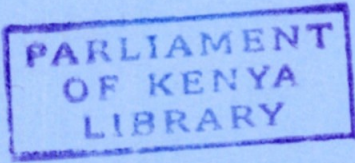


REPUBLIC OF KENYA



REPORT



OF

THE AUDITOR-GENERAL

ON

KERICHO TEACHERS TRAINING COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	05 MAR 2026 DAY. Thursday
TABLED BY:	Hon. Owen Baya, MP Deputy Leader of Majority Party
CLERK-AT-THE-TABLE:	A. Imbulko



KERICHO TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30th JUNE 2025

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

KERICHO TEACHERS TRAINING COLLEGE

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

1. Acronyms & Definition Of Key Terms	i
2. Key Kericho Teachers Entity Information And Management.....	iii
3. The Board Of Management	xi
4. Key Management Team.....	xiv
5. Board Of Management Chairman's Statement	xv
6. Report Of The Principal.....	xviii
7. Statement Of Performance Against Predetermined Objectives	xxiv
8. Corporate Governance Statement	xxvi
9. Management Discussion And Analysis	xxix
10. Environmental And Sustainability Reporting Statement.....	xxix
11. Report Of The Board Of Management	xxxiii
12. Statement Of Board Of Management Responsibilities	xxxiv
13. Report Of The Independent Auditor.....	xxxvi
14. Statement Of Financial Performance For The Year Ended 30th June 2025	1
15. Statement Of Financial Position As At 30th June 2025.....	2
16. Statement Of Changes In Net Assets For The Year Ended 30 June 2025.....	3
17. Statement Of Cash Flows For The Year Ended 30th June 2025.....	4
18. Statement Of Comparison Of Budget And Actual Amounts For The Year Ended 30 June 2025	5
19. Notes To The Financial Statements	7
20. Appendices	31

KERICHO TEACHERS TRAINING COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

1. Acronyms and Definition of Key Terms

A. Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTC	Teacher Training College
Fiduciary Management	Key management personnel who have financial responsibility in the college
KETECO	Kericho Teachers Training College

B. Definition of key Terms

Fiduciary Management – Members of Management directly entrusted with the entity's financial resources.

Comparative year – Means the prior period.

2. Key Entity Information and Management

Kericho Teachers' Training College, established in 1964, is a public institution dedicated to providing quality teacher education, training, research, and innovation to advance both individual and societal development. Currently, the college serves over 1,000 students enrolled in various programs (DECTE, DPTE, UDPTE, DTE) and is supported by 39 academic staff and 47 non-teaching staff.

(a) Background information

Kericho Teachers' Training College was established under the Basic Education Act 2013. The College is domiciled in Kenya and is under the Ministry of Education.

(b) Principal Activities

The college purpose

To provide quality and transformative education and training.

Core Mandate of Kericho T.T.C

Kericho T.T.C was established through the Education Act of 1968. The college is mandated to carry out the following responsibilities:

- a) Provide Quality Teacher Education.
- b) Promote continuous Professional Development.
- c) Conduct research.
- d) Community engagement.
- e) Adapt to Educational reforms.

The College Motto

Kericho T.T.C's motto is "Elimisha waelimisha".

Vision statement

A model institution in the training and development of competent and Multi-skilled teachers.

Mission statement

To provide quality training and equip teachers with practical and theoretical knowledge, skills and positive attitudes for professional competence and integrity to meet the needs of a dynamic society.

Strategic Objectives

- a) To train and develop competent and multi-skilled teachers.
- b) To expand training opportunities and enhance discipline.
- c) To develop and maintain quality infrastructure.
- d) To ensure compliance with the established quality assurance standards in education and training and enhance research and consultancy.
- e) To increase the efficiency and effectiveness of human resource.
- f) To ensure prudent utilization of resources and fully embrace the use of ICT.

Philosophy statement

Excellence in teacher training and management.

The college core values/ guiding principles

The college, in cognizant of the following values, will strive to achieve its goals as illustrated below:

Customer focus

It is a series of activities designed to deliver customer satisfaction based on the understanding of what the customer wants and needs. The management shall ensure that student requirements are met with an aim of enhancing their satisfaction, security and sustainability for instance teacher availability, improved infrastructure, access to information and effective complaint-handling process, transparency and accountability.

Integrity and ethics

It is adherence to moral and ethical values. It means being true to ourselves and being honest, upright and decent in our dealing with others. It is consistency of actions, values, methods, measures, principles, expectations, and outcomes. Kericho Teachers' Training College shall aspire to adapt to the above moral values to totally discourage concepts that may hinder the development of good morals.

Resilience

It is the ability to withstand and cope with stress and challenges of all kinds. The college will ensure that human resource is able to utilize their skills and strengths to cope and recover from challenges encountered. The challenges such as corruption, procrastination, fear, misuse of college resources, negative attitude and rigidity are likely to hinder the achievements of institutional objectives.

Timeliness

It refers to the principle where information is presented to the users in time to fulfil their decision making needs. The concepts of timeliness include meeting deadlines, security of information, mode of information delivery and feedback of information. The college will put measures that ensure timeliness is observed.

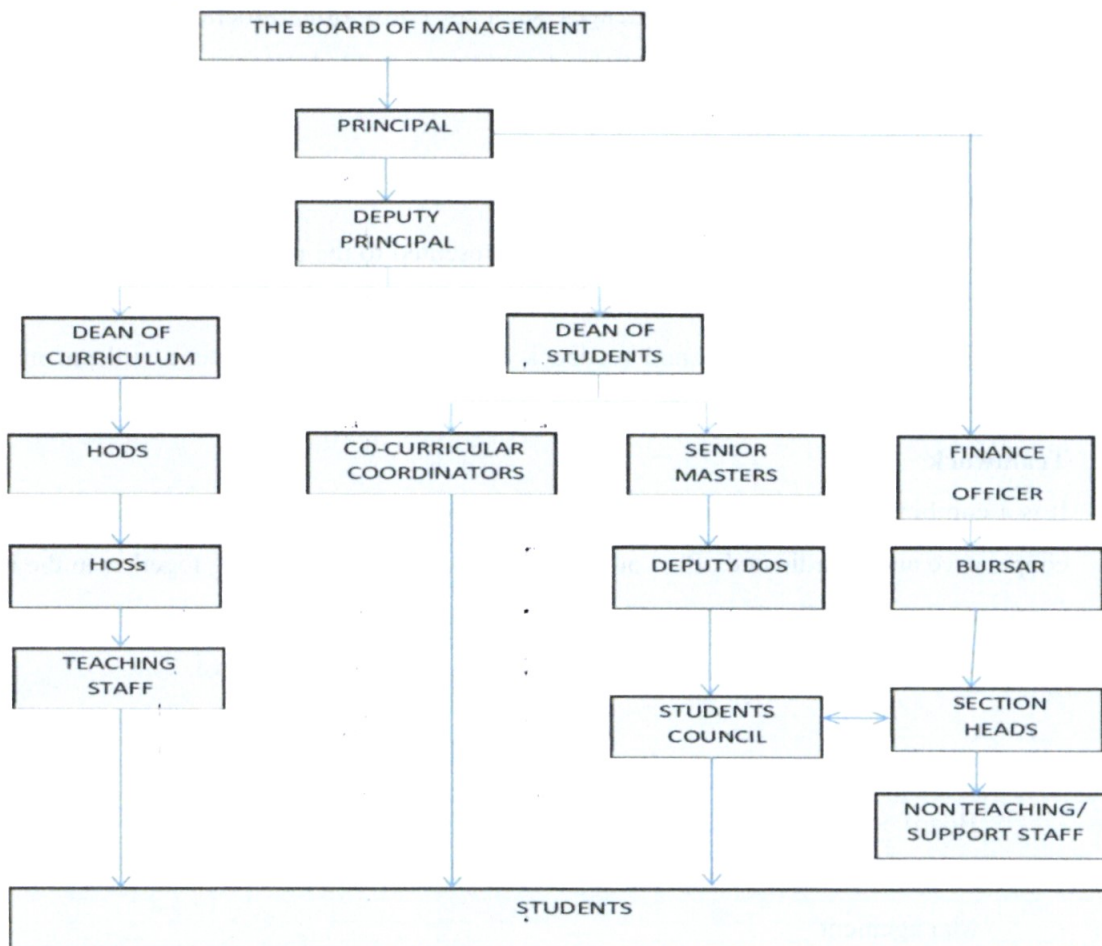
Teamwork

It is a combined effort of a group of individuals towards achieving institutional objectives. It is a cooperative and coordinated effort on part of a group of persons acting together in the interest of a common cause. Feedback, responsibility, coordination, monitoring, communication, cooperation and shared objectives are components that the college aspires to achieve.

