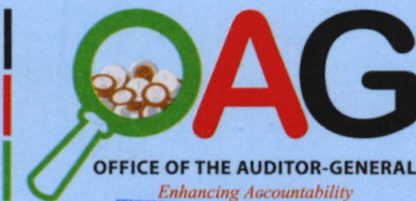


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
Enhancing Accountability



THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 08 APR 2026

DAY: WEDNESDAY

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REPORT

OF

THE AUDITOR-GENERAL

ON

NAROK TEACHERS TRAINING COLLEGE

FOR THE YEAR ENDED 30 JUNE, 2025





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## NAROK TEACHERS TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30<sup>TH</sup> JUNE 2025

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



# NAROK TEACHERS TRAINING COLLEGE (NTTC)

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

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# NAROK TEACHERS TRAINING COLLEGE (NTTC)

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## 1. Acronyms and Definition of Key Terms

### A. Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTC	Teacher Training College
CBC	Competency Based Curriculum
CBTE	Competency Based Teacher Education
KNEC	Kenya National Examination Council.
FY	Financial Year.
NTTC	Narok Teachers Training College
SCNA	Statement of Changes in Net Assets.
Fiduciary Management	Key management personnel who have financial responsibility in the entity

### 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**

### **(a) Background information**

Narok Teachers' Training College is situated 2 km from Narok Town along the Narok – Nakuru highway in Narok County. The College is one of the three new Teachers' Training Colleges established in the year 2010. However, the College was in existence between 1991 and August 2009 when it was taken over by Moi University and became a constituent College and currently Maasai Mara University. The College was re-established in September 2010 after the local community pushed for the same in addition to the Government policy of retaining a Teachers' Training College in the Southern Rift Region.

### **(b) Principal Activities**

The principal activity/ mandate of the college is to train and instruct Diploma teachers, carry out co-curriculum activities, to instil discipline and to award and present certificate.

#### **Vision**

To be a model institution in the training and development of competent teachers in a dynamic world.

#### **Mission**

To provide holistic training for teachers to be able to meet the challenges of changing society

#### **Motto**

Service to Humanity

### **(c) Key Management**

Narok Teachers Training College's day-to-day management is under the following key organs:

1. Board of Management.
2. Accounting officer/Chief Principal/Secretary BOM

**(d) Fiduciary Management**

The key management personnel who held office during the period ended 30<sup>th</sup> June, 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Principal	Mr. Joseph Kiminta
2.	Deputy principal	Mrs.Sarah Muteti
3.	Bursar	Ruth Nakola
4.	Head of Finance	Mary Topoti.
5.	Procurement Officer	Wilson Kilerai.

**(e) Fiduciary Oversight Arrangements**

**Full Board of Management**

The full board of management is responsible to;

1. Promote the best interests of the institution and ensure its development;
2. Promote quality education for all learners in accordance with the standards set under this Act or any other written law;
3. Ensure and assure the provision of proper and adequate physical facilities for the institution;
4. Manage the institution's affairs in accordance with the rules and regulations governing the occupational safety and health;
5. Advise the County Education Board on the staffing needs of the institution;
6. Determine cases of student's discipline and make reports to the County Education Board;
7. Facilitate and ensure the provision of guidance and counselling to all learners;
8. Provide for the welfare and observe the human rights and ensure safety of the pupils, teachers and non-teaching staff at the institution;

9. Encourage a culture of dialogue and participatory democratic governance at the institution;
10. Promote the spirit of cohesion, integration, peace, 2013 Basic Education No. 14 255 tolerance, inclusion, elimination of hate speech, and elimination of tribalism at the institution;

The full BOM consists of the following 5 committees;

**a. Finance and General-Purpose Committee**

Perform financial, procurement and recruitment responsibilities delegated by the full board of management.

**b. Education, Standards and quality Assurance.**

Perform academic reviews and performance and set performance requirements in accordance to ministerial expectations.

**c. College Infrastructure Committee.**

Evaluate projects progress and implementation in liaison with the Public Works ministry and advise the Full BOM on appropriate actions to take.

**d. Discipline Committee.**

Carry out discipline procedures and policy development in all discipline cases on students and staff.

**e. Audit Committee.**

Internal audit Policy formulation and follow up on its implementation. Follow up on implementation of external audit recommendation.

All the recommendation of committees are subject to approval by the Full BOM.

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### (f) College Headquarters

P.O. Box 709-20500

Narok Town

KENYA.

Physical Location: Narok-Nakuru Road.

