avenue P.O. Box 60000 City Square 00200 Nairobi, Kenya	1. Equity Bank (K) Ltd P. O Box Malindi, Kenya Account number: 0450267920494	2. KCB Bank (K) Ltd P. O Box 9-80200 Malindi, Kenya Account number: 1239572999	3. KCB Bank (K) Ltd P. O Box 9-80200 Malindi, Kenya Account number: 1289235430 Pay bill

(i) Galana TTC's Independent Auditors	(j) Galana TTC's Principal Legal Adviser
Auditor General Office of Auditor General Anniversary Towers, Institute Way P.O. Box 30084 GPO 00100, Nairobi, Kenya	The Attorney General State Law Office Harambee Avenue P.O. Box 40112 City Square 00200, Nairobi, Kenya



3. MEMBERS OF THE BOARD OF MANAGEMENT

Prof. Abdullah Naji Said, PhD

Chairman of the Board of Management



Prof. Abdullah Naji Said is a Member of the Board of Management having been appointed/reappointed for his second term on Friday July 08, 2022. He is the Chairman of the Board of Management and the Executive Board of Management. He has a PhD in Animal Nutrition from University of Nairobi (1974), Certificate on Performance Management Course from Manitoba Institute of Management, Canada, (1990) B.V.Sc. University of East Africa, University College, Nairobi, (1967), Diploma in Animal Husbandry from Egerton College of Agriculture, 1963), Certificate in the use of Isotopes in Animal Production Research; Universidad Nacional Agraria, La Molina, Peru/International Atomic Energy Agency, Vienna (1977). He has researched and published on various aspects of nutrition and integrated animal production systems. Worked as a consultant and wrote consultancy reports on sustainable livestock development and production in Kenya and in sub-Saharan Africa. He was the founder member of the Board of Management of the Kenya Agricultural Research Institute (KARI), the Steering Committee of the sister Network and the Pasture Network for Eastern and Southern Africa. He has served at many Academic and Technical Committees including but not limited to; the International Livestock Centre for Africa (ILCA) now ILRI as the Head of Nutrition and Management Section, African Research Network for Agricultural By-products as the Coordinator, University of Nairobi as Chairman and Professor, Department of Animal Production. He also served as Member of the Egerton University Council; Chairman of the Board Directors, Tegemeo Institute for Agricultural Policy and Development, Egerton University; Vice Chairman, Coast Province Land Disputes Appeals Committee; Chairman Laikipia University Council; Chairman, Malindi Museum Society; Chairman, Malindi District Anti-Corruption Civilian Oversight Committee; Commissioner and Chairman, Wakf Commission, Kenya; Council member, Mombasa Polytechnic University College, Chairman, Maseno University Council.



Aileen Dzidza Munga

Vice Chairman of the Board of Management

Aileen Dzidza Munga is a Member of the Board of Management having been reappointed for her second term on Friday July 08, 2022. Aileen is the Vice Chairman of the Board of Management. She is a member of the Human Rights and Student Welfare committee and Finance, Procurement and General Purpose Committee. She has a Master of Applied Anthropology and Participatory Development (Gender and Development Option): Australian National University; Post Graduate Diploma in Public Administration: Australian National University; Bachelor of Arts Sociology: Kenyatta University. She served as Partnership Facilitator, Compassion International; Program Manager, World Vision Kenya, Marafa Area Development Programme; Program Management (assessment, design, implementation monitoring and evaluation of projects and program); HIV/AIDS Response Coordinator, World Vision Kenya, Kaloleni Area Development Programme; Community Development Motivator, World Vision Kenya, Kaloleni Area Development Programme.





Benjamin Katana Kenga
Member of the Executive Board of Management

Benjamin Katana Kenga is a member of the Board of Management having been reappointed for his second term on Friday July 08, 2022. He is a Member of the Executive Board of Management; Finance, Procurement and General Purposes Committee; Academic Standards, Quality and Environment Committee; Discipline, Ethics and Integrity Committee. He has Diploma in Education Management - DALC and Bachelor of Education in Educational Management from SAN JUAN DE LA CRUZ University. He worked as Curriculum Support Officer (CSO), Marafa Zone.



Samson Maitha Mweni.
Member of Finance, Procurement, and General Purpose Committee

Maitha is a member of the Board of Management of the College having been reappointed for his second term on Friday July 08, 2022. He is a Member of Finance, Procurement and General Purposes Committee; Academic Standards, Quality and Environment Committee; Human Rights and Student Welfare Committee. He has Bachelor of Business Administration (Entrepreneurship) Degree – Kenya Methodist University; Diploma in Project Management; Advanced Certificate in Business Management – Kenya Institute of Management. He is the Programs Officer – The Omari Project, Malindi; Community Land Rights Coordinator – Kenya Land Alliance, Nakuru; Program Advisor – Reachout Centre Trust, Mombasa and served as Project Officer - World Vision International, Changamwe Area Development Program.



Maryselina Nyevu Kibamba.
Member of Discipline, Ethics and Integrity Committee

Maryselina Nyevu Kibamba is a member of the Board of Management of the College having been reappointed for her second term on Friday July 08, 2022. She is a Member of Discipline, Ethics and Integrity Committee; a member of Academic Standards, Quality and Environment Committee and a member of the Audit Committee. She has a Master of Education; Bachelor of Education Arts and Diploma in Early Childhood and Development Education (ECDE); she went to Kenya School of Government for Strategic leadership development program; she works at Kilifi County as the County Staffing Officer in the Department of Education and ICT.

Fr. Ambrose Muli Kilonzo
Chairman of Discipline, Ethics and Integrity Committee

Fr. Ambrose Muli Kilonzo is a member of the Board of Management of the College having been appointed on his first term on Friday July 08, 2022. He serves as Chairman of Discipline, Ethics and Integrity Committee; Academics Standards, Quality and Environmental Committee; Audit Committee. He has Bachelor of Sacred Theology, Pontifical Urbaniana University. He is the Priest In-charge of St. Paul Gongoni Parish.



Esther Nyokabi Githogora
Esther Nyokabi Githogora is a member of the Board of Management having been appointed for her first term on Friday July 08, 2022. She has Bachelor of Education Physical and Health Education- Kenyatta University. She taught at Machakos Teachers Training College at Creative Arts Department.

She the staff representative under 56. (1)(c) of Basic Education Act 2013.



Dr. Mujahid Othman Bwana, PhD

Chairman of Academic Standards, Quality and Environmental Committee

Dr. Mujahid Othman Bwana is a member of the Board of Management having been reappointed for his second term on Friday July 08, 2022. He is a Member and Chairman of the Board of Management Academic Standards, Quality and Environmental Committee; a member of Discipline, Ethics and Integrity Committee; and a member of Audit Committee. He is having PhD in Early childhood education-Mcraw University and Education studies and Development - San Juan de la Cruz University; Masters in Educational Administration and Planning- Usman Dan Fodiyo University, Sokoto, Nigeria. He is the PVE/CVE Consultant trainer, Educational consultant. He is the Director at Ummul Qura Educational centre -Research, Consult and directs on areas of education, peace building and Terrorism.



CPA. George Mwambogo Tuva

Chairman Audit Committee

CPA. George Mwambogo Tuva is a member of the Board of Management of the College having been appointed for his first term on Friday July 08, 2022. He serves the board as Chairman Audit Committee; Member Discipline, Ethics and integrity Committee. He has Bachelor of Commerce, Kisii University. He is professional Accountant with KASNEB - CPA K Qualification. He also has Diploma in Purchasing and supplies from Kenya Institute of Management. He worked as Graduate Clerk at Cooperative Bank of Kenya. He works as an Accountant at Malindi Water and Sewerage Company Ltd.



Maurice Muteti Kilonzi

Chairman of Finance; Procurement and General Purpose Committee

Maurice Muteti Kilonzi is a member of the Board of Management having been reappointed for his second term on Friday July 08, 2022. He is a Member and Chairman of the Board of Management Finance, Procurement and General Purpose Committee; Human Rights and Student Welfare Committee. He has a Masters of Law-University of Leicester-England; Higher Diploma in Law – Kenya School of Law; Bachelors of Law- University of Nairobi; Certificate of Certified Public Accountants-Strathmore School. He is a senior Advocate, practicing, consulting and conveyancing advocate of over 15 years work experience. He is Managing Partner Kilonzi & Amp; Aziz Co. Advocate Mombasa & Amp; Malindi.





Agnes Waithira Bakari

Chairman; Human Rights and Student Welfare Committee

Agnes Waithara Bakari is a member of the Board of Management of the College having been appointed for the first term on Friday July 08, 2022.

She serves as the chairman; Human Rights and Student Welfare Committee and member of the Audit Committee. She Master of Arts in Counseling Psychology, Bachelors of Arts in counseling psychology from KEMU, Higher Diploma in counseling psychology from Kenya Association of Professional Counselors, Certificate in ARV's and HIV Rational Management from MoH and NASCOP, Certificate in Counselor Support Supervision from Liverpool school of Tropical Medicine, Public Health Nursing course in MTC Embu. She works as Kenya Enrolled Nursing at MTC Murang'a, The Child Protection Centre, Malindi, as a Child Psychological Counselor, worked with Nairobi University in a research, PMTCT Evaluation Project Study, worked at Malindi District Hospital in the Comprehensive Care Centre for HIV/AIDS as a Nurse, VCT Counselor, Counselor support supervisor and ARVs adherence Counselor before retirement.



Joseph Iha Wanje

Joseph Iha Wanje is a member of the Board of Management having been appointed for his first term on Friday July 08, 2022. He has Bachelor of Education (Accounting & Mathematics), from University of Nairobi. He is also a graduate of Advanced Management Program (AMP) from Strathmore Business School & IESE Business School, Barcelona Spain.

Joseph is an astute and accomplished Executive Leader with Board and Stakeholder management experience across the East African countries of Kenya, Uganda and Tanzania at management and Chief Executive Levels in the banking sector. He previously served as Managing Director & CEO for Bank of Africa Tanzania Ltd and Equity Bank (T) Limited respectively. Prior to that he has served as the General Manager, Credit in Equity Bank Uganda. He is currently an investor and Entrepreneur managing family businesses in the sectors of Real Estate, Hospitality, Transport & Logistics and Finance. He brings to the board wealth of knowledge having served and participated in several previous boards and board committees before.