(c) Key Management

- Board of Management
- Accounting officer/ Principal
- Management

Appendix 1: Organization Structure



KERICHO TEACHERS TRAINING COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

(d) Fiduciary Management

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

S/N	Name	Designation
1	Dr.Emily J. Kibet	Chief Principal
2	Mr John Bett	Deputy Principal
3	Mr Richard Bii	The Dean of Curriculum
4	Mr Geoffrey Ngeno	The Dean of Students
5	Mr Daniel Keter	Finance and Administrative Officer
6	Mr Evans Cheruiyot	Procurement Officer

(e) Fiduciary Oversight Arrangements

i. Finance, Procurement and General Purpose

S/N	Name	Designation	Professional background
1	Mr.Peter Korir	Chairperson	Accountant
2	Mr. Rasto Chepkwony	Member	Marketing specialist
3	Mr. Abdallah Bii	Member	Lawyer
4	Ms. Janet Langat	Member	Procurement specialist

The committee is in of receiving reports on Budgets and Quarterly Financial Reports in order to make recommendations and advise the Board of Management on:

- Annual budgets
- Disposal of idle assets
- Resource mobilization
- Development projects
- Income Generation Units
- Rehabilitation and maintenance of buildings
- Collaboration and partnership
- Financial management policies

KERICHO TEACHERS TRAINING COLLEGE

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

ii. Academic Standards, Quality and Environment

S/N	Name	Designation	Professional background
1	Prof. Charles Tibbs	Chairperson	Professor (Auditor)
2	Dr. Vicky Chepkorir	Member	Environmentalist
3	Dr. Daniel Nyongesa	Member	Medical Doctor
4	Ms Lydia Sigilia	Member	Accountant

The role of the committee is to receive and consider reports, make recommendations and advise the Board of Management on:

- Academic policies
- Academic calendar and programmes
- Quality management
- Graduation updates
- Admissions
- Assessments
- Curriculum implementation

iii. Discipline, Ethics and Integrity

S/N	Name	Designation	Professional background
1	Ms Stellah Koech	Chairperson	Lawyer
2	Mr. Fredrick Nyawanda	Member	Deputy Principal
3	Mr. Joel Mitei	Member	Clerk
4.	Mr. Abdallah Bii	Member	Lawyer

The role of the committee is to receive and consider reports, make recommendations and advise the Board of Management on:

- Discipline of students and staff
- Review of college rules
- Promotion of good Governance

KERICHO TEACHERS TRAINING COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

iv. Audit Committee

S/N	Name	Designation	Educational background
1	Dr. Vicky Chepkorir	Member	Environmentalist
2	Prof. Charles Tibbs	Chairperson	Professor (Accountant)
3	Dr. Joyce Kirui	Member	Public Health
4	Dr. Daniel Nyongesa	Member	Medical Doctor

The committee is responsible for receiving and considering reports, make recommendations and advise the Board of Management on:

- External and internal audit reports
- Internal control systems
- Risk management
- Compliance to Laws, regulations and standards
- Governance audit reports
- conduct value for money audits

v. Human Rights and Student Welfare

S/N	Name	Designation	Professional background
1	Mr. Abdallah Bii	Chairperson	Lawyer
2	Ms. Stella Koech	Member	Lawyer
3	Prof. Charles Tibbs	Member	Professor (Accountant)
4	Dr.Vicky Chepkorir	Member	Environmentalist

The committee is responsible for receiving and considering reports, make recommendations and advise the Board of Management on:




- Students welfare
- Human resource procedures and standards
- Terms and conditions of employment of employees
- Declare available employment vacancies
- Staff recruitment, selection, deployment and career development
- Human resource policies

KERICHO TEACHERS TRAINING COLLEGE

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

- (f) **Entity Headquarters**
P.O. Box 10 – 20200 KERICHO
Telephone: (254)721457785
Along Nakuru - Kisumu highway
- (g) **Entity Contacts**
E-mail: kerichotte@yahoo.com
info@kerichottc.ac.ke
Website: kerichottc.ac.ke
- (h) **Entity Bankers**
Kenya Commercial Bank
Kericho Branch
P.O. Box 491- 20200
Kericho, Kenya
- (i) **Independent Auditors**
Auditor General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya
- (j) **Principal Legal Adviser**
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. The Board of Management

 <p>1. Dr. Joyce Kirui</p>	<ul style="list-style-type: none"> • Date of Birth: 10th December 1980 • PhD in Health Management • Currently a Lecturer at Kenyatta University
 <p>2. Ms. Lydia Chepkoech Sigilai</p>	<ul style="list-style-type: none"> • Date of Birth: 26th June 1972 • Degree in Bachelor in Commerce • Currently a Business woman
 <p>3. Ms. Stella Koech</p>	<ul style="list-style-type: none"> • Date of Birth: 13th July 1980 • Degree in Law • Currently an Advocate
 <p>4. Mr. Peter Korir</p>	<p>Date of Birth: Masters in Business Administration Currently a Managing Director at Nyayo Tea Zone</p>
 <p>5. Mr. Rasto Chepkwony</p>	<ul style="list-style-type: none"> • Date of Birth: 21st July 1986 • Masters in Distribution Technology • Currently a Director at KEWASCO






KERICHO TEACHERS TRAINING COLLEGE

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

 <p>6. Ms. Janet Langat</p>	<ul style="list-style-type: none">• Date of Birth: 16th June 1985• Master in Planning Management• Currently a Procurement Officer at Athi Water Agency
 <p>7. Mr. John Bett</p>	<p>Date of Birth: 1966</p> <p>Masters in Education</p> <p>Currently a Deputy Principal at Kericho Teachers Training College</p>
 <p>8. Dr. Charles Yugi Tibbs</p>	<ul style="list-style-type: none">• Date of Birth: 23rd August 1974• Ph.D. In Strategic Management• Currently a Lecturer at Masinde Muliro University of Science and Technology
 <p>9. Late . Abdallah Cheruiyot</p>	<ul style="list-style-type: none">• Date of Birth: 23rd April 1973• Degree in Law• Currently a Deputy Director, legal services- National Commission for Science, Technology and Innovation
 <p>10. Dr. Vicky B. Chepkorir</p>	<ul style="list-style-type: none">• Date of Birth: 14 February 1988• Masters of Science in Agriculture and Environmental Science• Currently a Assistant Director Kenya Water Towers Agency

 <p>11. Mr. Sammy Kirui</p>	<ul style="list-style-type: none"> • Date of Birth: 3rd April 1969 • Masters in Business Administration • Currently a General Manager at James Finlays(K) ltd.
 <p>12. Dr. Daniel Nyongesa</p>	<ul style="list-style-type: none"> • Date of Birth: 17th January 1978 • Masters in Medicine General Surgery • Currently a Consultant surgeon at Kericho Referral Hospital
 <p>13. Joel Mitei</p>	<ul style="list-style-type: none"> • Date of Birth: 16th April 1970 • O-level Certificate(KCSE) • Retired Telcom employee/Farmer
 <p>14. Dr. Emily J. Kibet</p>	<p>Date of Birth: 1968 PhD in Education Management and Policy Studies Currently a Chief Principal at Kericho Teachers Training College</p>

4. Key Management Team

 <p>Dr .Emily J. Kibet</p>	<p>Chief principal</p> <ul style="list-style-type: none"> • Secretary BOM/Chief Principal • PHD
 <p>Mr. John Bett</p>	<p>Deputy Principal</p> <ul style="list-style-type: none"> • Degree • Senior Tutor
 <p>Mr. Richard Bii</p>	<p>Dean of Curriculum</p> <ul style="list-style-type: none"> • Degree • Senior Tutor
 <p>Mr. Geofry Ngeno</p>	<p>Dean of students</p> <ul style="list-style-type: none"> • Degree • Senior Tutor
 <p>CPA. Daniel Keter</p>	<p>Finance Officer</p> <ul style="list-style-type: none"> • Masters Degree in finance and Accounting • CPA K

5. Board of Management Chairman's Statement

It gives me great pleasure to present to you a brief statement on the mandate, challenges and the way forward for Kericho Teachers Training College for the year 2025.

Institutional Growth and Academic Programmes

The cardinal mandate of Kericho Teachers Training College as enshrined in Basic Education Act 2013 is to prepare teacher trainees for Pre-Service Diploma in Primary Teacher Education (DPTE) and Diploma in Early Child Teacher Education (DECTE). The college also offers Upgrade Diploma in Primary Teacher Education (UDPTE), DPT (Diploma in Primary Teacher) and Upgrade Diploma in Early Child Teacher Education (UDECTE) courses. We seek to expose teacher trainees to practical teaching exercises to equip them with the right knowledge, skills, attitudes for the much needed 21st century teacher. As a college we not only endeavour to enhance pedagogical approaches in various learning areas but also provide transformative leadership that is a requisite to sustainable socioeconomic development.

The college registered growth in enrolment in the year under review from 1000 to 1350 trainees. This increase is attributed to demand for teachers with Competency Based Teacher Education skills especially in the private sector.

This report aims at streamlining the activities of Kericho T.T.C in the education sector to suit the 21st century education challenges. It underpins the pedagogies and sophisticated modern tools that learners and teachers can embrace during the teaching and learning sessions. The bottom-line is production of quality teachers who are able to deliver the Competence Based Teacher Education Curriculum (CBC) and the unique needs of our nation in the 21st century economy driven by relevant skills, knowledge and positive attitudes.

Economic and Policy Environment

The year was characterised by unprecedented transformation in the Teacher Education under pinned by the Governments vision 2030, Bottom Up Economic Transformation and Sustainable Development Goals (SDGs). In line with the Basic Education Act 2013, Public Finance Management Act and other relevant policies and regulations issued from time to time our college strives to strengthen its structures to ensure the prudent utilization of resources and embrace transparency and accountability.

Major Milestones

During the period under review, the college made the following achievements:

- Successful implementation of Competency Based Teacher Education (CBTE)
- Equipping of the ICT Laboratory
- Handing over of a modern I-hub, two Smart classrooms and studio by the Ministry of Education under the KPEEL programme
- Handing over of the ICT Lab donated by the Safaricom Foundation.
- Procurement of a utility motor vehicle
- Construction of a gate and a paved walkway to enhance the college security
- Purchase of two hundred metal chairs for the trainees
- Rehabilitation of two hostels
- Retooling of teacher educators on Competency Based Teacher Education and Technologies in teaching and learning

Challenges Encountered

Despite the progress, the college faced challenges including but not limited to the following:

- Significant reduction in Government grants
- Delay in disbursement of Government grants
- Inadequate facilities
- Old and dilapidated facilities
- Student fees arrears

The College Commitment

The Board of Management is committed to:

- Strengthening internal controls and ensuring the prudent utilization of resources in line with the Public Financial Management Act
- Enhance automation of internal controls.
- Developing a Risk and Fraud policy
- Investing in the rehabilitation of the college dilapidated infrastructure
- Equipping the college Library
- Construction of a modern tuition and administration block
- Enhancing the college security by constructing a perimeter wall.

KERICHO TEACHERS TRAINING COLLEGE

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

I wish to extend my appreciation to the Board of Management, the Teacher Educators, the staff, Teacher trainees and all stakeholders for their continued support in building and developing this college into “a model institution in training and development of competent and Multi-skilled teachers”.