### (g) College Contacts

Telephone: 0722,709,709

E-mail: [narokttc@yahoo.com](mailto:narokttc@yahoo.com)

Website: [www.narokttc.ac.ke](http://www.narokttc.ac.ke)

### (h) College Bankers

S.NO	Name of the Bank	Account Name	Type	Account No.	Branch
1.	Kenya Commercial Bank	Fees College Account	Current	1122657382	Narok
2.	Kenya Commercial Bank	Infrastructure Account	Current	1153755157	Narok
3.	Kenya Commercial Bank	Ecde Account	Current	1132933749	Narok
4.	Kenya Commercial Bank	Gratuity Account	Current	1153754916	Narok
5.	Kenya Commercial Bank	Motor Vehicle Account	Current	1131629132	Narok

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

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**(i) Independent Auditors**

Auditor General

Office of Auditor General

Anniversary Towers, College 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

## NAROK TEACHERS TRAINING COLLEGE (NTTC)

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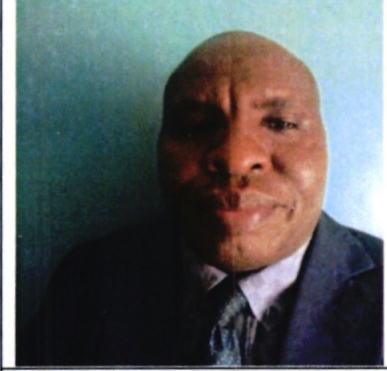
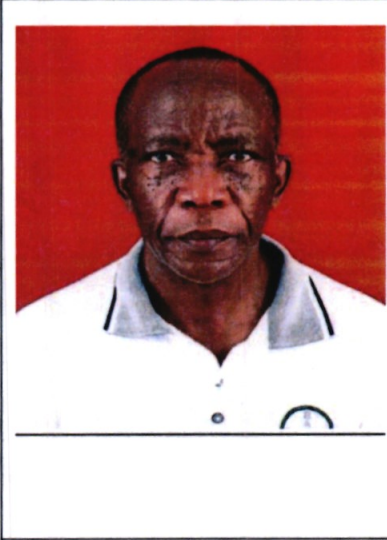


### 3.THE BOARD OF MANAGEMENT

	<p>DR.BISHOP PETER NAKOLA</p> <p><b><u>Date of birth</u></b> - 01/01/1968</p> <p><b><u>Key Qualification</u></b> - Master of Ministry</p> <p><b><u>Committee</u></b> - Finance, procurement, Audit and general service - College infrastructure</p> <p><b><u>Work experience</u></b> - Bishop full gospel churches of Kenya- Narok</p>
	<p>ANN SARANTA</p> <p><b><u>Date of birth</u></b> - 12/5/1968</p> <p><b><u>Key Qualification</u></b> - Bachelor of Science</p> <p><b><u>Committee</u></b> - Finance, procurement, Audit and general service - Human rights and students welfare - College infrastructures</p> <p><b><u>Work experience</u></b> - Coordinator National draught management authority Narok County</p>
	<p>JOSEPH O.N KIMINTA</p> <p><b><u>Date of birth</u></b> - 01/01/1972</p> <p><b><u>Key Qualification</u></b> - Masters in Education</p> <p><b><u>Committee</u></b> - All</p> <p><b><u>Work experience</u></b> - Chief Principal Narok TTC</p>

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025

	<p>LEMITA LEMEIN <b><u>Date of birth</u></b> - 01/01/1977 <b><u>Key Qualification</u></b> - Executive Master of Public Policy and Administration <b><u>Committee</u></b> - Finance, procurement, Audit and general service <b><u>Work experience</u></b> - Director OF Education County Government Narok</p>
	<p>JOSEPH SENTEU <b><u>Date of birth</u></b> - 12/12/1957 <b><u>Key Qualification</u></b> - Master in business administration <b><u>Committee</u></b> - Discipline Education and Quality Assurance <b><u>Work experience</u></b> - Lecturer Maasai Mara University</p>
	<p>DR. JOHN KIPRUTO TANGUS <b><u>Date of birth</u></b> - 16/02/1954 <b><u>Key Qualification</u></b> - Masters Science in resource management <b><u>Committee</u></b> - Education standards and quality assurance <b><u>Work experience</u></b> - Lecturer Maasai Mara Technical</p>
	<p>PATITA KOILA <b><u>Date of birth</u></b> - 01/01/1986 <b><u>Key Qualification</u></b> - Bachelor in Business management <b><u>Committee</u></b> - Human rights and students welfare <b><u>Work experience</u></b> - Manger CDF</p>