Janet Mwang'ombe Mwadiga

Secretary to the Board of Management






Janet Mwang'ombe Mwadiga is the Secretary to the Board of Management and member of the Board of Management Committees. She served as a teacher in High School, Lecturer in Shanzu Teachers Training College, Deputy and presently as the Ag. Principal of the College. Janet has a Master of Science in Agriculture Education -

Egerton University; Bachelor of Science in Agricultural Education and Extension (BSc. AGED) - Egerton University; Diploma in Project Management - Kenya Institute of Management (KIM); Diploma in Educational Management- Kenya Educational Management Institute (KEMI); Diploma in Agricultural Education and Extension (AGED) - Egerton University; and is the current Chairperson - Wildlife Clubs of Kenya -Coast Region.



4. Key Management Team

In the financial year under review the College day-to-day management was under the following persons:

Name and Photo	Designation	Qualification
 Janet M. Mwadiga	Principal	Bachelor of Education; Masters in Agricultural Science
 Abdikadir B. Musa	Dean of Curriculum	Bachelor of Education (Arts)
 Fredrick M. Kaburu	Dean of Students	Bachelor of Education (Arts)
 Catherine K. Kazungu	Director, Practicum	Master of Education (Arts)
 Gabriel M. Mwangambo	Bursar	CPA (Advanced level)



5. Chairman's Statement

Preamble

Galana Teachers Training College is a Public Institution located in Magarini Sub County, Kilifi County. The College sits on an 8.313 Hectors piece of land. Being a relatively new institution having been incepted in 2019, infrastructure development is poor. Galana Teachers Training College boasts of five dilapidated classrooms, which were constructed through CDF money in 2014, when this College was still a community project. The institution has one administrative block and two hostels (male and female). The kitchen is a makeshift temporary structure.

Key activities in the 2022/2023 FY

The ending year of 2022/2023 has been a busy year. We have had our own share of success and challenges in the institution. Some of the successes we recorded include: -

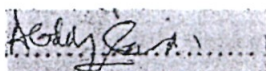
1. The College received government grants amounting to Kshs. 3,531,224.00; this went a long way to ease the burden of running the institution. Payment of College workers (non-teaching staff) was made possible; including some aspects of maintenance.
2. The College enrolled 42 teacher trainees in her second year of admissions. Of these, 20 No. are Diploma in Early Childhood Teacher Education (DECTE) whose program is a three-year course, while 22 No. are in the upgrade program that takes one academic year.
3. The College was able to celebrate her 1st 60 No. graduates from the 1st cohort of the upgrade group on 30th March, 2023. These were the pioneers of the College who were admitted in October, 2021. They were commissioned as full trained CBC compliant teachers.
4. Retooling of tutors under the KPEEL program which was a program for all teacher training Colleges. This was a capacity building program to equip teachers with relevant skills.
5. Planting of about 2,000 trees of different species.

Despite the successes recorded, we also faced a share of some challenges.

1. Galana Teachers Training College, having recorded a low enrolment, faced financial challenges. Most of the teacher trainees were not able to raise all their tuition fees, hence the College has posted huge fee balances.
2. The College is located in Magarini Sub County, Kilifi County. This is a hardship area, with low socio-economic status. Rain dependent peasant crop farming and livestock rearing are the main source of livelihoods. This implies that most parents/guardians have difficulty in paying school fees.

Way forward

1. The College hopes to increase enrolment in the new academic year of 2023/2024. The increased enrolment will give room to increased capitation.
2. The College is in the process of developing a fee payment policy which shall enhance effective collection of fees to reduce fees arrears by teacher trainees.
3. The Board of Management has plans to partner with key stakeholders to boost infrastructure development in the College, in a bid to expand the institution.



Prof. Abdullah Naji Said
Chairman, BOM.

6. Report of the Chief/Senior Principal

Galana Teachers Training College is a public institution. It is located in Magarini Sub County, Kilifi County. The College started as a community project in 2014, and was launched by H.E. Dr. William Samoei Ruto in 2016, when he was the Deputy President of the Republic of Kenya. Galana Teachers Training College was training Primary Teacher Education students (PTE). The first cohort of PTE students took their examination in 2018, from a nearby examination centre, Talea Teachers' College. This is because this College had not yet been registered as an examination centre, since it was still a community project.

In the year 2019, the College was taken over by the Government and the first Principal, Mr. Luke Lagat Chebet was deployed in February 2019. Since then the College has seen a high growth trajectory. This is because the College was able to enrol the 1st cohort of teacher trainees 60 No.; Diploma in Primary Teacher Education (UDPTE) in October 2021. In September 2022, the college enrolled the second cohort comprising of 20 No. Diploma in Early Childhood Teacher Education (DECTE) and 22 No. Diploma in Primary Teacher Education (UDPTE). During this academic year 2022/2023, we were able to recruit one teacher (Music/Kiswahili) increasing our teaching staff roll to 7 No. The founder Principal was transferred to Egoji Teachers Training College in January, 2023. The Deputy Principal, Mrs. Janet M. Mwadiga has been acting from February 15th 2023 to date.

Among the notable successes is the 1st graduation of the College that happened on March 30th, 2023. On this occasion, 51 No. teacher trainees were commissioned as fully trained CBC compliant teachers.

Challenges

Galana Teachers Training College has her own challenges. One major challenge is finances. Due to low enrolment, we receive low capitation, which makes it difficult to run the institution.

Fees arrears is a big challenge. By 30th June 2023, the College had Kshs. 2,529,371.00 in fees arrears. This is caused by the fact that many trainees come from Magarini Sub County which is a hardship area with low socio-economic level. This means that the College collected very little fees from trainees, pausing a challenge in management of the Institution. By the end of the 2022/2023 FY, the College was able to pay her debtors and salaries, despite the challenges faced. The payables posted in the statement of financial position amounting to Kshs. 147,501.00 relates Kshs. 144,405.00 due to supply of goods and services made on June 2023 which were to be paid for just after the end of the month and Kshs. 3,096.00 due to fees paid in advance.

Currently, we have one male hostel and one female hostel, both of equal capacity of 9 No. of students. We also have classrooms and one computer room. The College does not have a dining hall. We also have a temporary kitchen. All these limitations have paused a challenge to expansion and growth of the institution.


In terms of human resources, we are also limited. Galana Teachers Training College has of 7 No. tutors and 9 No. support staff. The lean staff is sometimes overworked.

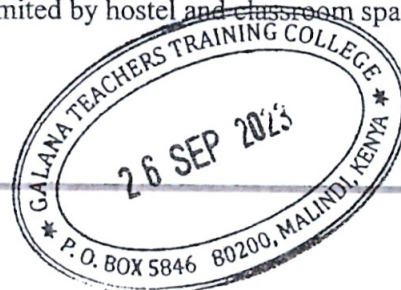
Way forward

In terms of the number of tutors, the G. Principal, Mrs. Janet Mwadiga has written to the employer, TSC requesting for more tutors, after refurbishing them with the Curriculum Based Establishment (CBE) of the institution. The Board of Management has also proposed employing more support staff on need basis, when funds are available.

The Board of Management will follow up on the commitments made by the Principal Secretary during the first graduation. This is expected to improve the resource base of the institution once they are received. The Board of Management is also looking at mobilizing resources for the institution through seeking partnerships with stakeholders in education within the County as well as in the Country.

The College is one of the new Institutions; hence we lack an adequate infrastructure. This possesses a challenge to expand the institution since growth in numbers is limited by hostel and classroom space.


Mrs. Janet M. Mwadiga
Ag. Principal/Secretary, BOM



7. Corporate Governance Statement

The College is managed by a Board of Management, constituted according to the Basic Education Act of 2013. Galana Teachers Training College Board of Management comprises of 12 members namely: -

S/No.	Name	Designation
1.	Prof. Abdullah Naji Said	Chairman
2.	Aileen Dzidza Munga	Vice Chairman
3.	Janet Mkang'ombe Mwadiga	Secretary
4.	Maryselina Nyevu Kibamba	Member
5.	Benjamin Katana Kenga	Member
6.	Maurice Muteti Kilonzi	Member
7.	Dr. Mujahid Othman Bwana	Member
8.	Samson Maitha Mweni	Member
9.	Agnes Waithira Bakari	Member
10.	CPA. George Mwambogo Tuva	Member
11.	Joseph Iha Wanje	Member
12.	Fr. Ambrose Muli Kilonzo	Member

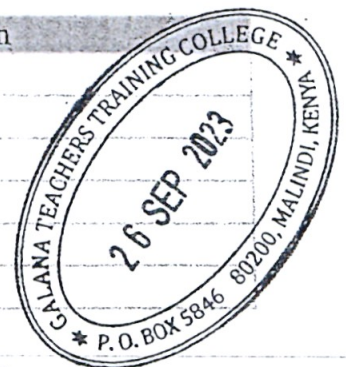
Members of the Board of Management Committees.