Thank you.


.....

Mr. Sammy Kirui

Board of Management Chairperson

6. Report of the Chief Principal

Introduction

Kericho Teachers' Training College is a public college established in 1964 registered under the Basic Education Act of 2013 to provide quality teacher education, training, research and innovation for the advancement of individual and society.

Our Mission is to provide Quality training that equips teacher trainees with pedagogical skills, knowledge and inculcate positive attitudes for professional competence and empowering them to address the needs of a dynamic society.

Enrolment

Currently, it has over 1350 students up from 1000 the previous academic year representing an increase of 28.4%.

Staffing and Human Capital

TSC Teacher Educators	- 46
BOM non-teaching staff	- 47
Out sourced armed security	-5
Contractual employees	-2

Based on the Curriculum Based Establishment of 70 tutors, the college has a shortage of 25 teacher educators.

Key Achievements during the year under review

Summary of Financial Performance for the Year Ended 30th June 2025

During the financial year 2024/2025, the institution recorded a **total revenue of Kshs 149,639,106**, reflecting an increase from **Kshs 140,524,590** in the previous year.

Revenue from **non-exchange transactions** (primarily Government grants) decreased from **Kshs 16,305,625 to Kshs 14,877,513**.

Revenue from **exchange transactions** increased significantly from **Kshs 124,208,965 to Kshs 134,761,593**, driven mainly by:

- Student fees totaling **Kshs 105,576,733**,
- Miscellaneous income of **Kshs 8,920,096**,
- Accrued income amounting to **Kshs 7,120,770**,
- Finance income of **Kshs 1,430,791.35**, which was not earned in the previous year.

Total expenses for the year increased to **Kshs 149,292,275** compared to **Kshs 139,945,007.80** in 2023/2024. Major cost drivers included:

During the training period, students actively engaged in a variety of co-curricular activities, achieving commendable milestones:

- i) **Sports-** Students participated in competitive sports and advanced to the national level, showcasing discipline, resilience, and teamwork.
- ii) **Drama-** Their involvement in drama productions reached the national stage, enhancing communication skills, confidence, and creativity.
- iii) **Music-** Students excelled in musical performances, also attaining national recognition, which fostered collaboration and artistic expression.
- iv) **Scouting activities-** Participation in scouting nurtured leadership, responsibility, and community service values.
- v) **Cultural Activities** – Engagement in cultural events promoted diversity awareness, inclusivity, and appreciation of our cultural heritage.

3. Digitalization of Systems.

The introduction of the Enterprise Resource Planning (ERP) system has significantly streamlined and modernized our institutional processes. By integrating various functions into a single digital platform, the ERP system has:

- i) **Enhanced efficiency** – Routine tasks such as admissions and record-keeping are now faster and more accurate.
- ii) **Improved transparency** – Data is centralized, reducing duplication and ensuring accountability in all operations.

4. Community Service.

- i) Kericho Teachers College contributed to the community through the following activities:
- ii) **Hosting community leaders** - our college halls served as venues for security and Development meetings fostering dialogue and collaboration on local and National issues.
- iii) **Supporting youth sports** – The college fields were made available for community use, including hosting the Kericho County Under-18 Athletics Camp during the December holidays, thereby promoting talent development and engaging the youth in healthy lifestyles

5. Climate Change Mitigation Activities

A total of 2,000 trees were planted and carefully nurtured within the college. This initiative enhances the preservation of the Environment.

6. Development Projects

Kericho Teachers College has invested in infrastructure and resources to improve the learning environment, enhance security, and support institutional growth. The following development projects were successfully undertaken:

- i) **Renovation of Hostels** – Upgrading student accommodation facilities to provide a more comfortable and conducive living environment.
- ii) **Repair of the Pavilion** – Restoring the pavilion to support sports and community gatherings.
- iii) **Construction of the Gate** – Building a modern gate to improve security and to enhance the visibility of the college.
- iv) **Acquisition of a Utility Vehicle** – Procuring a vehicle to facilitate logistics, administrative operations, and community outreach activities.
- v) **Installation of Security Solar Lighting** – Enhancing college safety and sustainability through solar-powered lighting systems.

7. Board Meetings.

Board Meetings

Kericho Teachers College successfully held the required number of Board meetings during the year. The Board played an active role in guiding the institution, ensuring that all major decisions were made with their full involvement. This strengthened governance and accountability within the college by:

- i) Providing oversight on academic, administrative, and financial matters.
- ii) Supporting strategic planning and development initiatives by developing the college five-year strategic plan.
- iii) Ensuring compliance with Government regulations, institutional policies and national education standards.
- iv) Promoting transparency and inclusivity in decision-making processes.
- v) Urge all stakeholders to join me in taking our institution to greater heights of success through implementation of this report and other relevant policies.

Summary of Board and Committee Meetings

Meeting / Committee Type	Number of Meetings Held
<p>Executive Committee Meeting Members; 1. Mr Sammy Kirui- Chair of the Board 2. Dr.Emily Kibet-Secretary of the Board 3. Prof. Charles Tibbs- Member 4. Mr Abdalla Bii- Member 5. Mr. Joel Mitei- Member 6. Ms Stella Koech- Member</p>	3
<p>Finance, Procurement and General Purpose Committee Member; 1. Mr. Peter Korir – Chair 2. Mr Abdalla Bii- Member 3. Mr Rasto Chepkwony- Member 4. Ms Janet Langat- Member</p>	7
<p>Academics, Standards, Quality and Environment Committee Members; 1. Prof. Charles Tibbs- Chair 2. Dr. Joyce Kirui- Member 3. Dr Daniel Nyongesa- Member 4. Dr Vicky Betty Chepkorir- Member 5. Ms. Lydia Sigilai- Member</p>	2
<p>Discipline Ethics and Integrity Committee Members; 1. Ms Stella Koech- Chair 2. Mr Abdalla Bii- Member 3. Mr. Joel Mitei- Member 4. Mr. Fredrick Nyawanda- Member</p>	2
<p>Audit Committee Members; 1. Prof. Charles Tibbs- Chair 2. Ms Stella Koech- Member 3. Dr. Joyce Kirui- Member 4. Dr Daniel Nyongesa- Member</p>	1
<p>Human Rights and Student Welfare Committee Members; 1. Mr Abdalla Bii- Chair 2. Ms Stella Koech- Member 3. Dr Vicky Betty Chepkorir- Member 4. Prof. Charles Tibbs- Member</p>	6
<p>Infrastructure Committee Members; 1. Prof. Charles Tibbs- Chair 2. Mr Abdalla Bii- Member 3. Mr Rasto Chepkwony- Member 4. Mr. Joel Mitei- Member</p>	3

KERICHO TEACHERS TRAINING COLLEGE

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

Full Board Meeting Members; <ol style="list-style-type: none">1. Mr Sammy Kirui- Chair of the Board2. Dr. Emily Kibet- Secretary of the Board3. Prof. Charles Tibbs- Member4. Mr Abdalla Bii- Member5. Mr. Joel Mitei- Member6. Ms Stella Koech- Member7. Mr Rasto Chepkwony- Member8. Dr Vicky Betty Chepkorir- Member9. Dr. Joyce Kirui- Member10. Dr Daniel Nyongesa- Member11. Mr. Peter Korir – Member12. Ms Janet Langat- Member13. Mr. Fredrick Nyawanda- Member	6
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Challenges faced

The college encountered the following challenges during the year under review.

- i) Trainees deferring the course for lack of fees
- ii) The high cost of infrastructure development and equipment to adequately meet the requirements for quality education
- iii) High cost of renovating our dilapidated buildings
- iv) Delays in disbursement of grants

Future focus:

To mitigate the challenges, the college intends to:

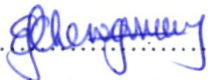
- i) Rehabilitate all the buildings to make the college attract more students
- ii) Strengthen financial sustainability by seeking support from partners and enhancing the IGUs.
- iii) Construct a modern tuition and administration block.

Acknowledgement

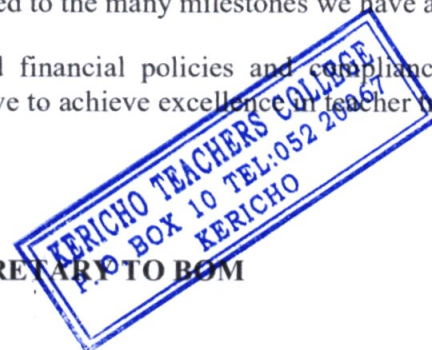
I wish to extend my appreciation to the Government of Kenya, Ministry of Education, the Board of Management, staff, trainees and all the stakeholders for your continued dedication and support. Your contributions and focus have led to the many milestones we have achieved.

We remain committed to fully embrace sound financial policies and compliance to the prudent management of public finance as we strive to achieve excellence in teacher training.

Thank you


.....
Dr. Emily C. Kibet

CHIEF PRINCIPAL/SECRETARY TO BOM



7. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity’s performance against predetermined objectives.