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements



For The Year Ended 30<sup>th</sup> June 2025

	<p>DR.FAITH NJOKI <b><u>Date of birth</u></b> - 08/02/1962 <b><u>Key Qualification</u></b> - Bachelor of veterinary Medicine <b><u>Committee</u></b> - Discipline Education and Quality Assurance <b><u>Work experience</u></b> - Veterinary Narok County Government</p>
	<p>PETER SAIKA <b><u>Date of birth</u></b> - 01/01/1964 <b><u>Key Qualification</u></b> - Bachelor in Built Environment in Construction <b><u>Committee</u></b> - Education standards and quality assurance - College infrastructure <b><u>Work experience</u></b> - Engineer (House Construction)</p>
	<p>JOHN KOECH <b><u>Date of birth</u></b> - 6/3/1970 <b><u>Key Qualification</u></b> - Bachelor of Education <b><u>Committee</u></b> - Education standards and quality assurance <b><u>Work experience</u></b> - Lecturer Narok TTC</p>
	<p>REV.SAMUEL NAIKUMI <b><u>Date of birth</u></b> - 01/01/1978 <b><u>Key Qualification</u></b> - Bachelor of Divinity <b><u>Committee</u></b> - Finance, procurement, Audit and general service - Discipline Education and Quality Assurance <b><u>Work experience</u></b> Reverend Anglican churches of Kenya -Narok</p>




**'NAROK TEACHERS TRAINING COLLEGE (NTTC)**


Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

	<p>SCHORLARSTICA MOGERE</p> <p><b><u>Date of birth</u></b></p> <ul style="list-style-type: none"><li>- 6/5/1984</li></ul> <p><b><u>Key Qualification</u></b></p> <ul style="list-style-type: none"><li>- Bachelor of Laws</li></ul> <p><b><u>Committee</u></b></p> <ul style="list-style-type: none"><li>- Human rights and students welfare</li></ul> <p>College infrastructure</p> <p><b><u>Working Experience</u></b></p> <ul style="list-style-type: none"><li>- Practicing Lawyer</li></ul>
	<p>KORSAI ELIZABETH</p> <p><b><u>Date of birth</u></b></p> <ul style="list-style-type: none"><li>- 01/01/1959</li></ul> <p><b><u>Key Qualification</u></b></p> <ul style="list-style-type: none"><li>- Diploma in ECDE</li></ul> <p><b><u>Committee</u></b></p> <ul style="list-style-type: none"><li>- Education standards and quality assurance</li></ul> <p><b><u>Working experience</u></b></p> <ul style="list-style-type: none"><li>- Teacher</li></ul>

**4. Key Management Team**

Team Member	Member's Profile
	<p><b>MR. JOSEPH KIMINTA- CHIEF PRINCIPAL</b></p> <ul style="list-style-type: none"> <li>- Overall supervision and management of curriculum and college resources.</li> <li>- BED (Arts)</li> <li>- MED (Administration)</li> <li>- PHD</li> </ul>
	<p><b>MRS. SARAH MUTETI- DEPUTY PRINCIPAL.</b></p> <ul style="list-style-type: none"> <li>- Curriculum implementation and students discipline.</li> <li>- MED (Science)</li> </ul>
	<p><b>MR. RICHARD MUTAI- DEAN OF CURRICULUM</b></p> <ul style="list-style-type: none"> <li>- Supervision and implementation of academic programmes</li> <li>- MED (Science Education )</li> <li>- BED (Science).</li> </ul>
	<p><b>MD. EMELDA SIMION- DEAN OF STUDENTS</b></p> <ul style="list-style-type: none"> <li>- Students and staff affairs</li> <li>- BED (Arts)</li> </ul>

	<p><b>MARY TOPOTI- FINANCE OFFICER</b></p> <ul style="list-style-type: none"><li>- Finance and accounting functions</li><li>- Bachelor of Commerce</li><li>- CPA</li></ul>
	<p><b>RUTH NAKOLA-BURSAR</b></p> <ul style="list-style-type: none"><li>- Finance and accounting functions</li><li>- Bachelor of BMIT</li></ul>
	<p><b>WILSON KILERAI- PROCUREMENT OFFICER</b></p> <ul style="list-style-type: none"><li>- Procurement and supply functions.</li><li>- Diploma in Human Resource Management</li><li>- Diploma in Procurement</li></ul>

## **5. Chairman's Statement**

### **Introduction**

On behalf of the Board of Governors, I wish to confirm to the Ministry of Education that we have read the financial statements prepared and submitted by Narok Teachers Training College. The financial statements have been prepared in a form that complies with the standards prescribed and published by the Public Sector Accounting Standards Board of Kenya and that they comply with the requirement of section 83 of the PFM act 2012.