1. Executive Committee

S/No.	Name	Designation
1.	Prof. Abdullah Naji Said	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	Maryselina Nyevu Kibamba	Member
4.	Benjamin Katana Kenga	Member
5.	Agnes Waithira Bakari	Member

2. Finance, Procurement and General Purpose Committee

S/No.	Name	Designation
1.	Maurice Muteti Kilonzi	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	Benjamin Katana Kenga	Member
4.	Aileen Dzidza Munga	Member
5.	Samson Maitha Mweni	Member
6.	Joseph Iha Wanje	Member



3. Academic Standards, Quality and Environment Committee

S/No.	Name	Designation
1.	Dr. Mujahid Othman Bwana	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	Maryselina Nyevu Kibamba	Member
4.	Benjamin Katana Kenga	Member
5.	Samson Maitha Mweni	Member
6.	Fr. Ambrose Muli Kilonzo	Member

4. Discipline, Ethics and Integrity Committee

S/No.	Name	Designation
1.	Fr. Ambrose Muli Kilonzo	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	CPA. George Mwambogo Tuva	Member
4.	Benjamin Katana Kenga	Member
5.	Dr. Mujahid Othman Bwana	Member
6.	Maryselina Nyevu Kibamba	Member

5. Audit Committee

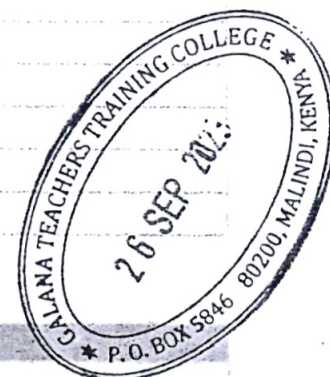
S/No.	Name	Designation
1.	CPA. George Mwambogo Tuva	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	Fr. Ambrose Muli Kilonzo	Member
4.	Agnes Waithira Bakari	Member
5.	Dr. Mujahid Othman Bwana	Member
6.	Maryselina Nyevu Kibamba	Member

6. Human Rights and Student Welfare Committee

S/No.	Name	Designation
1.	Agnes Waithira Bakari	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	Maurice Muteti Kilonzi	Member
4.	Aileen Dzidza Munga	Member
5.	Joseph Iha Wanje	Member
6.	Samson Maitha Mweni	Member

7. Infrastructure Committee

S/No.	Name	Designation
1.	Prof. Abdullah Naji Said	Chairman
2.	Janet Mkang'ombe Mwadiga	Secretary
3.	Joseph Iha Wanje	Member
4.	Agnes Waithira Bakari	Member
5.	Dr. Mujahid Othman Bwana	Member



In the FY 2022/2023, there were 4 No. of full Board of Management meetings. It is to be noted that there has not been any induction and training of the Board of Management members due to financial constraints. However, the board has performed very well in performance of its duties, key among which is resource mobilization and management. The remuneration plan is clear and members of the Board of Management are given an allowance during every meeting. So far, no cases of conflict of interest or case of integrity issue has been encountered in the Board of Management. The succession plan has been taken care of by the fact that members of the 1st Board of Management that expired were incorporated in the 2nd Board of Management. This has ensured effective transition.

8. Management Discussion and Analysis

The management has provided an analysis that provides an overview of the financial activities over the financial period ended 30th June 2023. This information focuses on the current year’s financial activities thus it should be read with reference from the financial statements and notes to the financial statements presented in this report.

a. Performance.

1. Income

The College received funds from various sources;

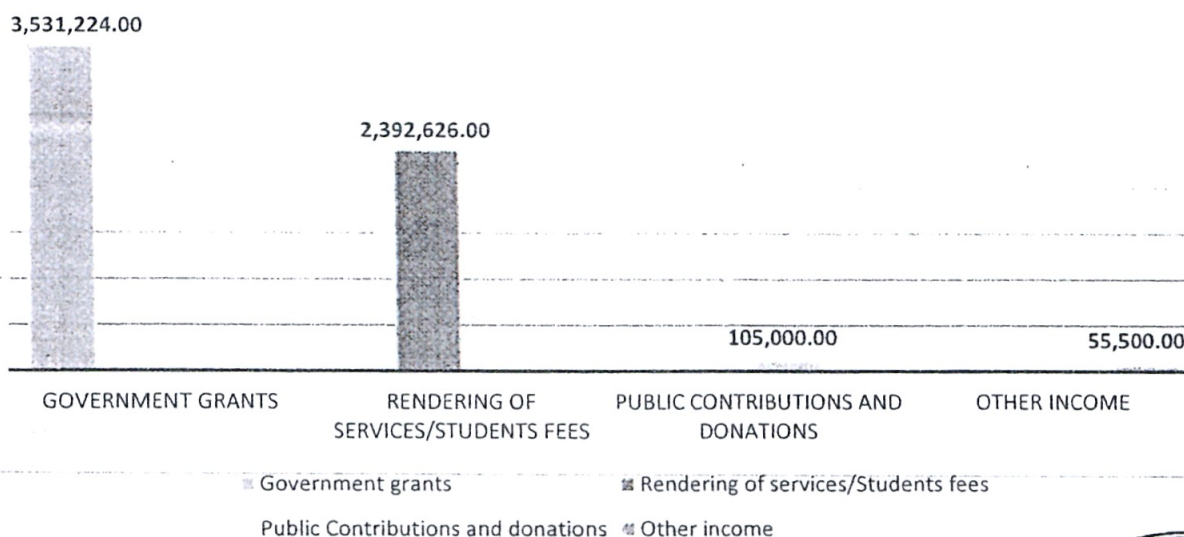
- a. Government Grants- Recurrent and Capital grants.
- b. Rendering of services- Fees from trainees
- c. Externally sourced funds- Donations from well-wishers and donors
- d. Other Income sources

In the FY ended 30th June 2023, the College received:

i. GOK through the Ministry of Education:	Kshs. 3,531,224.00
ii. Public contributions and donations:	Kshs. 105,000.00
iii. Rendering of services/students’ fees:	Kshs. 2,392,626.00
iv. <u>Other income sources:</u>	<u>Kshs. 55,500.00</u>
<u>Total Income</u>	<u>Kshs. 6,084,350.00</u>

Graphical representation of income for the FY ended 30th June 2023

Income for the 2022/2023 FY



N/B. The amount due to other income other income was as a result of;

- i. Sale of tenders Ksh. 38,000.00
- ii. Hire of Hall Ksh. 17,500.00



Management Discussion and Analysis (Continued)

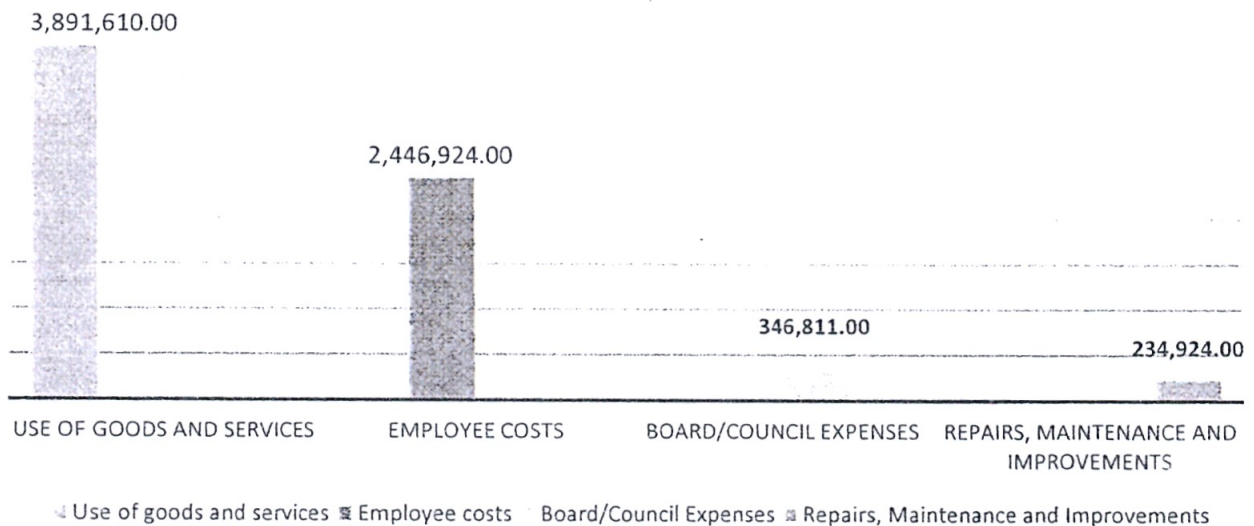
2. Expenses.

In the FY ended 30th June 2023, expenditure incurred comprised of;

i. Use of goods and services:	Kshs. 3,891,610.00
ii. Employee costs:	Kshs. 2,446,924.00
iii. Board/Council expenses:	Kshs. 346,811.00
iv. Repairs, Maintenance & Improvement:	Kshs. 234,924.00
<u>Total Expenses</u>	<u>Kshs. 6,920,269.00</u>

Graphical representation of expenditure for the FY ended 30th June 2023

Expenditure for the 2022/2023 FY



Surplus/ (Deficit) for the FY, (Total Income –Total Expenses): Kshs. (835,919.00)

This deficit was finance by: Cash and bank balance brought forward: Kshs. 2,004,503.02

Cash and bank balance carried forward: Kshs. 1,168,584.02

3. Capacity of the College

S/No	Description	Quantity
1.	Dormitories	2No. (Holding 96 Trainees each)
2.	Classrooms	5No.
3.	Administration block	1No.
4.	Student Toilet	2No.
5.	Teacher Trainees	42No.
6.	Lecturers	7No.
7.	Support staff	9No.



9. Environmental And Sustainability Reporting Statement.

Sustainability strategy and profile

Galana TTC has employed the following strategies in a bid to enhance sustainability.

- i. Good collaboration with business partners such as suppliers and the neighbouring schools. This has ensured the college remain relevant in the society as well effective management of her activities.
- ii. Adopting of local knowledge in climate smart environmental conservation activities such as re-introduction of local indigenous plant species to ensure sustainable environmental conservation.
- iii. Having clear defined termly activities which are task assigned to ensure a system that flows without major interruption. This means that every day to day business is clearly defined by college guideline.
- iv. Constant check on market trends be aware of market shifts in prices which may affect the college budget and well managed communication strategy to suppliers. This allows has allowed the college to remain afloat by addressing changes in price effectively procurement of goods and services at reasonable prices.

Environmental performance

The College is located in an ASAL region. The College policy is to reafforeste the college compound as well as the surrounding through Community Service Learning in the nearby primary schools. The afforestation activities are normally done by the teacher trainees as part of their learning although both teaching and non-teaching staff are engaged in planting of trees. The college has so far planted 2000 trees and the target is to green the college. However, the college faces a number of challenges, one being the choice of species to be planted which resulted in establishing the right specie that withstand the climatic condition of the area. Most of the trees planted were not drought resistant and have so far died of since the effort to water them have failed since the college does not have a bore to provide cheap supply of water.

In efforts to manage biodiversity, the college focuses on conservation of plants which are by default expected to conserve wildlife because their habitats are restored.

The as well manages waste by waste collection points strategically located. All classrooms are fitted with a dust-bin while the hostels and kitchen also have waste-bins. Degradable waste from the kitchen is sometimes used to make compost manure as a form of environmental conservation

Employee welfare

The college take into account gender ratio in employment process. In the financial year under review, the college had nine (9) support staff of 3 are women while 6 are men. The hiring process is made public by advertising of vacant positions in strategic areas including but not limited to public notice board at the County Director of Education office, Sub County Director of Education offices, Assistant County Commissioner's offices, Police stations and Chiefs offices.