Kericho Teachers Training College has 4 strategic pillars and objectives within current Strategic Plan for the Financial Year 2024- 2028. These strategic pillars are as follows:

Pillar 1: Conduct training programs based on Diploma in Primary Teacher Education and Diploma in Early Childhood Teacher Education curriculum

Pillar 2: To construct, modernize infrastructure and improve physical environment

Pillar 3: To enhance safety and security in the college

Pillar 4: To enhance leadership and governances

Kericho Teachers Training college develops its annual work plans based on the above 4 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets set for the FY 2024/25 period for its 2 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar / 1	To enhance safety and security in the college			
	-Enhance fencing -Install modern security gadgets and programs	-Proper fence Kei-apple (Kayaba) Chain link -Gadgets (Biometric kit -Pass words) -Programs Receipts Delivery notes -Rumps -Doors and windows opening outside.	- Demarcate - Type of fencing -Identify and fence - Frequent repairs - Install gadgets -Identify areas of sensitization -Resource persons - Fire drills	-Secure environment -Serene environment Improved skills in disaster management -Peaceful co-existence
Pillar / 2	To enhance leadership and governance			

KERICHO TEACHERS TRAINING COLLEGE

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

	-Capacity build the Board of Management	-Good leadership and governance	Handbook Minutes Budget	- Meetings -Building capacity	Management skills -Motivated managers -Improved discipline -Efficient college management
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8. CORPORATE GOVERNANCE STATEMENT

The current Board of Management was appointed into office in 27th June, 2022 and upon appointment immediately took charge of their mandate to steer the college forward through application of best governance practices and standard

The Appointment Boards of Management of Public Teacher Training Colleges is done under section 55 of the Basic Education Act 2013. Under this Act, the Education cabinet secretary shall, by regulations prescribe the qualifications for persons who may be appointed to or co-opted into the Board of Management. (55(i)). According to the Act, the Board shall consist of:-

- (a) Six persons elected to represent parents will represent the community
- (b) One person nominated by the County Education Board
- (c) One representative of the Teaching staff
- (e) One person to represent special interest groups in the community
- (f) One person to represent persons with special needs, and
- (e) One representative of the students' council who will be an *ex-officio* member.

In Kericho Teachers' College, there are 14 BOM members in compliance with the requirements of the Act. The cabinet Secretary, Ministry of education through the County Education Board makes appointments. A board of Management holds office for a period of Three years, renewable.

The functions of the Board are stipulated in the Education act and are as follows.

- a) Promote the best interests of the institution and ensure its development;
- b) Promote quality education for all pupils in accordance with the standards set under this Act or any other written law;
- c) Ensure and assure the provision of proper and adequate physical facilities for the institution.
- d) Manage the institution's affairs in accordance with the rules and regulations governing the occupational safety and health.
- e) Advise the TSC on the staffing needs of the institution.
- f) Determine cases of pupils' discipline and make reports to the County Education Board.
- g) Prepare a comprehensive termly report on all areas of its mandate and submit the report to the County Education Board.

KERICHO TEACHERS TRAINING COLLEGE

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

- h) Facilitate and ensure the provision of guidance and counselling to all learners.
- i) Provide for the welfare and observe the human rights and ensure safety of the pupils, teachers and non-teaching staff at the institution;
- j) Encourage a culture of dialogue and participatory democratic governance at the institution;
- k) Promote the spirit of cohesion, integration, peace, tolerance, inclusion, elimination of hate speech and elimination of tribalism at the institution;
- l) Allow reasonable use of the facilities of the institution for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may determine including the charging of a fee.
- m) Administer and manage the resources of the institution.
- n) Receive, collect and account for any funds accruing to the institution;
- o) Recruit, employ and remunerate such number of non-teaching staff as may be required by the institution in accordance with this Act; and
- p) Perform any other function to facilitate the implementation of its functions under this Act or any other written law.

The Board provides for formation of committees of the Board as follows

- a) Finance, procurement and general purposes committee;
- b) Academic standards, quality and environment committee;
- c) Discipline, ethics and integrity committee;
- d) Audit committee; and
- e) Human rights and student welfare committee

Boards of Management once nominated, are inaugurated by the County Director of Education–MOE. The Board of Management members do not draw any salaries, but are reimbursed fare and lunches whenever they attend Board Meetings at a rate discussed and agreed by members and sanctioned by the county Director of Education, subject to availability of funds.

A member of the Board can be removed from office if the member resigns and communicates the decision in writing, or fails to attend 3 consecutive Board meetings without apology. The Board secretary is then required to notify the nominating entity of the situation with a view of finding a suitable replacement.

KERICHO TEACHERS TRAINING COLLEGE

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

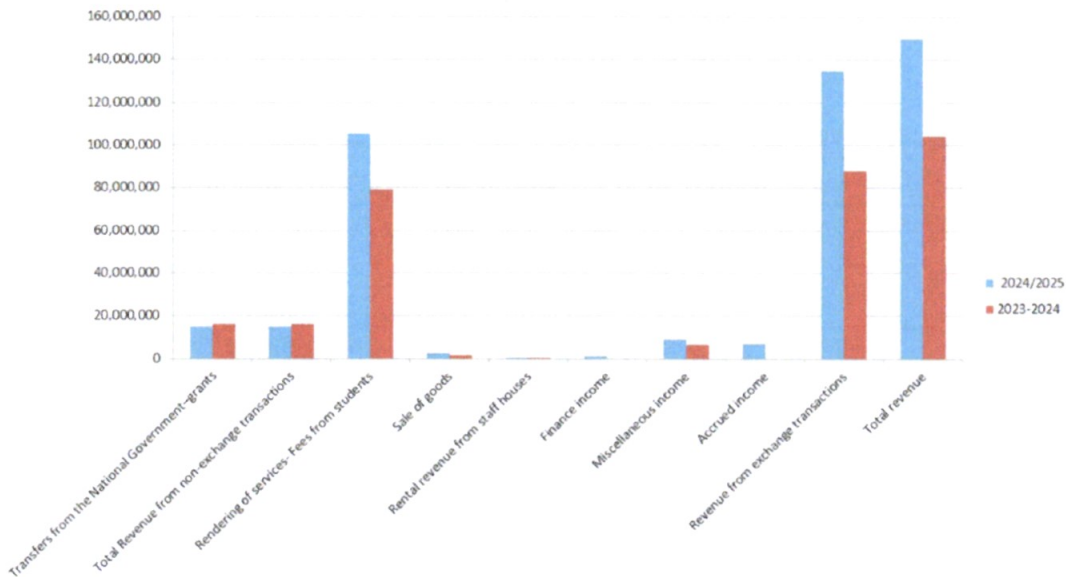
In all full Board Meetings and meetings of committees of the Board, a conflict of interest register is kept and signed by members after the Agenda of the day has been adopted.

9. MANAGEMENT DISCUSSION AND ANALYSIS

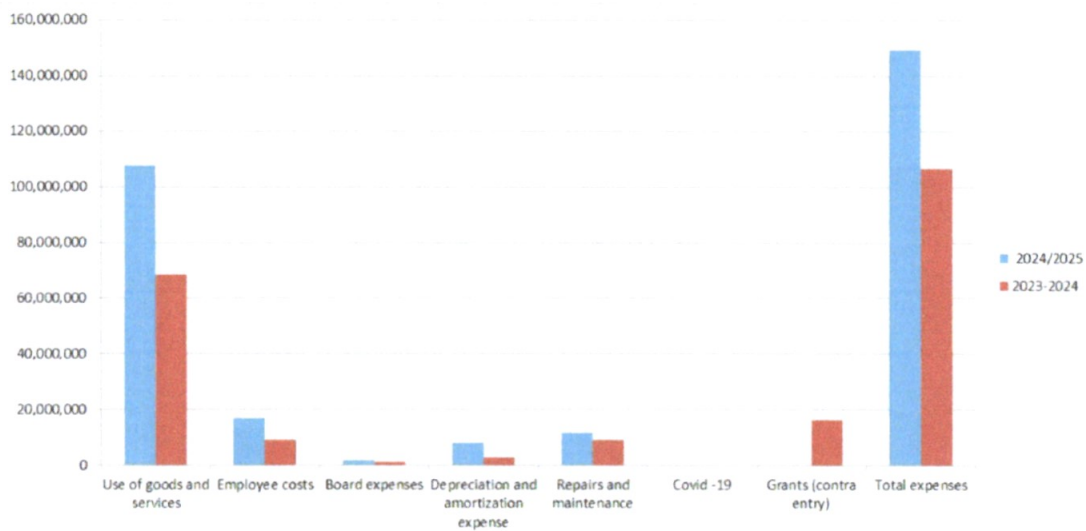
In this financial year 2024/2025 Kericho Teachers’ Training College was able to do some improvements and innovations. These include; lighting points extended in the college compound, along the highway road, internet installation of extra 15 mbps, Construction of a gate and sentry house, purchase of utility van for the college. Procured 22 desktops computers All were possible through prudent management of finances.

Below is a graph analysis of revenue and expenses of this institution

REVENUE COMPARISON



EXPENDITURE COMPARISON



Kericho Teachers’ Training College complies with the deduction and remittance of statutory deductions such as PAYE, SHIF, NSSF and Housing Levy

KERICHO TEACHERS TRAINING COLLEGE

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

Major risks;

1. School Fee cannot be collected in time
2. High rate of students changing courses/dropouts
3. Government late in remitting grants

10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING STATEMENT

Kericho Teachers Training College exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on five pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements during the year under review.

1. Sustainability Strategy and profile.

The college has laid down a policy of growing trees within the water catchment areas and ensures 90% survival rate.

2. Market place practices-

Being a public Institution, there is the perception that there is a lot of resources to be utilised. The reality is far from that and the resources we have are carefully managed to have the most impact. To this end we carry out the following exercises to get the best partners for continued provision of goods and services.

a) Supplier prequalification

We are guided by the Public Procurement and asset Disposal act,2015 and Regulations of 2020 and the PPRA guidelines on how to identify suppliers. This is an open and public process and takes into consideration the reservations for youth, women and people with disabilities.

b) With our prequalified suppliers, we endeavour to meet our obligations on time so that we may be able to sustain relations for future partnerships.

c) Being a national Government entity's the college makes a nationwide advert through newspaper and use of the local administration notice boards, social media to market opportunities in the College.

d) List of registered tenderers

The college also maintains and updates the list of registered tenderers as per the Procurement ACT of 2015.

e) Sustainability strategy and profile

Kericho Teachers Training College is a Government facility funded fully by the Government through Student fees and MOE grants. The College management strives to make prudent use of the available resources to maintain and improve the existing college facilities.

f) Employee Welfare

Kericho Teachers college's non-teaching staff Employees are hired and paid by the Board of Management and deployed to suitable workstations within the college. The remunerations of the employees are in strict adherence of the SCR recommendations on salaries and allowances. Where casuals are employed, the Board adheres to the existing labour laws and pays the recommended minimum wages.