The financial statements truly reflect the Institution's financial and non-financial position and are free of any material misstatements as it has been confirmed by the Audit committee, which was formed from within the Board members. Narok Teachers Training College being one of the newly re-established Institutions is faced by a number of Challenges some of which are infrastructural development as the Institution lacks basic facilities such as: Administration block, Adequate Classrooms, Hostels, In this regard I wish to state that the Board of Management is fully committed to support the Government in resource mobilization by partnering with the County Government, Non-Governmental Organizations, Financial Institutions and other well-wishers in a bid to increase students' enrolment and elevate this Institution to a higher level.

I also wish to appreciate the Government of Kenya through the Ministry of Education.

### **Financial Performance**

In the financial year that ended on June 30, 2025, the College received **Kshs. 13,019,780/=** as recurrent grants. **Kshs. 133,283,210/=** were received as fees and other income.

### **Academic Performance**

Narok Teachers Training College's academic performance has been on an upward trajectory since the year 2018. In the FY year 2022/2023 academic performance recorded a pass rate of 95.03%. The teaching and non-teaching staff together with the administration led by the Chief Principal Mr. Joseph Kiminta are greatly appreciated for their hard work and dedication.

### **Challenges:**

In the year under review, management adapted to new challenges posed by the post COVID environment and continues to realign its performance to Competency Based Primary Teacher Education Training.

Another challenge facing NTTC is the continued shortage of students with grade C plain and above which is the entry grade for Diploma in Teacher Education Primary option. This is because of competition from other tertiary institutions.

The college also requires adequate resources and facilities to implement Competency Based Primary Teacher Education Training.

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements  
For The Year Ended 30<sup>th</sup> June 2025

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**Partner Institutions.**

Narok Teachers Training College was re-established in September 2010. This was a government funded project. On behalf of the Board of Management, The Government of Kenya through the Ministry of Education for their continued financial and technical support.

May I extend my sincere gratitude to Narok Teachers Training College BOM, our principal and the entire Management team, staff, Students and all stakeholders for their commitment and support to the college. I am optimistic that the college is set for a great and prosperous future.

Thank you all for your support.



**Dr. Bishop Peter Nakola**

**Chairperson B.O.M.**

## **6. Report of the Chief Principal**

I take this opportunity to highlight the following in 2024/2025 Financial Year (FY)

### **1. Board of Management (BOM)**

I wish to most sincerely thank and commend the BOM chaired by Dr. Bishop Peter Nakola for showing strategic leadership that has guided the operations of the College during the year 2024/2025. The BOM's tenure started on 2/8/2022 when the Board was inaugurated.

### **Grants**

I wish to appreciate the National Treasury through the Ministry of Education (MOE) for funding the College. The college received all the allocated grants i.e. Recurrent grants **Kshs.13,019,780/=**

### **Academics**

On the academic front, 119 students sat for UDPTE exams in July 2023 and are on teaching practice.

Narok Teachers Training College (NTTC) Human Resource Policy

The BOM is in the process of developing a NTTC HR Policy that will go a long way to guide the Non-Teaching Staff on duty performance and hence increased efficiency and service delivery.

### **2. Student Enrolment**

After the GOK through the MOE considered maintaining the entry grade as it was this helped improve the enrolment.

The total number of students now stand at 1,705 .Which has significantly improved the efficient delivery of some services because of increased income.

### **3. Competency Based Teacher Education (CBTE)**

I wish to state that the College has positively embraced the Competency Based Teacher Education (CBTE) and is doing everything possible to teach the new learning areas. 2 makeshift the science and Art room are in place and the subject is already being taught. As directed by MOE, the BOM has already prioritized infrastructure development that will support teaching of CBTE.

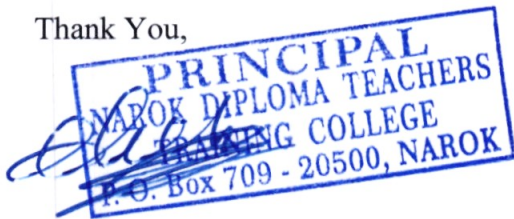
#### **4. Strategic Plan**

The Management has reviewed the College Strategic Plan for 2022 – 2027 which was approved by the BOM. This will continue guiding the College as it is the guiding blueprint in giving direction.