The college enhances staff skills are improved through bench-marking and attending forums that relate to each staff's line of duty. For instance, the bursar, secretary and director practicum went for bench-marking at Machakos Teachers College.

Staff safety and health is enhanced through provision of medical allowance to all support staff and essential gargets to staff in essential area such as torches and gumboots for grounds men and watchmen.



Market place practices-

a) Responsible competition practice.

The college ensures fair competition practices through advertisement of tenders to the public. For instance prequalification of suppliers for the year 2022/2023/2024 was advertised on the Standard Newspaper dated 30th June 2022, page 48. Bidders are encouraged to attend and witness the tender opening process to ensure fairness. The College charged Kshs. 1000.00 per tender as tender processing fees. Political interference in tendering process is highly discouraged through disqualification of any bidders who may use political influence to win any tender.

b) Responsible Supply chain and supplier relations.

The College ensures sustainability of suppliers by ensuring that payment of goods and or services procured is made within less than 90 days.

The college ensures that LPOs/LSOs/ Contracts are issued/agreed only when there is certainty that money shall be available for payment.

c) Product stewardship.

Up on receipt of goods, the management through the Principal appoints a committee to inspect the goods. The goods and or services are only accepted when the committee is certified that they are of the right quality, quantity and meet the required standards.

Corporate Social Responsibility / Community Engagements

Galana TTC gives back to the Community through initiating CSL activities, The college has partnered with the surrounding primary schools in planting of trees. Through practicum, the college impacts the community positively through empowering the teachers as well as trainees with CBC knowledge and skills thus making the CBC compliant.

The college also engage the community in games and other sports activities. For instance, tutors and trainees in some instances organises football matches with the community football clubs thus empowering the community in games and sports.

The college invests in social relations through use of non-expertise labour from the local community while observing non-exploitative practices by ensuring adherence the market rate remuneration basis.



10. Report of the Board of Management

The Board of Management submit these reports and financial statements for the 2022/2023 FY. The financial statements have been prepared in conformity with the Accrual Method under the International Public Sector Accounting Standards (IPSAS). The financial statements have been prepared on a comparative basis. The comparative period to this these financial statement is the 2021/2022 FY which ended 30th June 2022. The board has ensured adherence to policies, requirements and internal controls in matters financial management of the college. It is in view of this that the Board of Management gives a judgement and opinion that the reports and financial statements for the 2022/2023 FY show a true and fair view of the affairs of Galana Teachers Training College.

Principal activities

The principal activities of the College as provided by the Basic Education Act 2015 are to offers the following courses;

- i. Diploma in Primary Teacher Education (DPTE)
- ii. Diploma in Early Childhood Teacher Education (DECTE)
- iii. Upgrade programs leading to Diploma in Primary Teacher Education (UDPTE) and
- iv. Diploma in Early Childhood Teacher Education (UDECTE)

Results

The results of Galana TTC for the year ended June 30 2023 are set out on page 1 of 28 of these financial statements


The Board of Management

The members of the Board of Management who served during the year are shown on page viii to xi of these financial statements. During the year, Mr. Luke Lagat Chebet was transferred and Mrs. Janet Mkang'ombe Mwadiga was appointed as the Principal and secretary to the Board of Management with effect from 15th February 2023.

Auditors

The Auditor General is responsible for the statutory audit of the Galana TT C in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. However, the College Reports and Financial Statements have not been audited.

By Order of the Board


.....
James Mkang'ombe Mwadiga
Secretary of the Board of Management

Date: 26/09/2023



11. Statement of Board of Management’s Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 87 of the Basic Education Act, 2013 requires the Board of Management to prepare financial statements in respect of that institution, which give a true and fair view of the state of affairs of the institution as at the end of the financial period and the operating results of the institution for that period. The Board members are also required to ensure that the institution keeps proper accounting records which disclose with reasonable accuracy the financial position of the institution. The Board members are also responsible for safeguarding the assets of the College.

The Board of Management of **Galana Teachers Training College** is responsible for the preparation and presentation of the financial statements of the College which give a true and fair view of the state of affairs of the College for and as at the end of the financial period ended 30th June 2023.

This responsibility includes:

- i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 of Management accepts responsibility for the financial statements of Galana Teachers Training College which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates in conformity with the International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Basic Education Act 2013. The Board members are of the opinion that the financial statements of the College give a true and fair view of the state of its transactions during the financial period ended 30th June 2023 and the financial position as at 30th June 2023. The Board of Management further confirms the completeness of the accounting records maintained by the College which have been relied upon in the preparation of the financial statements as well as the adequacy and adherence to the internal control systems.

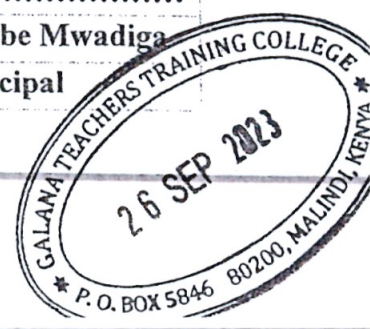
Nothing has come to the attention of the Board of Management to indicate that the College will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

These financial statements were approved by the Board of Management on the 26th Day of September 2023 and signed on its behalf by:

Signature.....
Name: **Prof. Abdullah Naji Said.**
Chairperson of the Board of Management

Signature.....
Name: **Janet M'kang'ombe Mwadiga**
Accounting Officer/Principal



5. Chairman's Statement

Preamble

Galana Teachers Training College is a Public Institution located in Magarini Sub County, Kilifi County. The College sits on an 8.313 Hectors piece of land. Being a relatively new institution having been incepted in 2019, infrastructure development is poor. Galana Teachers Training College boasts of five dilapidated classrooms, which were constructed through CDF money in 2014, when this College was still a community project. The institution has one administrative block and two hostels (male and female). The kitchen is a makeshift temporary structure.

Key activities in the 2022/2023 FY

The ending year of 2022/2023 has been a busy year. We have had our own share of success and challenges in the institution. Some of the successes we recorded include: -

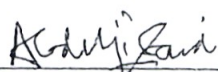
1. The College received government grants amounting to Kshs. 3,531,224.00; this went a long way to ease the burden of running the institution. Payment of College workers (non-teaching staff) was made possible; including some aspects of maintenance.
2. The College enrolled 42 teacher trainees in her second year of admissions. Of these, 20 No. are Diploma in Early Childhood Teacher Education (DECTE) whose program is a three-year course, while 22 No. are in the upgrade program that takes one academic year.
3. The College was able to celebrate her 1st 60 No. graduates from the 1st cohort of the upgrade group on 30th March, 2023. These were the pioneers of the College who were admitted in October, 2021. They were commissioned as full trained CBC compliant teachers.
4. Retooling of tutors under the KPEEL program which was a program for all teacher training Colleges. This was a capacity building program to equip teachers with relevant skills.
5. Planting of about 2,000 trees of different species.

Despite the successes recorded, we also faced a share of some challenges.

1. Galana Teachers Training College, having recorded a low enrolment, faced financial challenges. Most of the teacher trainees were not able to raise all their tuition fees, hence the College has posted huge fee balances.
2. The College is located in Magarini Sub County, Kilifi County. This is a hardship area, with low socio-economic status. Rain dependent peasant crop farming and livestock rearing are the main source of livelihoods. This implies that most parents/guardians have difficulty in paying school fees.

Way forward

1. The College hopes to increase enrolment in the new academic year of 2023/2024. The increased enrolment will give room to increased capitation.
2. The College is in the process of developing a fee payment policy which shall enhance effective collection of fees to reduce fees arrears by teacher trainees.
3. The Board of Management has plans to partner with key stakeholders to boost infrastructure development in the College, in a bid to expand the institution.



Prof. Abdullah Naji Said
Chairman, BOM.



REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Galana Teachers Training College set out on pages 1 to 28, which comprise of the statement of financial position as at 30 June, 2023 and the statement of financial performance, statement of changes in net

Report of the Auditor-General on Galana Teachers Training College for the year ended 30 June, 2023

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Galana Teachers Training College as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training (TVET) Act No. 29 of 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit review contained inaccuracies as detailed below:

1.1. Variances Between the Financial Statement and the Supporting Schedule Amounts

The statement of financial performance reflects total expenditure of Kshs.7,067,770. However, the supporting schedules for various expenditure components differed with the figures reflected in the Notes to the financial statements as follows:

Description-item	Figure as per the Financial Statements (Kshs.)	Figure as per Support Schedules (Kshs.)	Variance (Kshs.)
Performance contracting	14,840	4,000	10,840
Board /Council Expenses	346,811	299,440	47,371
Employee Costs	2,446,924	2,206,924	240,000
Staff contributions towards NSSF	104,768	101,168	3,600
Boarding Equipment and Stores	1,317,106	1,239,236	77,870
Local Transport and Travelling	327,611	320,991	6,620

1.2 Misstatement and Misclassification of Revenue from Rendering of Services

The statement of financial performance reflects revenue from rendering of services of Kshs.4,921,997. Included in this amount is Kshs.240,426 in respect to examination fees collected on behalf of Kenya National Examination Council and remitted to the Council, hence not revenue earned by the College.

In addition, included in total revenue from rendering of services of Kshs.4,921,997 was Kshs.64,409 in respect to revenue from sale of goods which comprised of track suits,

student identity cards, library books, student guide books and lesson plan books. Therefore, the reported revenue was not earned from rendering of services.

In the circumstances, the accuracy and completeness of revenue from rendering of services of Kshs.4,921,997 could not be confirmed.

2. Unsupported Use of Goods and Services

The statement of financial performance reflects Kshs.4,039,111 as disclosed in Note 11 to the financial statements. The following anomalies were observed:

2.1 Unsupported Expenditure on Boarding Equipment and Stores

Included in Kshs.4,039,111 is an amount of Kshs.1,317,106 for boarding equipment and stores. However, review of sampled payments revealed lack of adequate supporting documents including, requisitions, Local Purchase Orders/Local Service Orders, invoices, delivery notes and inspection and acceptance committee reports.

2.2 Lack of Imprest Warrants and Imprests Register

Included in Kshs.4,039,111 is Kshs.327,611 in respect to local transport and travelling and Kshs.1,061,092 for administrative costs, all totalling Kshs.1,388,703. However, the surrender vouchers were not supported with requisitions and approval of travels, imprest requisitions, evidence of travel including work-tickets/bus tickets, imprest warrants and imprest surrender vouchers and back to office reports. Further, Management did not maintain an imprests register.