All statutory deductions payable by an employee (i.e. PAYE, NSSF, SHA, Housing levy and SACCO DUES) are duly deducted and remitted every month.

Progression from one job group to a higher one is effected upon recommendation of the BOM.

The Board aims at motivating all the college employees through supply of adequate working equipment, uniforms and tools where applicable.

g) Community Engagements

In the spirit of corporate social responsibility, the college has allowed controlled access of the college field to the local community sportsmen and women

11. REPORT OF THE BOARD OF MANAGEMENT

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

Principal activities

The principal activities of Kericho Teachers College continue to be Training of Teachers to teach in Pre- Primary and primary schools in Kenya and beyond.

Results

The results of Kericho Teachers College for the year ended 30th June, 2025 are set out on pages 1 to 30

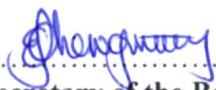
Board of Management

The members of the Board of Management who served during the year are shown on page xi to xiii. During this year, no Board Member resigned, but one passed on.

Auditors

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

By Order of the Board


.....
Secretary of the Board of Management
Kericho Teachers Training College

Date 8/12/2025
.....

12. STATEMENT OF BOARD OF MANAGEMENT RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 29 of schedule 2 of the Basic Education Act, 2013 require the BOM members to prepare financial statements in respect of Kericho Teachers Training College, which give a true and fair view of the state of affairs of the college as at 30th June, 2025 and the operating results of the college for the quarter. The BOM members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The BOM members are also responsible for safeguarding the assets of the college.

The BOM members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at 30th June, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (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 BOM members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Basic Education Act. The BOM members are of the opinion that the College's financial statements give a true and fair view of the state of entity's transactions as at 30th June, 2025 and of the college's financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the college.

KERICHO TEACHERS TRAINING COLLEGE


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

Approval of the Financial Statements

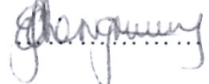
The college's financial statements were approved by the Board on 25/08/2025 and signed on its behalf by:

Approval of the financial statements

Kericho Teachers' Training College financial statements were approved by the Board of management on 25th August 2025 and signed on its behalf by:

1. 

Chairperson of the B.O.M

2. 

Principal/Secretary



REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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 Kericho Teachers Training College set out on pages 1 to 30, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual

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 Kericho Teachers Training College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Revenue from Rendering of Services – Fees from Students

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects revenue from rendering of services – fees from students amounting to Kshs.105,576,733. However, the billing and invoicing records and recomputed fees based on the number of active students who were in session during the year under review revealed revenue in respect of fees from students totalling Kshs.107,826,648, resulting in an unexplained variance of Kshs.2,249,915.

In the circumstances, the accuracy and completeness of revenue from rendering of services – fees from students amounting to Kshs.105,576,733 could not be confirmed.

2. Unsupported Receivables from Debtors

The statement of financial position reflects receivables from debtors totalling Kshs.20,736,319. The amount includes outstanding student fees balances, Ministry of Health debt of Kshs.720,000 and undisbursed government grants as disclosed in Note 18 to the financial statements. However, these receivables have been disclosed as receivables arising from exchange transaction though they are and non-exchange transactions. This was contrary to IPSAS 1 which requires separate classification and disclosure of receivables according to their nature.

Further, the students' debtors were not supported by the fees statement or student debtors control ledger indicating the students' details, the fees chargeable, actual payment received, the outstanding balance and the corresponding dates the fees arrears were incurred. The ageing analysis was also not provided or disclosed in the financial statements, contrary to the requirements of the prescribed financial reporting guideline b Public Sector Accounting Standards Board.

Further, the debt brought forward of Kshs.12,124,743 undisclosed on Note 18 of the financial statements does not agree with the debtors carried forward balance of Kshs.12,164,543 and the variance of Kshs.39,800 has not been explained.

In the circumstances, the accuracy and completeness of the receivables balance from debtors totalling Kshs.20,736,319 could not be confirmed.

3. Inaccuracy of Inventories

The statement of financial position reflects inventories balance of Kshs.3,104,380 which include catering stores, teaching stores, cleaning materials and medical stores totalling Kshs.1,414,900, Kshs.65,914, Kshs.38,860 and Kshs.1,584,706 respectively, as disclosed in Note 20 to the financial statements. However, the inventories balance differs with the supporting ledgers amounting to Kshs.8,403,237 resulting to unexplained variance of Kshs.5,298,857.

Further, review of the College's stores and stock cards revealed that there was lack of quarterly stock take reports as the Management did not conduct stock take during the financial year.

In the circumstances, the accuracy and completeness of the inventory's balance totalling Kshs.3,104,380 could not be confirmed.

4. Inaccuracies in the Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment totalling Kshs.846,683,996. The amount is net of depreciation charge for the year amounting to Kshs.12,544,422 as disclosed in Note 22 to the financial statements. However, the amount differs with depreciation and amortization expenses reported in the statement of financial performance amounting to Kshs.8,151,805 resulting in an unexplained variance of Kshs.4,392,617.

In addition, the property, plant and equipment balance includes Kshs.807,451,062 relating to land and buildings. Review of the College's records indicated that the College had occupied approximately seventy-eight (78) acres of freehold land and buildings. However, the valuation report to support the buildings and civil works was not provided for audit and the parcel of land had not been surveyed or valued. This was contrary to Paragraphs 26 and 27 of International Public Sector Accounting Standards (IPSAS) 17, which states that an item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost. Where an asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value at the date of acquisition.

Further, review of the assets register presented for audit revealed that the register was not prepared in the format prescribed with minimum requirements of identification or serial number, acquisition date, description of asset, location, responsible officer, class, cost of acquisition, accumulated depreciation, net book value and identification codes with which assets were tagged. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, accuracy, completeness and ownership of the College's property, plant and equipment totalling Kshs.846,683,996 could not be confirmed.

5. Unsupported Biological Assets Balance

The statement of financial position reflects biological assets totalling Kshs.1,075,000 and as disclosed in Note 25 to the financial statements. However, a reconciliation of changes in the carrying amount of biological assets between 01 July, 2024 and 30 June, 2025 was not disclosed in the financial statements or provided for audit. This was contrary to Paragraph 49 of IPSAS 27 which states that an entity must disclose a reconciliation of changes in the carrying amount of biological assets between the beginning and end of the current period.

Further, review of the College's records and physical verification revealed that the College had ten (10) acres of mature exotic trees valued at approximately Kshs.9,600,000 which were not disclosed in the financial statements.

In the circumstances, the accuracy, valuation and fair value of the biological assets totalling Kshs.1,075,000 could not be confirmed.

6. Unsupported Sundry Creditors

The statement of financial position and as disclosed in Note 23 to the financial statements reflects trade and other payables from exchange transactions totalling Kshs.12,593,184. However, the supporting documents including ledger schedule giving a detailed list of the suppliers who were owed, goods or services rendered, amounts payable to each creditor, invoices, delivery notes and local service or local purchase order numbers were not provided for review. The ageing analysis indicating how long the payables had been outstanding was also neither provided for audit review nor disclosed in the financial statements contrary to the requirements of the prescribed financial reporting template.

In the circumstances, the accuracy and completeness of sundry creditors balance totalling Kshs.12,593,184 could not be confirmed.

7. Inaccuracy of Capital Fund- Grants

The statement of financial position and statement of changes in net assets reflect capital fund-grants balance totalling Kshs.845,246,601. The amount includes Nil opening capital fund-grants as disclosed in the statement of changes in net assets. However, the Nil opening balance differs with the recomputed amount of Kshs.845,246,601 resulting in an unexplained variance of Kshs.845,246,601. The schedule supporting the capital fund-grants was also not provided for audit review.

In addition, the total opening balance for accumulated surplus and capital grants as at 1 July, 2023 and as at 30 June, 2024, does not cost neither does it agree with audited financial statements for the previous year.

In the circumstances, the accuracy and completeness of the capital fund-grants balance of Kshs.845,246,601 could not be confirmed.

8. Inaccuracies in the Statement of Cashflows

The statement of cash flows reflects net decrease in cash and cash equivalents amounting to Kshs.3,292,425. However, the amount differs with the re-computed increase in cash and cash equivalents amounting to Kshs.1,281,528 resulting in unexplained variance of Kshs.4,573,953.

Further, the statement reflects cash and cash equivalents at the end of the year (30 June, 2025) amounting to Kshs.9,494,718 which differs with the re-computed cash and cash equivalents balance of Kshs.14,068,671 resulting in an unexplained and unreconciled variance of Kshs.4,573,953. However, the recomputed amount of Kshs.14,068,671 differs with cash and cash equivalents balance of Kshs.9,494,719 reported in the statement of financial position.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

9. Inaccuracies in the Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects income adjustments totalling Kshs.53,468,237 which differs with the re-computed total income adjustments amounting to Kshs.20,227,146 resulting to an unexplained variance of Kshs.33,241,091.

Further, the statement reflects total actual revenue and total actual expenditure on comparable basis amounting to Kshs.136,798,946 and Kshs.133,339,531 respectively. However, the amounts differ with the recomputed total actual revenue and total actual expenditure of Kshs.139,293,977 and Kshs.137,706,176, resulting to unexplained variances of Kshs.2,495,031 and Kshs.4,366,645 respectively.

The statement of comparison of budget and actual amounts also reflects performance differences in respect of total income and total expenses amounting to Kshs.8,609,544 and Kshs.9,502,632 which differ with the recomputed negative total amounts of Kshs.6,985,931 and Kshs.25,745,026, resulting in unexplained variances of Kshs.15,595,475 and Kshs.35,247,658 respectively.

In addition, comparison between the statement of cash flows and statement of comparison of budget and actual amounts revealed unexplained variance of Kshs.96,847,318 in respect of use of goods and services.