#### **5. Conclusion**

I wish to appreciate all the BOM Committees, the Teaching Staff, and the Non-Teaching Staff that have worked hard to spearhead the College up to where it is right now. I do also thank and appreciate the Community within which the College is located for offering conducive learning environment. A big thank you to MOE for financial support and continued guidance. May God bless us all and may God bless Narok TTC.

Thank You,



**PRINCIPAL**  
**NAROK DIPLOMA TEACHERS**  
**TRAINING COLLEGE**  
**P. O. Box 709 - 20500, NAROK**

**MR. JOSEPH KIMINTA**

**CHIEF PRINCIPAL/BOM SECRE**

**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 College’s performance against predetermined objectives.

Narok T.T.C has four strategic pillars /issue’s/ themes and objectives within the current Strategic Plan for the FY2022 FY 2027. These strategic pillars are as follows:

- a) To Improve Physical Infrastructure.
- b) To Train & develop effective & proficient teachers.
- c) To strengthen financial management.
- d) To Improve Human Resource Capacity.

Narok T.T.C develops its annual work plans based on the above four pillars. Narok T.T.C partly achieved its performance targets set for the FY 2024/2025 period for its four strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Achievements
Pillar1: Infrastructure	Overhaul of physical facilities To renovate and maintain facilities To improve and sustain environment	-Renovated and maintained Facilities -Improved and sustain environment.	Achieved
Pillar2: Training and development of effective & proficient teachers	Develop & sustain quality in learning and training, Expand training opportunities & Enhance discipline	-Training manuals -Training materials -Certificates -ICT accessories -Internet -Curriculum content -Timetable -DPTE results	Work in progress
Pillar3: Strengthening of financial Management	Develop and implement policies on the collection of income	Increased number of enrolments	Work in progress
Pillar:4 Human Resource Capacity	To increase the efficiency and effectiveness of human resource	<ul style="list-style-type: none"> <li>• In service training</li> <li>• Avail relevant tools</li> </ul>	Achieved

## **8. Corporate Governance Statement**

The college BOM is presided by the Chairman of the board to govern the college operations. The BOM is appointed in accordance with the Basic Education Act 2013 by the Cabinet Secretary in charge of the Ministry of Education. The BOM provides strategic direction, exercises control and remains accountable through effective leadership, enterprise, integrity and good judgment. Its diversity in its composition, independence but flexible, pragmatic, objective and focused on balanced and sustainable performance of the college. The BOM retains responsibility for establishing and maintaining the institution's overall control of financial, operational and compliance issues as well as implementing strategies for the long-term success of the Institution.

The membership of the Board includes:

- a) Six (6) independent members appointed from the community.
- b) One (1) member representing the special needs. (PLWD)
- c) One (1) member representing special interest (women and youth)
- d) Four (4) members representing the ministry through the County Education Board. (CEB)
- e) The Chief Principal/Secretary BOM.
- f) One (1) member representing student's body.
- g) One (1) member representing the staff at the college.

### **Appointment and Removal of Board Members**

Every appointment is by name and by notice of appointment by the Cabinet Secretary in the Ministry of Education. The appointment ceases if the Board member:

- Serves the appointing authority with a written notice of resignation;
- Is absent, without the permission of the Chairperson, from three consecutive meetings;
- or is convicted of an offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding twenty thousand shillings;
- or is incapacitated by prolonged physical or mental illness from performing his duties as a member of the Board;
- Or conducts him/her in a manner deemed by the appointing authority to be inconsistent with membership of the Board.

## **Ethics and Conduct**

The Board adheres to the Code of Conduct and Ethics for State Corporations (SCs) which focuses on ethical conduct and integrity at the workplace. It defines the College Boards' commitment to the highest standards of behaviour so as to contribute to the achievement of the national development goals. The Code sets out expectations for individual behaviour necessary to meet these standards and includes requirements and guidance to help carry out their roles with integrity and in compliance with the law. The Board is expected to uphold Article 10 of the Constitution of Kenya on National Values and Principles of Governance and Chapter 6 on Leadership and Integrity.

### **Conflict of Interest Policy & Disclosures**

A conflict of interest may arise where a Board member or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Board member's official duties and responsibilities. Conflict may also arise where a Board member uses their office for personal gain.