2.3 Misclassification of Pending Bills under Use of Goods and Services

The statement of financial performance reflects an amount of Kshs.4,039,111 in respect of use of goods and services as disclosed in Note 11 to the financial statements. The amount includes Kshs.147,501 stated as 'Accounts Payables-Pending bills. The unpaid amount was incurred on purchase of boarding equipment and stores expenditure vote, hence should have been recognized as an expenditure under this vote and a pending bill under trade and payable.

In the circumstances, the accuracy, completeness and value for money on use of goods and services of Kshs.4,039,111 could not be confirmed.

3. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects Kshs.2,529,371 in respect to trade and other receivables as disclosed in Note 17 to the financial statements. However, the fee registers reflect a balance of Kshs.1,634,421, resulting in an unexplained variance of Kshs.894,950. Further, the balance of Kshs.2,529,371 includes receivables balance of Kshs.578,910 which had been outstanding for more than one (1) year. Management did not assess its student debtors balance to determine the likelihood of impairment in order to provide for doubtful receivables as at 30 June, 2023.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.2,529,371 could not be confirmed.

4. Unsupported Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.1,168,584 as disclosed in Note 16 to the financial statements. However, bank reconciliation statements and board of survey or cash count certificate were not provided for audit.

In the circumstances the accuracy and completeness of the cash and cash equivalents balance of Kshs.1,168,584 could not be confirmed.

5. Unsupported Inventory Balance

The statement of financial position reflects a balance of Kshs.124,179 in respect to inventory balance as disclosed in Note 18 to the financial statements. However, the reported balance was not supported by a physical stock count sheet and store ledgers.

In the circumstances the accuracy, completeness and existence of the inventory balance of Kshs.124,179 could not be confirmed.

6. Inaccuracies in the Statement of Changes in Net Assets

The statement of changes in net assets reflects components such as cash and cash equivalents, property plant and equipment balance, inventory, biological assets and accounts receivable balances. Inclusion of these components is contrary to International Public Sector Accounting Standard 1 on presentation of financial statements and the statement does not conform to the financial reporting template issued by the Public Sector Accounting Standards Board.

In the circumstances, the accuracy, completeness and presentation of the statement of changes in net assets could not be confirmed.

7. Unsupported Property, Plant and Equipment

As previously reported, the statement of financial position and Note 20(b) reflect property, plant and equipment balance of Kshs.12,654,890.98. However, the following observations were made.

- i. The assets were not categorized as per the requirement of IPSAS accrual template which categorizes fixed assets into land, buildings, furniture and fittings, computers, plant and equipment and capital work in progress;
- ii. Note 20 to the financial statements does not disclose the following items: opening balances, any additions during the year, depreciation amounts and net book values;
- iii. Updated fixed assets registers was not provided for audit review.;

- iv. There were no ownership documents including title deeds or allotment letters for the land on which the College is built;
- v. The College land and buildings were not valued.

In the circumstances, the existence, valuation, ownership, accuracy and measurement of the property, plant and equipment's could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on a comparable basis of Kshs.188,391,214 and Kshs.6,084,350 respectively, resulting in under-funding of Kshs.179,201,694 or 95% of the budget. Similarly, the College spent Kshs.6,920,269 against actual revenue of Kshs.6,084,350, resulting in over-utilization of Kshs.835,919 or 13 % of actual revenue.

Further, an amount of Kshs.164,825,085 budgeted as development grant from the Ministry of Education was not received by the College. Failure to fund expenditure budget is contrary to fiscal principles responsibility prescribed by Section 15 (2) (a) of the Public Finance Management Act, 2012 which provides that in managing the national government's public finances, The National Treasury shall ensure that (a) over the medium term a minimum of thirty percent of the national and county governments budget is allocated to the development expenditure.

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 Qualified Opinion, 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 pages iv to xiii which comprise of Key Entity Information and Management, The Board of Management, Key Management Team, Chairman's Statement, Report of the Principal, Corporate

Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors and Statement of Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Prepare and Submit Quarterly Financial Reports

Quarterly financial reports for the financial year 2022/2023 were not prepared and submitted to the Cabinet Secretary responsible for the entity and the National Treasury contrary to section 83 (1), (2)(b), and (3) of the Public Finance Management Act, 2012 which states that "an accounting officer for a national government entity shall prepare a report for each quarter of the financial year in respect of the entity".

In the circumstances, Management was in breach of the law

2. Commingling of Funds

The statement of financial performance reflects Kshs.4,921,997 in respect of revenue from rendering of services as disclosed in Note 9 to the financial statements. Review of receipts books, bank statements, and cashbook for fee collection account revealed commingling of tender sale receipts of Kshs.37,000 with the college fees collection account. This was contrary, to Clause 7.11 on income generating activities/projects in the Financial Management Handbook for Teacher Training Institution (2006) which provides that where they have approval to generate additional income, the institutions must separate records for these incomes and expenditures.

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

3. Transfer of Funds to Kenya Teachers Colleges Sports Association

The statement of financial performance reflects Kshs.4,039,111 in respect of use of goods and services as disclosed in Note 11 to the financial statements. Included in the amount is Kshs.153,814 relating to expenses on activity, out of which the College transferred an amount of Kshs.63,304 in respect of subscription for national ball game funds to Kenya Teachers Colleges Sports Association. However, the organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to Kenya Teachers Colleges Sports Association amounting to Kshs.63,304 could not be confirmed.

4. Non-Compliance with The Constitution of Kenya 2010 and Affirmative Action on Gender and Regional Balance

Review of human resource staff lists revealed that the College had twenty-one (21) staff comprising nine (9) teaching staff employed by Teachers Service Commission and twelve (12) staff employed by the Board of Management. Analysis of the staff data revealed that nine (9) or 75% of the staff under Board of Management were from one ethnic community, contrary to Section 7 (2) of the National Cohesion and Integration Act, 2008 which states that “no public establishment shall have more than one third of its staff from the same ethnic community”.

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

5. Non-Compliance with Presentation Requirements of the Public Sector Accounting Standards Board

Review of the financial statements submitted for audit revealed non-compliance with the reporting template issued by the Public Sector Accounting Standards Board (PSASB) as follows:

- i. Page numbers stated in the table of contents are not consistent and do not match with actual pages where the reports are presented;
- ii. Statement of Performance Against Predetermined Objectives is omitted;
- iii. The format of the statement of cash generated from operations at Note 34 is not as prescribed by the PSASB;
- iv. Institute of Public Accounting of Kenya Membership Number is not indicated for the Finance Officer;

In the circumstances, the financial statements have not been presented in accordance with the prescribed reporting template and may mislead users.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

As previously reported, Management of Galana Teachers Training College had not established an internal audit function in the year under review. It was noted that there was no formal system for assessing the internal control system, risk management practices or operational efficiency, contrary to the requirements of Section 73 of the Public Finance Management Act, 2012 which states that “every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board”.

In the circumstances, the College did not benefit from the oversight rule and advice from the committee and the internal audit function.

2. Inadequate Storage Facilities and Weak Controls on Inventory Management

A physical inspection done in November, 2025 at the Institution’s stores revealed that there was no designated store for safe custody of stores. Further, it was observed that stationery was kept in a small poorly ventilated room while foodstuffs were stored in a food store without shelves, or proper storage facilities. Records in the store were also not updated regularly, hence not matching the physical stocks.

In the circumstances, the College had not put in place internal controls to safeguard the security and safety of its stationery and food stuffs.

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 Management and the Board of Management

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

Auditor-General's Responsibilities for the Audit

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

08 December, 2025


13. Statement of Financial Performance for The Year Ended 30 June 2023

	Notes	Period Ended 30 th June 2023	Period Ended 30 th June 2022
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	3,531,224.00	7,188,059.00
Transfers from other levels of government	7	0.00	2,010,000.00
Public contributions and donations	8(a)	105,000.00	0.00
		3,636,224.00	9,198,059.00
Revenue from Exchange transactions			
Rendering of services- fees from students	9	4,921,997.00	4,912,466.00
Other income	10	55,500.00	170.00
Revenue from Exchange transactions		4,977,497.00	4,912,636.00
Total Revenue		8,613,721.00	14,110,695.00
Expenses			
Use of goods and services	11	4,039,111.00	5,199,746.00
Employee costs	12	2,446,924.00	2,324,579.00
Board /Council Expenses	13	346,811.00	0.00
Repairs, maintenance and improvements	14	234,924.00	3,937,392.40
Total Expenses		7,067,770.00	11,461,717.40
Other Gains/(Losses)	15		
Gain on sale of assets	15(a)	0.00	0.00
Gain/ Loss on fair value of investments	15(b)	0.00	0.00
Impairment loss	15(c)	(0.00)	(0.00)
Total Other Gains/(Losses)		0.00	0.00
Net surplus/(deficit) for the year		1,545,951.00	2,648,977.60

(The notes set out on pages' 6 to 28 form an integral part of the Annual Financial Statements).

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

Signature.....

Signature.....

Signature.....

Chairman of Council/Board

Bursar

Principal

ICPAK No.

ID No. 29706185

TSC No.