In the circumstances, the accuracy and completeness of the statement of comparison of budget and actual amounts could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kericho 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 comparable basis amounting to Kshs.132,308,046 and Kshs.136,798,946 respectively resulting to excess revenue of Kshs.4,490,900 or 3% of the budget. Further, the statement reflects actual expenditure budget and actual on comparable basis amounting to Kshs.132,108,046 and Kshs.133,339,531 respectively resulting to an unauthorized expenditure of Kshs.1,231,485 of the budgeted amount.

The excess revenue collection and over expenditure implies inadequate controls in the budgeting process which could have adversely affected provision of services to the stakeholders of the College.

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 section, I have determined that there are no key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the audit reports of the previous year, sixteen (16) issues were raised under the Report on Financial Statements as shown in **Appendix I**. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

Other Information

Management is responsible for the Other Information set out on page iii to xxxv which comprise of Key Entity Information and Management, The Board of Management, Key Management Team, Board of Management's Chairperson's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Management, and Statement of Board of Management's 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 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 the Lawfulness and Effectiveness in 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. Non-Compliance with Law on Staff Ethnic Composition

Review of the College staff establishment revealed that the College had forty-seven (47) Members of staff out of whom forty-five (45) or ninety five percent (95%) Members of staff were from one ethnic community. This was contrary to the provisions of Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which stipulates that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

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

2. Non – Compliance with the Public Procurement Capacity Building Levy Order

Review of records revealed that the College entered into contracts but no documentary evidence has been provided to confirm that the Institution complied with paragraph 3(1) of the Public Procurement Capacity Building Levy, Order 2023 which states that there shall be paid a levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes. Further, Public Procurement Regulatory Authority (PPRA) Circular No. 01/2024 dated 30 August, 2024 required procurement entities to remit the levy to the Authority through the e-Citizen payment platform by the 20th day of the subsequent month and also file monthly returns.

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

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

REPORT ON THE 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 the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Approved Human Resource Manuals and Policies

Review of the Human Resources records revealed that Kericho Teachers Training College lacked approved key policy manuals for Human Resource Management. The policies include approved staff establishment, annual recruitment plans, career progression guidelines, approved scheme of service, casuals' engagement policy and Internship policy. As a result, confirmation of the appropriateness of the current staffing level that would enhance achievement of the Institution's strategic objectives was not possible.

In the circumstances, it was not possible to confirm whether the College operated with an optimal number of staff.

2. Failure to Maintain Retention Monies and Deposits Account

The statement of financial position reflects sundry creditors totalling Kshs.12,593,184. The amount includes unpaid gratuity for the financial year, 2024 amounting to Kshs.2,551,162 as disclosed in Note 23 to the financial statements. However, Management did not maintain a retention monies and deposits account and no evidence was provided to disclose proof that the retained gratuity amount was safely kept and available for payment when due.

In the circumstances, it was not possible to confirm the effectiveness of internal controls on management of retentions and deposits.

3. Lack of Risk Management Policy

Review of the internal controls of the College revealed that Management had not developed risk management policy and there were no fraud prevention mechanisms put in place. Further, operational and disaster recovery plans were also not provided. This was contrary to Regulation 165 (1) of the Public Finance Management (National Government) Regulations, 2015 which requires that the Accounting Officer to develop risk management strategies, including fraud prevention mechanism and a system of risk management and internal controls that builds robust business operations.

In the circumstances, the existence of an effective mechanism to safeguard against risks could not be confirmed.

4. Lack of Internal Audit Function and Audit Committee

During the year under review, the College did not have an internal audit function for oversight of the operations of the Management and no risk assessment was performed. This was contrary to Section 73 (4) of the Public Finance Management Act, 2012 which states that a National Government entity shall ensure that the arrangements for conducting internal audits in respect of the entity are in accordance with international best practices for internal auditing.

Further, review of the governance structure revealed that the Board of Management had not constituted an Internal Audit Committee. This was contrary to Section 73(5) of the Public Finance Management Act, 2012 which states that every National Government public entity shall establish an Audit Committee whose composition and functions shall be as prescribed by the Regulations.

In the circumstances, the oversight on effectiveness of internal controls, risk management and overall governance could not be confirmed.

5. Weak Information and Communication Technology Controls

Review of records revealed that there was transition from the use of manual accounting systems by implementing an Enterprise Resource Planning System (ERP) with the main objective of bringing in efficiency in operations within the College. However, the system had not been fully utilized more than one year after transition. Three (3) modules in respect of asset management, college portal and bank integration had not been fully developed nor utilized thereby necessitating manual processes. Students made payments directly through banks and subsequently presented bank slips to the Institution for manual reconciliation. This manual process is prone to human errors and omissions.

Further, the College staff had not been trained on the effective use of the system and System's developers who were not employees retained unhindered access rights and still executed the functional roles of the different departments on behalf of the College staff. This exposed the Institution's information to risks of inaccuracy, inefficiencies,

manipulations, breach of confidentiality and possible loss as well as disruption of operations.

In addition, there was lack of integration among various modules, including student admissions, student examination, finance and accounts management, Human Resource and payroll and procurement modules and the migration of data from the previously used system was not undertaken. As a result, historical financial and operational data were not integrated into the new system, affecting the completeness and continuity of records.

In the circumstances, the effectiveness of internal controls on the use of Enterprise Resource Planning System (ERP) system could not be confirmed.

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

Responsibilities of 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 is responsible for overseeing 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

16 December, 2025

Appendix I:


Unresolved Prior Year Issues

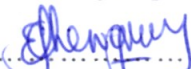
Number	Financial Year	Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Inaccuracies in the Statement of cashflow
3	2023/2024	Over Expenditure
4	2023/2024	Receivables from Debtors
5	2023/2024	Property, Plant and Equipment
6	2023/2024	Statement of changes in Net Assets
7	2023/2024	Misclassification of expenditure
8	2023/2024	Failure to conduct Board of survey
9	2023/2024	Unsupported Inventories
10	2023/2024	Under absorption of funds
11	2023/2024	Failure to prepare a balanced budget
12	2023/2024	Unresolved prior year matters
13	2023/2024	Failure to Comply with National Cohesion and Integration Commission Act on Ethnicity Balance
14	2023/2024	Lack of fraud policy
15	2023/2024	Lack of Risk Management Policy and Disaster Recovery Plan
16	2023/2024	Weak Human Resource Management Practices

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025**14. Statement of Financial Performance for the Year Ended 30th June 2025**

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government—grants	6	14,877,513.00	16,305,625.00
Total Revenue from non-exchange transactions		14,877,513.00	16,305,625.00
Revenue from exchange transactions			
Rendering of services- Fees from students	7	105,576,733.00	108,757,232.00
Sale of goods	8	2,495,031.00	2,453,000.00
Rental revenue from staff houses	9	565,646.00	1,249,574.00
Finance income	10	1,430,791.35	-
Miscellaneous Income	11	8,920,096.00	11,749,159.00
Accrued income		7,120,770.00	-
Revenue from exchange transactions		126,109,067.35	124,208,965.00
Total revenue		140,986,580.00	140,524,590.00
Expenses			
Use of goods and services	12	107,608,131.00	87,297,778.60
Employee costs	13	17,072,383.00	14,667,195.70
Board expenses	14	1,871,500.00	1,743,000.00
Depreciation & Amortisation	15	8,151,805.00	3,476,904.00
Repairs and maintenance	16	11,553,578.00	16,454,505.00
Grants (contra entry)		-	16,305,625.00
Total expenses		146,257,397.00	139,945,007.80
Net surplus /(deficit) for the year		(5,270,817.00)	569,582.00

The notes set out on pages 8 to 30 form an integral part of the Annual Financial Statements

1. 
Mr. Sammy Kirui
Chairperson of the B.O.M

2. 
Dr. Emily Kibet
Principal/Secretary to the BOM

3. 
Mr. Daniel Keter
Finance Officer.
ICPAK 13664.



KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025**15. Statement of Financial Position as At 30th June 2025**

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	9,494,719.00	12,787,142.95
Receivables from debtors	18	20,736,319.00	12,164,543.00
Current Receivables –investment	19	-	97,191.85
Inventories	20	3,104,380.00	2,765,360.00
Debtor recoveries ⁷	21	-	39,800.00
Total current assets		33,335,418.00	27,854,037.80
Non-current assets			
Property, plant and equipment	22	846,683,996.00	834,635,138.50
Intangible assets	24	2,950,000.00	-
Biological assets	25	1,075,000.00	10,319,000.00
Safaricom lab (work in progress)		-	1,200,000.00
Total Non-Current Assets		850,708,996.00	846,154,138.50
Total assets		884,044,384.00	874,008,176.30
Liabilities			
Current liabilities			
Sundry creditors	23	12,593,183.50	2,950,000.00
Uniforms	27	-	173,925.00
Farm a/c	26	12,249,423.00	12,249,423.00
Total current liabilities		24,842,606.50	15,373,348.00
Total liabilities		24,842,606.50	15,373,348.00
Net assets		859,201,781.65	858,634,828.00
Accumulated Surplus	29	13,955,180.65	19,256,852.00
Capital Fund	28	845,246,601.00	834,599,570.70
Total net assets and liabilities		859,201,781.65	874,008,176.30

The Financial Statements set out on pages 1 to 7 were signed on behalf of the College Board of Management by:



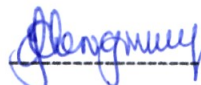
MR. SAMMY KIRUI
Chairman of BOM

Date 08/12/2025



DANIEL KETER
Finance Officer

ICPAK No. 13664
Date 08/12/25



DR. EMILY C. KIBET
Chief Principal/Secretary

Date 08/12/2025



KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025**16. Statement of Changes in Net Assets For The Year Ended 30 June 2025**