Board members are required to avoid conflict of interest and deal at arms-length in any matter that relates to the college. However, a Board member who identifies an area of conflict shall be required to disclose any actual or potential conflict of interest to the Board. In so reporting, the Board member is required to provide all relevant information, including information which relates to their immediate family members by blood or marriage which is related to the area of conflict. When declared, the Board member shall abstain from decisions where the conflict exists.

## **Board Remuneration**

Board members are reimbursed their transport and travel cost based on their destination and sitting allowance for the day at a flat rate of Kshs.10,000/= while attending meetings and other official consultations for the college.

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025**Board Meetings and Governance**

During the year, the Board held meetings as follows;

○ **Full Board**

S.N	NAME	DESIGNATION	MEETING DATE			
			19/07/24	20/12/24	22/4/2025	30/6/2025
1	PETER NAKOLA	Chairperson	✓	✓	✓	✓
2	JOSEPH O.N. KIMINTA	Secretary	✓	✓	✓	✓
3	LEMITA LEMEIN	Member	✓	✓	✓	✓
4	JOSEPH SENTEU	Member	✓	✓	✓	✓
5	DR. FAITH NJOKI	Member	✓	✓	✓	✓
6	PETER SAIKA	Member	✓	✓	✓	✓
7	SAMUEL NAIKUMI	Member	✓	✓	✓	✓
8	PATITA KOILA	Member	✓	✓	✓	✓
9	KORSAI ELIZABETH	Member	✓	✓	✓	✓
10	PAUL SOPIA	Member	✓	✓	✓	✓
11	SCHORLASTICA MOGERE	Member	✓	✓	✓	✓
12	ANN SARANTA	Member	✓	✓	✓	✓
13	JOHN KIPTARUS TANGUS	Member	✓	✓	✓	✓

○ **Finance, Procurement and General-Purpose Committee.**

S.N	NAME	DESIGNATION	MEETING DATE
			14/4/25
1	Dr. Bishop Peter Nakola	Chairperson	✓
2	Anne Seenoi Oloolumbwa	Member	✓
3	Rev.samuel Naikumi	Member	✓
4	Lemita Lemein	Member	✓

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

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○ **College Infrastructure Committee.**

S.N	NAME	DESIGNATION	MEETING DATE	
			6/09/24	16/4/25
1	Peter ole Saika	Chairperson	✓	✓
2	Dr. Bishop Peter Nakola	Member	✓	✓
3	Anne Senoi Oloolumbwa	Member	✓	✓
4	Scholastica Mogere	Member	✓	✓

NOTE

✓ . Means the member was present or had a justifiable apology.

## NAROK TEACHERS TRAINING COLLEGE (NTTC)

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

### 9. Management Discussion and Analysis

The college Financial and operational Performance

Recurrent Grants

- a. In the 2024/2025 FY the college received Kshs. **13,019,780/=** from the budgeted Kshs.**16,800,000/=**
- b. In the 2023/2024 FY Kshs. **16,809,384 /=** had been disbursed from Ministry of Education (MOE.)

#### Development Grants

The budgeted sum for development projects was Kshs.**7,000,000/=**. The funds were allocated for construction of women & men Latrines and 3 classrooms.

Comparatively none was received in the 2023/2024 FY too.

#### Fees Collection

- c. The College collected fees from exchange transaction (1,705 students) in the period under review on an accrual basis amounting to **Kshs. 132,673,764** compared to **Kshs. 83,968,888** in the 2023/2024 FY (1,050 students). There was an increase in fee collection which was attributable to higher enrolment.
- d. In the period under review, the total income expected was **Kshs. 152,023,080/=** compared to **Kshs 127, 667,880/=** in the 2023/2024.FY.

#### i. Academic Performance and results

	2024		2023		2022		2021		2020		2019	
<b>TOTAL PASSED TO GRADUATE</b>	N/A	N/A	N/A	N/A	650	95.03%	115	86%	308	72.8%	289	65%
<b>REFFERALS</b>	N/A	N/A	N/A	N/A	34	4.96%	17	12.7%	112	26.4%	150	1.86%
<b>CRNM</b>	N/A	N/A	N/A	N/A	8	0.43%	1	0%	1	0.23%	7	0.01%
<b>FAIL</b>	N/A	N/A	N/A	N/A	0	0	0	0.75%	0	0.50%	0	0%
<b>TOTAL</b>	N/A	N/A	N/A	N/A	685	100%	133	100%	423	100%	439	100%
<b>MEAN INDEX</b>	N/A	N/A	N/A	N/A		3.49	4.94		3.25		4.23	