351153

Date: 26/09/2023

Date: 26/09/2023

Date: 26/09/2023



14. Statement of Financial Position as at 30th June 2023

Description	Notes	Period Ended	Period Ended
		30 th June 2023	30 th June 2022
		Kshs	Kshs
Assets			
Non-Current Assets			
Property, plant, and equipment	20(b)	12,654,890.98	12,599,290.98
Biological Assets	22	3,900.00	0.00
Intangible assets	21	63,800.00	0.00
Total Non-Current Assets		12,722,590.98	12,599,290.98
Current Assets			
Inventories	18	124,179.00	77,029.00
Trade and other receivable	17	2,529,371.00	1,000,986.00
Cash and cash equivalents	16	1,168,584.02	2,004,503.02
Total Current Assets		3,822,134.02	3,082,518.02
Total Assets		<u>16,544,725.00</u>	<u>15,681,809.00</u>
Liabilities			
Non-Current Liabilities			
Non- Current Trade and other payables	23(a)	0.00	0.00
Total Non-Current Liabilities		0.00	0.00
Current Liabilities			
Current Trade and other payables	23(b)	147,501.00	109,066.00
Total current liabilities		147,501.00	109,066.00
Total Liabilities		147,501.00	109,066.00
Present by:			
Net Assets		16,397,224.00	15,572,743.00
Total Liabilities		147,501.00	109,066.00
Total Net Assets and Liabilities		16,544,725.00	15,681,809.00

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

Signature..... <i>A. Odhiambo</i>	Signature..... <i>[Signature]</i>	Signature..... <i>[Signature]</i>
Chairman, BoM	Bursar ID No. <u>29706185</u>	Principal TSC No. <u>351153</u>
Date: <u>26/09/2023</u>	Date: <u>26/09/2023</u>	Date: <u>26/09/2023</u>



15. Statement of Changes in Net Asset for The Year Ended 30 June 2023

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
As at July 1, 2021				
Cash and Cash Equivalent	-	247,445.42	0.00	247,445.42
Property, Plant and Equipment	-	8,796,964.58	0.00	8,796,964.58
Sub-total	-	9,044,410.00	0.00	9,044,410.00
Other Asset Acquired during the Year				
Property, Plant and Equipment	-	3,802,326.40	-	3,802,326.40
Inventory	-	77,029.00	0.00	77,029.00
Surplus/(Deficit) for the year	-	1,757,057.60	0.00	1,757,057.60
Net Accounts receivables	-	891,920.00	0.00	891,920.00
Sub-total	-	6,528,333.00	0.0	6,528,333.00
Net Assets As At 30 June 2022		15,572,743.00	0.00	15,572,743.00
At July 1, 2022	-	15,572,743.00	0.00	15,572,743.00
Other Asset Acquired during the Year				
Property, Plant and Equipment	-	93,080.00	0.00	93,080.00
Inventory	-	9,670.00	0.00	9,670.00
Website	-	63,800.00	0.00	63,800.00
Biological Assets	-	3,900.00	0.00	3,900.00
Surplus/(deficit) for the year	-	-835,919.00	0.00	-835,919.00
Net Accounts receivables	-	1,489,950.00	0.00	1,489,950.00
Sub-total	-	824,481.00	0.00	824,481.00
At June 30, 2023	-	16,397,224.00	0.00	16,397,224.00



16. Statement of Cash Flows for The Year Ended 30 June 2023

Description	Note	Period Ended	Period Ended
		30 th June 2023	30 th June 2022
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	3,531,224.00	7,188,059.00
Transfers from other levels of government	7	0.00	2,010,000.00
Public contributions and donations	8(a)	105,000.00	0.00
Rendering of services- fees from students	9	2,392,626.00	3,911,480.00
Miscellaneous income	10	55,500.00	170.00
Total Receipts		6,084,350.00	13,109,709.00
Payments			
Use of goods and services	11	3,891,610.00	5,090,746.00
Employee costs	12	2,446,924.00	2,324,513.00
Board /Council Expenses	13	346,811.00	0.00
Repairs, maintenance and improvement	14	234,924.00	3,937,392.40
Total Payments		6,920,269.00	11,352,651.40
Net Cash Flows from operating activities		(835,919.00)	1,757,057.60
Cash flows from investing activities			
Payment for infrastructure		0.00	0.00
Proceeds from sale of property, plant and equipment		0.00	0.00
Net cash flows used in investing activities		0.00	0.00
Cash flows from financing activities			
Proceeds From Borrowing		0.00	0.00
Repayment Of Borrowings		0.00	0.00
Net cash flows used in financing activities		0.00	0.00
Net Increase/(Decrease)in Cash and Cash equivalents		(835,919.00)	1,757,057.60
Cash and Cash equivalents as at 1 JULY	17	2,004,503.02	247,445.42
Cash and Cash equivalents as at 30 JUNE	17	1,168,584.02	2,004,502.02



17. Statement of Comparison of Budget & Actual amounts for Year Ended 30 June 2023

Description	Original Budget (Kshs)	Adjustments Kshs	Final Budget Kshs	Actual on comparable basis Kshs	Performance difference Kshs	Utilization Difference %
	(a)	(b)	c=a+b	(d)	e=c-d	f=d/c%
Fund balance brought forward	1,770,714.02	0.00	1,770,714.02	2,004,503.02		
Revenue						
Development grants from MoE	164,825,085.00	0.00	164,825,085.00	0.00	164,825,085.00	0%
Recurrent grants form MOE	8,412,059.00	0.00	8,412,059.00	3,531,224.00	4,880,835.00	41.98%
Rendering of services- fees from students	13,383,356.00		13,383,356.00	2,392,626.00	10,990,730.00	17.88%
Public contributions and donations	0.00	0.00	0.0	105,000.00	-105,000.00	-
Other income	0.00	0.00	0.0	55,500.00	-55,500.00	-
Total Income	188,391,214.02	0.00	188,391,214.02	6,084,350.00	179,201,694.00	3.28%
Expenses						
Use of goods and services	17,301,839.00	0.00	17,301,839.00	3,891,610.00	13,410,229.00	22.49%
Employee costs	2,388,120.00	0.00	2,388,120.00	2,446,924.00	-58,804.00	102.46%
Board /Council Expenses	771,000.00	0.00	771,000.00	346,811.00	424,189.00	44.98%
Repairs and maintenance/Development	164,825,085.00	0.00	164,825,085.00	234,924.00	164,590,161.00	0.14%
Total Expenditure	185,286,044.00	0.00	185,286,044.00	6,920,269.00	178,365,775.00	3.73%
Surplus For the Period	0.00	0.0	0.00	(835,919.00)	835,919.00	
Capital Expenditure	0.00	0.00	0.00	0.00	0.00	

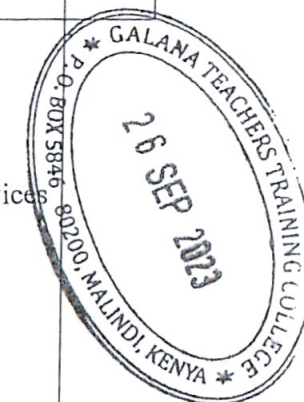
Budget notes

a. The deficit of Kshs. 835,919.00 was financed by the fund balance brought forward of Kshs. 2,004,503.02

b. No adjustments were made to the 2022/2023 budget, however,

Galana TTC:

- i. Did not attain its enrolment objective of 150 trainees thus the difference in amounts due to rendering of services and use of goods and services
- ii. Did not receive development grants as well as grants for repairs and maintenance in the 2022/2023 FY
- iii. Did not hold all the planned full board meetings as well board of management committee meetings.
- iv. Incurred extra employee costs due to changes in NSSF rates and employment of lecturer(s) under board of management terms.



18. Notes to the Financial Statements

1. General Information

Galana Teachers Training College is established by and derives its authority and accountability from Basic Education Act, 2013 regulations 2015 and the Public Finance Management Act 2012. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The principal activity of the College is to offer the following courses;

- a. Diploma in Primary Teacher Education (DPTE)
- b. Diploma in Early Childhood Teacher Education (DECTE)
- c. Upgrade programs leading to Diploma in Primary Teacher Education (UDPTE) and Early Childhood Teachers Education (UDECTE)

2. Statement of Compliance and Basis of Preparation

The College's principal activity is to educate Diploma in Primary and Early Childhood Teacher Trainees in accordance with the Basic Education Act 2013, Legal Notice No. 14 Laws of Kenya. The financial management of the College is guided by the Public Finance Management Act 2012. The College's financial statements have been prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS). However, the statement of cash flows and statement of comparison of budget verses actual amounts have been prepared in accordance with the Cash Basis Method of Accounting under the International Public Sector Accounting Standards (IPSAS)



3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>Other than cash at bank and student debtors, the College did not have other financial instruments.</i></p>
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. <p><i>The college did not have social benefit schemes in the financial year under review.</i></p>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.



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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>(Not applicable to the college as of now)</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>(Not applicable to the college)</i></p>

iii. Early adoption of standards

Galana TTC did not early-adopt any new or amended standards in year 2023



4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

~~Transfers from other government entities~~

The College recognizes revenues from non-exchange transactions at fair value upon obtaining control of the revenues. In the financial year under review, the College recognized revenues from non-exchange transaction amounting to Kshs. 3,531,224.00 and Kshs 105,000.00 from the Ministry of Education and public contributions/donations respectively in the statement of financial performance.

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. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable. In the financial year under review, the College recognized Kshs. 4,977,494.00 in the statement of financial performance.

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. However, the College is not involved in Commercial activities hence has not reported sales in the statement of financial performance.

Interest income

Galana TTC did not earn interest income in the financial year under review

Rental income

Galana TTC did not report rental income in the financial year under review



b) Budget information

The College anticipated placement of 150 students by the Ministry of Education in the 2022/2023 FY. The budget for the FY under review was as follows;

S/No.	Description	Amount (Kshs)
1.	Fund balance brought forward	1,770,714.02
2.	Proposed development grant from Ministry of Education	164,825,085.00
3.	Proposed recurrent grant from Ministry of Education	8,412,059.00
4.	Projected Income from Students	13,383,356.00
	Total	188,391,214.02

The financial budget was prepared in line with the cash basis of accounting under the International Public Sector Accounting Standards while the financial statements have been prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance. The College financial budget for the 2022/2023 FY was approved by the board of management on 1st July 2022. A statement of reconciliation of the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 of these financial statements.

c) Taxes

Current income tax

Galana Teachers Training College is a Public Teacher Training College. The College is not operating for profit and is therefore not subject to income tax

Sales tax/ Value Added Tax

Galana Teachers Training College is a Public Teacher Training College. The College is not operating for profit and is therefore not subject Sales Tax/Value Added Tax

d) Investment property

Galana Teachers Training College did not have investment property in the financial year under review

e) Property, plant and equipment

All property, plant and equipment are stated at cost. Accumulated depreciation and impairment losses have not been considered since the College has not developed a depreciation/accounting policy. However the college is intending to engage certified valuers to carry out valuation of the college assets so as to determine the accurate values, useful lives and thus the computation of depreciation and impairment. The Cost relating to PPE includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the College recognizes such parts as individual assets. Repairs and Maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction or through donation, the asset is recorded as asset in kind under public contributions and donations.

f) Leases

Galana TTC neither had operating nor financial leases in the 2022/2023 FY

g) Intangible assets

Galana Teachers Training College secured a website (www.gttc.ac.ke) at a cost of Ksh. 63,800.00 (Sixty-Three Thousand Eight Hundred Only) the 2022/2023 FY.

h) Research and development costs

Galana TTC did not incur research and development costs in the 2022/2023 FY.

i) Financial instruments

Loans and borrowing

Galana Teachers Training College did not have monetary loans from financial institutions in the 2022/2023 FY.