	Accumulated surpluses fund	Capital grants/funds	Total
At July 1, 2023	18,656,415.65	835,799,571.00	18,656,415.65
Add: Safaricom Lab	-	5,200,000.00	5,200,000.00
Add: Furniture and fittings -Safaricom	-	503,000.00	503,000.00
Add: Computers-Safaricom	-	3,744,030.00	3,744,030.00
Add :Surplus for the year 30 June,2024	569,582.00	-	569,582.00
Balance c/d as 30th June 2024	19,225,997.65	-	19,225,997.65
Add: Deficit for the year 30th June 2025	(5,270,817.00)	-	(5,270,817.00)
Balance c/d as at 30th June 2025	<u>13,955,180.65</u>	<u>845,246,601.00</u>	<u>859,201,781.65</u>

KERICHO TEACHERS TRAINING COLLEGE

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

17. Statement of Cash Flows for the Year Ended 30th June 2025

	2024-2025	2023-2024
	Kshs	Kshs
Cash flows from operating activities		
Receipts		
Transfers from other Government entity	11,660,154.00	16,305,625.00
Rendering of services- Fees from students	114,229,259.00	108,757,232.00
Sale of goods	2,495,031.00	2,453,000.00
Rental revenue from facilities	565,646.00	1,249,574.00
Other income	10,350,887.35	11,749,159.00
Total Receipts	139,300,976.50	140,514,590.00
Payments		
Use of goods and services	107,608,131.00	87,297,778.60
Compensation of employees	15,857,787.00	14,667,195.70
Board expenses	1,871,500.00	1,743,000.00
Repairs and maintenance	11,553,577.94	16,454,505.00
Grants (contra entry)	-	16,305,625.00
Total payments	136,890,996.00	136,458,104.30
Net cash flows from operating activities	2,409,981.00	4,056,486.00
Less: adjustment of items not involving movement of cash		
Depreciation and amortization expense	8,151,805.00	3,476,903.50
Movement in working capital		
Increase/Decrease in receivables-purchase of Assets	-	-
Increase/Decrease in inventory-	-	-2,144,125.00
Increase in trade debtors (rent and students fees)	-	131,684.00
Debt recovered	-	-
Increase / decrease in creditors	-	(1,585,081.00)
Changes in working capital	-	6,473,055.20
cash flow from investing activities		
Purchase of assets-computer ,motor vehicle \$ furniture and fittings	(9,280,258.00)	(11,409,200.00)
Net cash flow from investing activities	(9,280,258.00)	(11,409,200.00)
Cash flow from financing activities		
Development funds	-	-
Net cash flows used in financing activities		
Net increase/(decrease) in cash and cash equivalents	(3,292,425.05)	6,036,887.30
Cash and cash equivalents as at 1 July 2024	12,787,143.00	
Cash and cash equivalents as at 30th June 2025	9,494,717.95	12,787,142.95

KERICHO TEACHERS TRAINING COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2025

18. Statement of Comparison of Budget And Actual Amounts For The Year Ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization on difference
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from government	16,400,000.00	-2,000,000.00	14,400,000.00	11,660,154.00	-2,739,846.00	80.97
Rendering of services- Fees from students	91,981,700.00	14,418,400.00	106,400,100.00	114,222,259.00	7,822,159.00	98.03
Sale of Goods				2,495,031.00		
Other Income(finance and miscellaneous)	2,750,000.00	7,808,746.00	10,558,746.00	10,350,887.00	-208,159.00	121.69
Rental revenue from facilities	949,200.00	0	949,200.00	565,646.00	-383,554	59.59
Total income	112,080,900.00	53,468,237.10	132,308,046.00	136,798,946.00	8,609,544.00	106.51
Expenses						
Compensation of employees	14,721,696.00	0.00	14,721,696.00	15,857,787.00	-200,473.00	106.5
Use of goods and services	80,425,382.00	15,756,145.00	96,181,527.00	107,608,13.00	-276,666.00	106.5

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025

Repairs and maintenance		497,467.00	5,171,187.00	11,553,578.00	2,311,773.00	144.7
	4,673,720.00					
Vehicle Repairs and Replacement	7,131,602.00	-726,466.00	6,405,136.00	0	-3,524,618.06	45.0
Board expenses	2,268,000.00	0.00	2,268,000.00	1,871,500.00	-397,000.00	82.5
Hosting/ facilitation	2,500,000.00	4,500,000.00	7,000,000.00	0		
Depreciation			-	8,151,805.00	8,151,805.00	
Graduation	360,500.00	0.00	360,500.00	0		
Total expenditure	112,080,900.00	20,027,146.00	132,108,046.00	133,339,531.00	9,502,632.00	
Surplus/Deficit				3,459,415.00		

NOTES TO THE FINANCIAL STATEMENTS

ADOPTION OF NEW AND REVISED STANDARDS

Relevant new standards and amendments to published standards effective for the year 30th June 2025

Standard	Impact
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <p>Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment.</p> <p>Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets.</p> <p>Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs).</p> <p>Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</p>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1 January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of 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>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>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> <ul 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;

Standard	Effective date and impact:
	and I The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>

iii) Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2021.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ii) Revenue from exchange transactions

Rendering of services

KETECO recognizes revenue from rendering of services.

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, it includes sale of farm produce and ESD goods.

a) Revenue recognition

Revenue from exchange transactions

Rental income

Rental income arising from staff living in college houses.

b) Budget information

The original budget for Financial Year 2024-2025 was approved by the Board on **30th** June, 2024. Subsequent revisions of the budget were done 11th December 2024.

Taxes

Current income tax

KETECO is exempt from paying taxes as per Income Tax Act Cap.470

c) Taxes

Sales tax/ Value Added Tax

Expenses and assets are recognized net of the amount of sales tax.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at

the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

f) Leases

For annual depreciation, the college will formulate a policy on how to depreciate its fixed assets.

g) Intangible assets

h) Research and development costs

i) Financial instruments

The debtors or an entity of debtors are experiencing significant financial difficulty

Default or delinquency in interest or principal payments

The probability that debtors will enter bankruptcy or other financial reorganization

Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of International Public Sector Accounting Standard 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The College determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate:

j) Inventories

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

k) Provisions

Provisions are recognized when the College has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the College expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

i) Social Benefits

m) Nature and purpose of reserves

KETECO creates and maintains reserves in terms of specific requirements. The College has Retained Earnings as a reserve and the purpose of this is to clear any pending bills accrued in the prior financial year once income is realized.

Changes in accounting policies and estimates

KETECO 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

KETECO provides retirement benefits in form of gratuity for its employees.. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to

fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date.

q) Borrowing costs

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

r) Related parties

s) Service concession arrangement

Related parties

KETECO regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the College, or vice versa. Members of key management are regarded as related parties and comprise the Board of Management, the Chief Principal and Senior Managers.

Service concession arrangements

KETECO analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the College also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) Cash and cash equivalents

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

u) Comparative figures

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

5. Significant Judgements And Sources Of Estimates Uncertainty

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

Estimates and assumptions

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

IPSAS 1.140

Useful lives and residual values

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

The condition of the asset based on the assessment of experts employed by the College

The nature of the asset, its susceptibility and adaptability to changes in technology and processes

The nature of the processes in which the asset is deployed

Availability of funding to replace the asset

Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available.

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

NOTES TO THE FINANCIAL STATEMENTS

6. Transfers from National Government Ministries

Description	2024-2025	2023-2024
	Kshs	KShs
Unconditional grants		
Ministry grants	14,877,513.00	16,305,625.00
Total government grants	14,877,513.00	16,305,625.00

a) Transfers from other Government entities (categorized)

7. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	KShs
Boarding equipment and stores	39,601,261.00	32,628,827.00
Tuition ,equipment and stores	3,613,821.15	4,839,200.50
Local Transport and Travelling	6,244,695.00	5,938,868.00
Medical fee	1,356,300.00	1,151,286.00
Activity	3,693,439.61	3,753,453.29
Administrative/ contingencies	4,734,304.00	5,534,572.00
Teaching Practicum	997,500.00	1,974,086.00
Electricity, water and conservancy	5,370,160.00	4,438,457.00
Computer studies	5,422,000.00	4,899,305.00
Personnel Emoluments	15,912,385.00	17,687,804.21
Student government	239,400.00	479,742.00
Examination	885,690.00	6,857,753.00
Repairs, maintenance and improvements	4,879,044.00	3,426,135.00
Vehicle Replacement& repairs	8,114,810.00	6,775,335.00
Arrears	1,679,623.00	3,501,907.00
Track suit	997,500.00	-

KERICHO TEACHERS TRAINING COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Students IDS	120,300.00	212,500.00
Clubs/Environ	-	428,727.00
Hockey stick	1,116,000.00	2,449,394.00
TP Lesson BOOK	-	338,000.00
KUCCPS	598,500.00	1,331,881.00
	105,576,733.00	108,757,232.00

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025**8. Sale Of Goods**

	Kshs	Kshs
Description	2024-2025	2023-2024
Sale of goods(ESD)	2,495,031.00	2,453,000.00
Total revenue from sale of goods	2,495,031.00	2,453,000.00

Source of this revenue is sale of beef, vegetable to college kitchen. Sale of mandazi to students, sale of pigs.

9. Rental Revenue From Facilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Rent from staff	565,646.00	1,249,574.00
	565,646.00	1,249,574.00

Source of this income is rent paid by staff living in college houses.