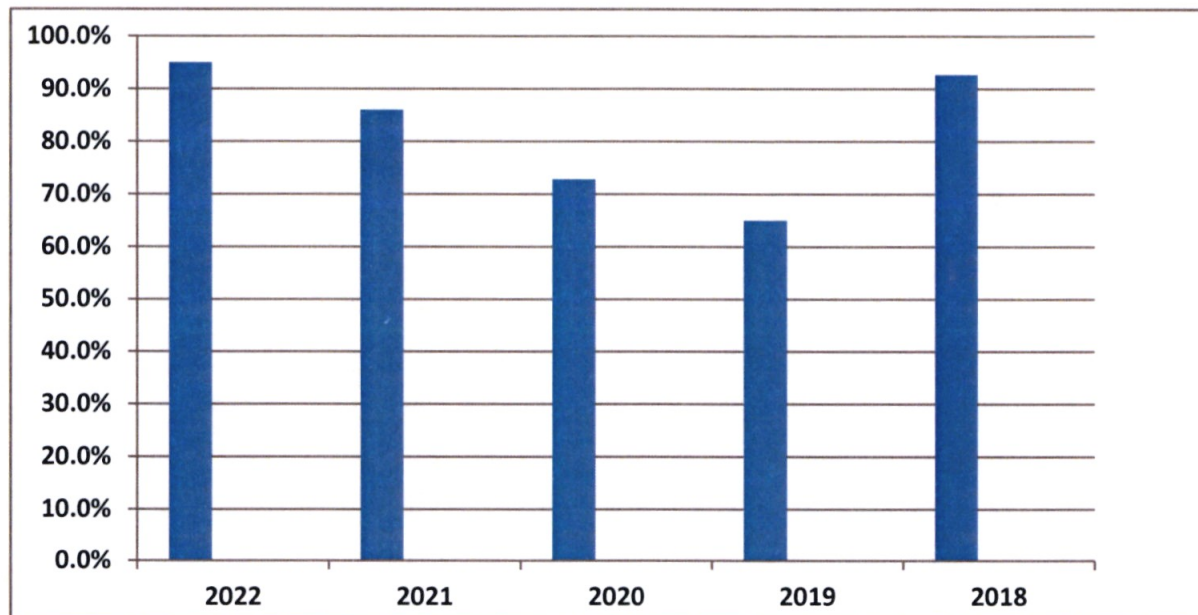
**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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**NOTE: The lower the mean index, the better the results.**

**NTTC pass rate is as follows for current and previous years;**



**ii. Compliance with Statutory Requirements**

By the end of the year, Narok T.T.C had paid all its statutory requirements in terms of NSSF, NHIF, PAYE.. The college is operating under legal frame works necessary under public sector requirement such as;

- The Constitution of Kenya, 2010
- Public Finance Management Act, 2012
- Procurement and Assets Disposal Act, 2015
- IPSAS standards.
- Basic Education Act 2013
- All other relevant laws in its operation (circulars from The National Treasury and Ministry of Education)

**iii. Major risks the college is facing;**

**Operational Risks**

The college faces competition for resources including; students, teaching staff and financial resources from Ministry of Education.

The college's financial assets are trade receivables from students as well as cash and short-term deposits which arise directly from its operations. The management has ensured timely payment to suppliers, contractors and other service providers, except for the few who were not able to submit their invoices by the close of the FY. Nevertheless; the college will clear them in the 1<sup>st</sup> quarter of the subsequent FY.

**Liquidity Risk**

Liquidity risk is the risk that the college will not be able to meet its financial obligations as they fall due. The college's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the college's reputation.

**Credit Risk**

Credit risk is the risk of financial loss to the college if a customer/learner fails to meet its contractual obligations, and arises principally from the organization's receivables from customers/learners. The College receives fees from students as well as capitation from the Government which minimizes the credit risk exposure. For this reason, the college has a fees payment policy which is in force. This mitigates accumulation of fees arrears.

**Market Risk**

To mitigate market risk, students are placed by KUCCPS and some students are admitted based on request and availability of chance.

The college has experienced the following challenges:

- a. Inadequate funding to support the infrastructure development,
- b. Competition from higher learning institution e.g. universities, TVETS and national polytechnics,
- c. Drugs and substance abuse by youths that form a larger population of the largest group,
- d. Negative attitude towards Primary teacher education.

**Opportunities included:**

- a. Linkages with Primary Schools around to offer attachment and employment.
- b. Allocation of Bursaries by the County Governments and the CDFs around.
- c. Government funding for development projects.
- d. Deployment of highly experienced lectures by TSC.