Financial assets

Other than cash and bank deposits (cash at bank), Galana TTC does not have any other financial assets. The cash and bank balances have been reported in the statement of financial position under cash and cash equivalents in page 2 of these financial statements and note number 22 of the notes to these financial statements.



Trade and other receivables

This relates to fees and non-fees debts that remain unpaid as at the end of the FY. Trade and other receivables are recognized when an invoice has been issued to customers. Trade and other receivables are recorded in the statement of financial position. In the financial year under review the college did not have non-fees debtors. Fees debtors amounted to Kshs. 2,529,371.00

Impairment

Galana TTC has not developed an accounting policy to account for impairment losses. Therefore, in the 2022/2023 FY reports and financial statements, impairment has not been considered.

Financial liabilities

Classification

In the 2022/2023 FY, Galana TTC classified liabilities as currents and non-current liabilities in the statement of financial position. These are obligations due to goods and or services supplied to the college for the well-being of the trainees and operations of the college. Other than the amount due to suppliers of goods and services, the college did not have any other financial liabilities.

j) Inventories

Galana TTC does not hold inventory with a view to resale. However, the College measures inventory 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. The College reports inventory in the statement of financial position.

k) Provisions

Galana TTC had neither legal nor constructive provisions in the 2022/2023 FY.

Contingent liabilities

Galana TTC did not have contingent liabilities in the 2022/2023 FY.

Contingent assets

Galana TTC did not have contingent liabilities in the 2022/2023 FY.

l) Social Benefits

Galana TTC did not incur expenditure relating to social benefit in the 2022/2023 FY.

m) Nature and purpose of reserves

The college is not mandated to have any reserves.

n) Changes in accounting policies and estimates

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



o) Employee benefits

Retirement benefit plans

Galana TTC does not have defined retirement benefit scheme. However, the College intends to maintain a gratuity account to cater for payment of gratuities upon retirement of non-teaching staff. In the meantime, the college contributes 6% of the staff's pensionable income towards National Social Security Fund which is reported as under employee costs in the statement of financial performance.

p) Foreign currency transactions

Galana TTC was not involved in foreign transactions in the 2022/2023 FY.

q) Borrowing costs

Galana TTC did not incur borrowing costs in the 2022/2023 FY.

r) Related parties

The Ministry of Education disbursed Kshs. 3,531,224.00 in the 2022/2023 FY
The Board of Management donated Ksh. 35,000.00 in the 2022/2023 FY
Board/Council expenses amounted to Ksh. 346,811.00

s) Service concession arrangements

There were no service concession arrangements in the 2022/2023 FY

t) Cash and cash equivalents

Galana TTC's cash and cash equivalents for the 2022/2023 FY relate to cash and bank balances. This has been reported in the statement of financial position under cash and cash equivalents. The total amount due to cash and equivalents amount to Kshs. 1,168,584.02

u) Comparative figures

Comparative figures in the 2022/2023 FY reports and financial statements are relate to the reports and financial statements for the 2021/2022 FY.

v) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

Estimates and assumptions.

There were no assumptions made on the reported figures that could cause material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives and residual values

Galana TTC did not engage certified valuers in the 2022/2023 FY to carry out valuation of the college land, buildings and other assets thus useful lives have not be determined.

Provisions

No provisions were made in the 2022/2023 FY



6. Transfers from other National Government entities/Government grants

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
Recurrent grants	Kshs	Kshs
Personnel Emoluments	1,990,817.00	2,470,523.00
Local transport and Travelling	971,013.00	1,195,000.00
Administrative costs	279,241.00	1,077,770.00
Electricity, Water and Conservancy	0.00	367,800.00
Activity funds	133,370.00	158,500.00
Tuition	156,783.00	254,678.00
Repair, Maintenance and Improvements	0.00	1,663,788.00
Sub-total	3,531,224.00	7,188,059.00
Total Government Grants and Subsidies	3,531,224.00	7,188,059.00

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognized in capital fund.	Total grant income during the year	Comparative FY 2021/2022
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Early Learning and Basic Educations	3,531,224.00	0.00	0.00	3,531,224.00	7,188,059.00
Total	3,531,224.00	0.00	0.00	3,531,224.00	7,188,059.00

The details of the reconciliation have been included under appendix III of these financial statements

7. Transfers from Other Levels of Government

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Transfer from County Government of Kilifi	0.00	2,010,000.00
Total Transfers	0.0	2,010,000.00



8. Public Contributions and Donations

Note.

- i. Public contributions and other donations for the 2022/2023 FY were meant in support of the college towards the occasion of the 1st graduation ceremony held at the college on the 30th day of March 2023
- ii. Public contributions and other donations for the 2021/2022 were meant to enable the college admit the 1st cohort of Diploma in Primary Teacher Education –Upgrade program

(a) Donations in cash.

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Members of the Board of Management	35,000.00	0.00
Malindi Autofit Express Ltd	10,000.00	0.00
Kilonzo & Aziz Co. Advocates	10,000.00	0.00
Southern Sky Safaris	10,000.00	0.00
Kioko Enterprises	20,000.00	0.00
Malindi Chemist (Dr. Suchak)	10,000.00	0.00
Bomani Primary School	2,000.00	0.00
Senior Chief Marikebuni- Katana Kambao	3,000.00	0.00
Equity Bank (K)Ltd	5,000.00	0.00
Total Donations and Contributions	105,000.000	0.00

(b) Donations in-kind.

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Jacaranda Group of Schools -(Foodstuff)	81,950.00	0.00
ABSA Bank -(Mineral water and sodas	6,900.00	0.00
Imarika Sacco Society Ltd -(Mineral water)	3,200.00	0.00
NG-CDF, Magarini- -(Mattresses)	0.00	100Pcs
Mombasa Cement Ltd -(Mattresses)	0.00	100Pcs
NG-CDF, Magarini- Students beds	0.00	18Pcs
Total Donations and Contributions	92,050.00	-

9. Rendering of Services

Description	Period ended 30 th June 2023(Kshs)	Period ended 30 th June 2022 (Kshs)
Boarding Equipment and Stores	1,239,236.00	1,344,802.00
Teaching Equipment and Stores	79,188.00	229,178.00
Local Transport and Travelling	96,366.00	165,000.00
Medical	16,463.00	34,200.00
Activity	38,400.00	98,400.00



R.M.I/Rehabilitation	63,661.00	202,742.00
V.R.M/Replacement	33,875.00	198,743.00
Administrative costs	183,444.00	95,771.00
Teaching Practice/Practicum	26,948.00	121,893.00
Personnel Emolument subsidy and gratuity	88,391.00	184,679.00
Electricity, Water and Conservancy	62,095.00	199,888.00
Students Council	5,500.00	20,600.00
ICT Equipment and Accessories	53,058.00	172,333.00
Track suit	33,320.00	92,150.00
College Student Identification cards	4,309.00	11,215.00
Clubs, Societies and CSL	13,250.00	36,715.00
Library Books	3,915.00	19,350.00
Student guide book	2,200.00	7,800.00
Practicum Assessment Books	11,665.00	44,901.00
Covid-19 Response	19,671.00	73,894.00
Bank Charges	2,715.00	8,500.00
Examination Fees (KNEC)	240,426.00	536,460.00
Registration fees	0.00	12,200.00
Hockey stick	9,000.00	0.00
Graduation fees	62,500.00	0.00
Prepaid fees	3,030.00	66.00
<i>Unpaid fees (Fee debtors)</i>	<i>2,529,371.00</i>	<i>1,000,986.00</i>
Total	4,921,997.00	4,912,466.00

These are revenues from fee levies/Fees from students

10. Other income

Description	Period ended	Period ended
	30 th June 2023 (Kshs)	30 th June 2022 (Kshs)
Sale of Farm Produce-Sukumawiki	0.00	170.00
Tender processing fees/documents	38,000.00	0.00
Hire of classroom/hall	17,500.00	0.00
Total	55,500.00	170



11. Use of Goods and Services

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Boarding Equipment and Stores	1,317,106.00	1,666,485.00
Teaching Equipment and Stores/Tuition	73,781.00	220,149.00
Local Transport and Travelling	327,611.00	250,800.00
Medical	3,135.00	8,090.00
Activity	153,814.00	355,193.00
Administrative costs	1,061,092.00	1,233,431.00
Teaching Practice/Practicum	138,310.00	0.00
Electricity, Water and Conservancy	128,165.00	160,019.00
Clubs, Societies and community service learning	0.00	5,200.00
ICT Accessories and equipment/Internet charges	40,600.00	112,333.00
Track suit	0.00	110,700.00
College student identification cards	7,380.00	6,300.00
Teaching practice/practicum assessment books	18,600.00	0.00
Performance contracting	14,840.00	0.00
Bank Charges	10,746.00	17,856.00
Covid -19 Response	0.00	2,124.00
Tender processing allowances	12,000.00	0.00
Graduation expenses	186,520.00	0.00
Farm expenses	28,490.00	0.00
KNEC Examination Fees	368,000.00	942,000.00
Prepaid Fees recovered	1,420.00	0.00
<i>Accounts payables –Pending bills</i>	<i>147,501.00</i>	<i>109,066.00</i>
Total goods and services	4,039,111.00	5,199,746.00

12. Employee Costs

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Net Salaries and wages	2,256,932.00	2,206,089.00
Staff contributions towards NSSF	104,768.00	39,200.00
Staff contributions towards NHIF	70,800.00	64,800.00
P.A.Y.E	14,424.00	14,424.00
Total Employee Costs	2,446,924.00	2,324,513.00



13. Board/Council Expenses

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Travelling costs during official engagements	346,811.00	0.00
Total board/Council expenses	346,811.00	0.00