10. Finance Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest Earned from call deposits	1,430,791.35	-
	1,430,791.35	-

11. Miscellaneous Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Income from sale of tender forms	2,000.00	
Hosting /facilitation	7,654,761.00	11,609,900.00
Hire of halls and fields	58,000.00	15,000.00
Graduation fee	1,205,335.00	84,459.00
Debtors/recoveries		39,800.00
Total other income	8,920,096.00	11,749,159.00

12. Use Of Goods And Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Boarding expenses	36,403,469.00	31,491,457.00
Teaching, equipment expenses	2,755,651.00	5,376,335.00
Local Transport and Travelling expenses	4,760,345.00	4,118,744.00
Medical expenses	481,480.00	372,360.00
Activity expenses	12,057,563.00	9,408,564.00
Administrative / Contingencies expenses	4,246,057.00	1,927,101.00
Teaching Practicums expenses	1,652,189.00	1,120,734.00
Electricity, water and conservancy	6,296,524.55	7,057,925.00
Computer studies expense	6,350,635.00	2,179,331.00
Graduation expenses	1,259,933.00	-
Creditors/accruals	2,444,146.00	4,535,018.00
Examination expenses	15,772,912.00	3,218,500.00
Sale of tenders expenses	-	58,000.00
ESD Project	3,411,338.00	2,728,321.00

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025

		9,907,675.00
Hosting /Facilitation	7,292,262.14	
Students Government	254,750.00	258,025.00
Track suits	892,500.00	-
Students IDS	120,176.00	255,300.00
Club/Environ	0	52,000.00
Fields	30,000.00	69,950.00
Hockey sticks	1,126,200.00	1,426,200.00
KUCCPS	-	1,195,500.00
Bank charges	-	111,718.60
T.P Lesson book	-	388,000.00
Transfers	-	-
Total goods and services	107,608,130.69	87,297,778.60

13. Employee Costs

	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	10,390,118.00	10,482,214.45
Medical allowance	281,450.00	276,825.00
House allowance	2,015,320.00	1,987,470.00
Employer NSSF	1,473,620.00	1,261,596.00
SHA	360,715.00	-
Gratuity (arrears)	2,551,161.50	659,090.25
Employee costs	17,072,384.50	14,667,195.70

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025**14. Board Expenses**

Description	2024-2025	2023-2024
	Kshs.	Kshs
Board Allowances	1,871,500.00	1,743,000.00
	1,871,500.00	1,743,000.00

15. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	Kshs.	Kshs
Building 2.5% of 180,000,000.00	900,000.00	
Motor vehicles -10% of shs 23,770,190.00	4,810,256.00	1,884,510.00
Furniture and fittings -20% of shs 5,105,,000.00	960,900.00	800,000.00
Computers -30% of shs 4,019,754.00	1,359,283.00	747,156.00
Plant and machinery -10% of shs 97,200	5,130.00	10,800.00
Books 10%	83,520.00	-
Other assets 5% of shs 5,254,313	32,716.00	34,437.50
Total depreciation	8,151,805.00	3,476,903.50

16. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs.	KShs
Repairs and rehabilitation	8,673,060.00	7,052,474.00
VRM/Replacement	2,880,517.94	9,402,031.00
Total repairs and maintenance	11,553,577.94	16,454,505.00

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025**17. Cash And Cash Equivalents****a) Detailed Analysis of Cash and cash equivalents**

Description	2024-2025	2023-2024
		Kshs
Current account		
Kenya commercial bank-1107169887-main account	631,035.00	536,680.25
Kenya commercial bank-1107170168-college fund	5,562,869.00	6,684,002.00
Kenya commercial bank -1215778686-school based	72,451.25	72,451.25
Kenya commercial bank-1102279323-farm/ESD	2,992,495.00	1,009,315.00
Savings account		
Kenya commercial bank-1102695270	15,867.70	4,413,961.95
Sub-total		
Other(specify)		
Cash in hand	220,000.00	70,732.00
Total cash and cash equivalents	9,494,719.00	12,787,142.95.

18. Debtors (Fees And Rent) Receivables From Exchange Transactions.

Description	2024-2025	2023-2024
	Kshs	Kshs
Current receivables		
Debtors b/f	12,124,743.00	12,256,427.00
Add -Student fees balances 2025	6,354,330.00	3,397,993.00
Add- MOH (debtor) balances 2025	720,000.00	-
Add - GOVT Grants 4 th quarter 2025	3,217,359.00	-
Add -Rent debtors balances 2025	46,440.00	46,930.00
Less- Fees arrears collected	1,679,623.00	3,501,907.00
Less- Rent arrears collected	46,930.00	74,700.00

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025

Less bad debts written off		
Total current receivables	20,736,319.00	12,164,543.00

19. Investment

Description	2024-2025	2023-2024
	Kshs	Kshs
Bal/ forward	-	97,191.85
Total Current receivables		

20. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Boarding Equipment stores (catering stores)	1,414,900.00	2,289,580.00
Maintenance stores	-	15,000.00
Electrical	-	32,100.00
Teaching Equipment stores (consumable stores)	65,914.00	-
Cleaning materials	38,860.00	128,680.00
Medical stores (Health unit stores)	1,584,706.00	300,000.00
Total inventories at the lower of cost and net realizable value	3,104,380.00	2,765,360.00

21. Debt Collected

Description	2024-2025	2023-2024
	Kshs	Kshs
Bal /forward	-	39,800.00
Less amount recovered	-	(39,800.00)
Total Current receivables	-	-

KERICHO TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2025

22. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles Kshs	Furniture and Fittings Kshs	Computers Kshs	Books Kshs	Plough Kshs	Other Assets Kshs	Land and Buildings Kshs	Capital WIP	TOTALS
	25.00%	10%	33.30%	10.00%	5.00%	5%	0.50%		
Cost/Valuations									
At July 1,2023	20,939,000	5,000,000	8,152,560	835,200	120,000	725,000	800,000,000		835,771,760
Additions	6,809,600	4,600,000	-	-	-	-	-		11,409,600
Disposals	-	-	-	-	-	-	-		-
At June 30,2024	27,748,600	9,600,000	8,152,560	835,200	120,000	725,000	800,000,000		847,181,360
Cost/Valuations									
At July 1,2024	27,748,600	9,600,000	8,152,560	835,200	120,000	725,000	800,000,000		847,181,360
Additions	7,940,000	2,372,000	6,354,030	-	-	-	8,351,062	831,258	25,848,350
Disposals	-	-	-	-	-	-	-		-
Revaluation	-	-	-	-	-	-	-		-
At June 30,2025	35,688,600	11,972,000	14,506,590	835,200	120,000	725,000	808,351,062	831,258	873,029,710
Depreciation									
As at July 1 ,2023	2,093,900	1,000,000	945,768	-	12,000	36,250	-		4,087,918
Charge for the year	6,413,675	860,000	2,399,862	-	5,400	34,438	-		9,713,374
Accumulated depreciation as at June 30,2024	8,507,575	1,860,000	3,345,630	-	17,400	70,688	-		13,801,292
At June 2024	8,507,575	1,860,000	3,345,630	-	17,400	70,688	-		13,801,292
Charge for the year	6,795,256	1,011,200	3,716,600	83,520	5,130	32,716	900,000		12,544,422
Accumulated Depreciation as at 30 June,2025	15,302,831	2,871,200	7,062,230	83,520	22,530	103,403	900,000		26,345,714
Net Book Values as at June 30,2025	20,385,769	9,100,800	7,444,360	751,680	97,470	621,597	807,451,062		846,683,996

23. Trade And Other Payables From Exchange Transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade payables 1.07.2024	2,950,000.00	4,535,018.00
Add; unpaid bills 2024	6,071,416.00	2,950,000.00
Add : unpaid gratuity 2024	2,551,161.50	-
Add: gate and sentry construction	3,464,752.0	-
Less; payment made 2024	2,444,146.00	4,535,018.00
Total trade and other payables	12,593,183.50	2,950,000.00

24. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Bal/forward(ERP System)	2,950,000.00	-

25 .Biological Assets

Description	2024-2025	2023-2024
Steers	450,000	150,000
Sheep	195,000	90,000
Pigs	364,000	315,000
Piglets	66,000	14,000
Heifer	-	30,000
Sukuma wiki 2 acres	-	120,000
Eucalypus trees 6 acres	-	9,600,000
TOTALS	1,075,000.00	10,319,000

26. Farm Account Payables

Description	2024-2025	2023-2024
	Kshs	Kshs
Bal/forward	12,249,423.00	12,249,243.00
Add : receipts	-	-
Less: payments	-	-
Total	12,249,423.00	12,249,423.00

27. Uniform Account Payables

Description	2024-2025	2023-2024
	kshs	Kshs
Bal/ forward	-	173,925.00

EMPLOYEE BENEFIT OBLIGATIONS

Retirement benefit Asset/ Liability

KETECO contributes to the National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act.

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The college is submitting its financial records to the Auditor General for the first time hence the table below is blank as no report has been issued in respect to all audit of the college

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1.0	Inaccuracies in the Financial statement	Activity expenses captured as current expenditure for 2023-2024 should have been treated as a creditor. The college has acquired an ERP system that will help in accountability and transparency of the reporting system that will ensure that the inaccuracies in financial statements are minimised	Resolved	2024-2025
2.0	Inaccuracy in Statement of cashflow	Going forward the statement of changes in assets will be prepared in consultation with other professional in the field	Resolved	2024-2025
3.0	Over Expenditure	Going forward budgets will be implemented as it was approved	Resolved	2024-2025
4.0	Receivables from Debtors	Going forward ageing of debtors will be done	Resolved	2024-2025
5.0	Unsupported property, plant and Equipment	The value of PPE could not be ascertain because no depreciation policy and valuation. The college management have committed themselves to address the two issues raised by the auditors by developing a Finance policy, Approaching a government Valuer to value our PPE	Resolved	2024-2025

KERICHO TEACHERS TRAINING COLLEGEAnnual Report and Financial Statements for the year ended 30th June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
6.0	Failure to prepare statement of changes in assets	Going forward the statement of changes in assets will be prepared in consultation with other professional in the field	Not Resolved	2024-2025
7.0	Misclassification of Expenditure	Going forward correct classification of voteheads will be adhered to	Resolved	2024-2025
8.0	Failure to Conduct Board of Survey	Going forward a board of survey will be done on 30 th June of the financial year	Resolved	2024-2025
9.0	Unsupported Inventories	Before any payments are made, all the supporting documents should be attached	Resolved	2024-2025
10.0	Failure to prepare a balance budget	Going forward a balance budget will be prepared	Resolved	2024-2025



Dr. Emily C. Kibet

Chief Principal/Secretary to the Board

Signature.....