14. Repairs and Maintenance

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
General Repairs and Maintenance	125,924.00	173,498.00
Student beds -Payment to creditor(s)	109,000.00	515,000.00
Construction works -Completion of boys dormitory	0.00	1,278,922.40
Renovations –Administration block and classes	0.00	20,280.00
Furniture and fittings	0.00	779,520.00
Photocopier and desktop computers	0.00	383,700.00
Energy saving Jikos (With sufurias)	0.00	480,000.00
Construction of kitchen makeshift	0.00	56,550.00
Distribution of piped water	0.00	42,582.00
Chest freezer	0.00	58,340.00
Hire of tents-Improvised dining hall	0.00	20,000.00
College sign post	0.00	20,000.00
Pending bills	0.00	109,000.00
Total Repairs and Maintenance	234,924.00	3,937,392.40

15. Other Gains/(Losses)

There were no gains and or losses in the 2022/2023 FY

16. (a) Cash and Cash Equivalents

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Current Accounts		
i. Bank Balances	1,155,497.02	1,924,485.02
ii. Cash at hand	13,087.00	80,018.00
Total Cash and Cash Equivalents	1,168,584.02	2,004,503.02



(b). Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	Period ended 30 th June 2023	Period ended 30 th June 2022
		Kshs	Kshs
a) Bank Balances			
Equity Bank, Operations Account	0450267920494	1,039,932.02	1,603,638.02
Kenya Commercial Bank Fee Collection Account	1289235430	115,258.00	294,788.00
Kenya Commercial Bank Community/Dev. Account	1239572999	307.00	26,059.00
Sub- Total		1,155,497.02	1,924,485.02
b) Cash at Hand			
Equity Bank -Operations Account		250.00	80,018.00
Kenya Commercial Bank Fee Collection Account		12,837.00	0.00
Kenya Commercial Bank Community/Dev. Account		0.00	0.00
Sub- Total		13,087.00	80,018.00
Grand Total		1,168,584.02	2,004,503.02

17. Receivables from Exchange transactions

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
(a) Current Receivables from Exchange transactions		
Non-fee debtors	0.00	0.00
Student Debtors	2,529,371.00	1,000,986.00
Sub-total	2,529,371.00	1,000,986.00
(b) Long- term Receivables from Exchange transactions		
Other Exchange Debtors	0.00	0.00
Less: Impairment Allowance	(0.00)	(0.00)
Total Receivables	2,529,371.00	1,000,986.00

Note. There were no receivables from non-exchange transactions for over the 2022/2023 FY



(c) Ageing Analysis of Receivables from Exchange transactions

Description	Period ended 30 th June 2023		Period ended 30 th June 2022	
	Kshs		Kshs	
	2022/2023 FY	% of the total	2021/2022 FY	% of the total
Less than 1 year	1,950,461.00	77.11%	1,000,986.00	100%
Between 1- 2 years	578,910.00	22.89%	0.00	0%
Total	2,529,371.00	100%	1,000,986.00	100%

18. Inventories

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Tuition stores	9,450.00	9,450.00
Sports and Physical Stores	114,729.00	67,579.00
Catering stores	0.00	0.00
Total Inventories at initial cost	124,179.00	77,029.00

19. Investments in financial assets

Galana TTC has did not have investment in financial assets in the 2022/2023 FY

d) Shareholding in other entities

Galana TTC is not a shareholder in other entities

20. Property, Plant and Equipment

a. Valuation

- i. Galana Teachers Training College did engage certified valuers to carry out valuation of the College
- ii. Land and buildings. Therefore, the monetary value of following properties has not been determined.
- iii. Land -around 8.33Ha (Government land)
- iv. Administration block. 1No. -Constructed in the financial year 2014/2015 by NG-CDF Magarini.
- v. 1No. 2Classrooms block - Constructed in the financial year 2014/2015 by NG-CDF Magarini
- vi. 1No. Toilets block- Constructed in the financial year 2014/2015 by NG-CDF Magarini
- vii. 1No. 3Classrooms block- Constructed by the NG-CDF Magarini in the financial year 2013/2014



b. Property Plant and other equipment

The buildings and other assets were stated on the historical cost basis and the amounts are as follows:

	Initial Cost	Accumulated	Period ended	Period ended
	Kshs	Depreciation	30 th June 2023	30 th June 2022
	Kshs	Kshs.	Kshs	Kshs
1No. Boys dormitory	8,567,984.98	0.00	8,567,984.98	8,567,984.98
1No. Power house	590,000.00	0.00	590,000.00	590,000.00
Kitchen Makeshift	56,550.00	0.00	56,550.00	56,550.00
Student beds	624,000.00	0.00	624,000.00	624,000.00
Furniture, and fittings	1,343,020.00	0.00	1,343,020.00	1,343,020.00
Computers/Printer /Projector/Copier	381,700.00	0.00	381,700.00	381,700.00
Jikos & Sufurias	480,000.00	0.00	480,000.00	480,000.00
Chest freezer	58,340.00	0.00	58,340.00	58,340.00
Television- TLAC	48,500.00	0.00	48,500.00	48,500.00
WiFi router	9,999.00	0.00	9,999.00	9,999.00
Laminating machine	6,800.00	0.00	6,800.00	6,800.00
Binding machine	5,250.00	0.00	5,250.00	5,250.00
Paper cutter	2,650.00	0.00	2,650.00	2,650.00
Giant stapler	4,500.00	0.00	4,500.00	4,500.00
Water dispenser	15,000.00	0.00	15,000.00	15,000.00
Dining tables	80,000.00	0.00	80,000.00	80,000.00
College Sign board	20,000.00	0.00	20,000.00	20,000.00
Water tanks	260,000.00	0.00	260,000.00	260,000.00
Steel filing cabinets	44,997.00	0.00	44,997.00	44,997.00
Lawn mower	55,600.00	0.00	55,600.00	0.00
Total	12,654,890.98	0.0	12,654,890.98	12,599,290.98

Note. Depreciation on property, plant and equipment has not been considered.

21. Intangible Assets

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
College Website (www.gttc.ac.ke)		
Initial cost	63,800.00	0.00
Total	63,800.00	0.00

22. Biological Assets

	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Chicken	3,900.00	3,900.00
Total	3,900.00	3,900.00



23. Trade and Other Payables

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
a. Non-Current trade and other payables	0.00	0.00
b. Current trade and other payables		
Trade payables	144,405.00	109,000.00
Fees paid in advance	3,096.00	66.00
Total current payables	0.00	0.00
Total Trade and Other Payables	147,501.00	109,066.00

Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	147,435.00	99.96%	109,066.00	100%
1-2 years	66.00	0.04%	0.00	0%
2-3 years	0.00	%	0.00	0%
Over 3 years	0.00	%	0.00	0%
Total	147,501.00	100%	109,066.00	100%

There were no non-current payables in the 2022/2023 FY

24. Refundable Deposits from Customers/Students

Description	Period ended 30 th June 2023	Period ended 30 th June 2022		
	Kshs	Kshs		
Consumer deposits-Prepaid fees	3,069.00	66.00		
Total Deposits	3,069.00	66.00		
Ageing analysis:	Current FY	% of the Total	Comparati ve FY	% of the Total
Under one year	3,030.00	97.89%	66.00	100%
1-2 years	66.00	2.13%	0.00	%
Total	3,096.00	%	66.00	%

25. Current Provisions: -There were no provisions made in the 2022/2023 FY

26. Finance Lease Obligation

There was no finance lease obligation in the 2022/2023 FY

27. Deferred Income: -There was deferred income in the 2022/2023 FY



28. Employee Benefit Obligations

Retirement benefit Asset/ Liability

The College 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 and is currently at 6% per employee's gross salary per month where the employer contributes 6% of the said amount. Further, the College maintains gratuity Vote Head to cater for employee's retirement benefits. The amount paid the National Social Security fund has been reported under employee costs in the statement of financial performance.

29. Payments received in Advance-Prepaid fees

Description	Period ended 30 th June 2023		Period ended 30 th June 2022	
	Kshs		Kshs	
Consumer deposits-Prepaid fees	3,069.00		66.00	
Total Deposits	3,069.00		66.00	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	3,030.00	97.89%	66.00	100%
1-2 years	66.00	2.13%	0.00	%
Total	3,096.00	%	66.00	%

30. Non-Current Provisions

There were no non-current provisions in the 2022/2023 financial year

31. **Borrowings:** - There were no borrowings in the 2022/2023 FY

32. Service Concession Arrangements

There were no service arrangements in the 2022/2023 FY

33. Social Benefit Liabilities

There were neither obligations nor costs incurred relating to social benefit in the 2022/2023 FY

34. Cash generated from operations.

The college is not involved in commercial activities. The cash flow as a result of the operating activities is as follows.

Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Cash flows from operating activities		
Receipts		
Transfers from other National Government entities	3,531,224.00	7,188,059.00
Transfers from other levels of government	0.00	2,010,000.00
Public contributions and donations	105,000.00	0.00



Description	Period ended 30 th June 2023	Period ended 30 th June 2022
	Kshs	Kshs
Rendering of services- fees from students	2,392,626.00	3,911,480.00
Other income	55,500.00	170.00
Total Receipts	6,084,350.00	13,109,709.00
Payments		
Use of goods and services	3,891,610.00	5,090,746.00
Employee costs	2,446,924.00	2,324,513.00
Board /Council Expenses	346,811.00	0.00
Repairs, maintenance and improvement	234,924.00	3,937,392.40
Total Payments	6,920,269.00	11,352,651.40
Net Cash Flows from operating activities	(835,919.00)	1,757,056.60

35. Financial Risk Management

Galana TTC is a learning institution and is not therefore involved in money lending activities. However, the college is exposed to various risks such as default risks, liquidity risk among other risks.

(i) Default risk

Galana TTC is exposed to default risk since majority of the trainees did meet their fees obligations in the required time. The amount due to receivables has been reported in the statement of financial position. To mitigate this risk, the College set a policy that every trainee should pay at least Five Thousand Only (5,000.00) per months until his/her fees balance is cleared.

(ii) Liquidity risk management

Galana TTC manages liquidity risk through continuous monitoring of forecasts and actual cash flows/available cash. The college ensures that supplies are paid for on a monthly basis to avoid accumulation of accounts payables. The amount due to accounts payables has been reported in the statement of financial position. An analysis of the ageing of the accounts payables have been disclosed under notes to the financial statements.

36. Related Party Balances

Nature of related party relationships

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