**10. Environmental and Sustainability Reporting Statement**

**Sustainability strategy and profile**

Narok Teachers College is mandated by the Ministry of Education to train and produce quality primary school teachers of a developing and expanding primary school education system. To fulfil this mandate the college aspires to provide conducive training environment.

Everyone in the institution is committed to work together as one unit to contribute to the sustainability of the institution. Students, staff and even the community in general is committed to their responsibilities that will ensure the continuity of the institution

**Environmental Performance.**

The institution commits to reduce environmental impact through farming that is financed by the institution. The farm produce will be sold to the neighbouring community at affordable prices. Farming will contribute positively to the ecosystem and contributes to the global goals of greenhouses gases reduction. Other activities include waste management, planting trees etc.

Narok Teachers Training College recognizes that today's society is more informed and responsive to issues of accountability, with increased demand for quality and efficient service delivery and skills acquisition. There is therefore responsibility on the institution to provide other Institutions with skilled personnel who will contribute in service delivery for national development.

### **Employee welfare**

We integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviours of good corporate governance, ethical decision making, and providing our personnel with opportunities to develop and excel. We integrate the principles of social responsibility into our training activities externally by minimizing our environmental impact and seeking to enhance the amenity of residential communities.

### **Market place practices**

The institution has maintained good business practice by complying with the government policy and Section 227 of The Constitution of Kenya.

All procurement activities have continuously been carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure.

The organization has maintained and continuously updated list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs.

### **Community Engagement**

The organization engaged in Co-operate Social Responsibility by sending our students on teaching

Practices and also by offering industrial attachments to other university students in the society.

## **11. Report of the Council/Board of Governors**

The Board submit their financial report for the year ended June 30, 2025 which show the state of Narok T.T. C's affairs.

### **Principal activities**

The principal activities of Narok T.T.C is instructing and training of D.P.T.E students.

### **Board of Management**

The members of the Board who served during the year are shown on page viii to xi. The board term started on 22<sup>nd</sup> August, 2022.

### **Auditors**

The Auditor General is responsible for the statutory audit of the College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the College for the year/period ended June 30, 2025.

By Order of the Board



Joseph Kiminta (Mr)

Chief Principal/Secretary BOM

Date 1/12/2025

## **12. Statement of Board of Governors/ Council's Responsibilities**

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

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

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

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 2013. The BOM members are of the opinion that the College's financial statements give a true and fair view of the state of College's transactions during the financial year ended June 30, 2025, and of the College's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the College, which have been relied upon in the preparation of

the College's financial statements as well as the adequacy of the systems of internal financial control.

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

### **Approval of the financial statements**

The College's financial statements were approved by the Board on 25<sup>th</sup> August, 2025 and signed on its behalf by:

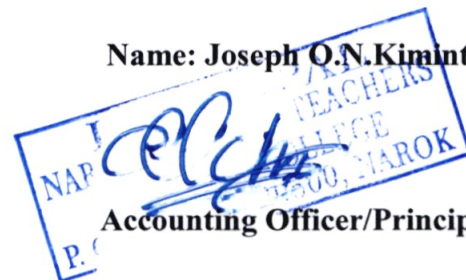
**Name Dr. Bishop Peter Nakola**

**Signature.....**

**Signature.....**

**Chairperson of the Board**

**Name: Joseph O.N. Kiminta**



**Accounting Officer/Principal**

# REPUBLIC OF KENYA



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

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Narok Teachers Training College set out on pages 1 to 46, 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 the 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 Narok Teachers Training College 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**

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

#### **1.1. Property Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.254,077,405 as disclosed in Note 32 to the financial statements. However, re-casting of the same gave a balance of Kshs.252,531,200, resulting into an unexplained variance of Kshs1,546,205. Further, the balance disclosed is at cost, omitting accumulated depreciation balance of Kshs.6,377,584. In addition, the College has not done the valuation of its assets and therefore it was not clear how the assets balance of Kshs.254,077,405 was arrived at.

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

The statement of financial performance and as disclosed in Note 18 to the financial statements reflects depreciation and amortization amounts of Kshs.2,247,570. However, the depreciation charge amount of Kshs.1,080,312 for the year 2023/2024 was omitted. Further, there was no depreciation policy in place to determine how the depreciation and amortization charge was arrived at.

#### **1.3. Decrease in Inventories**

Cash generated from operations as disclosed in Note 47 to the financial statements has not included the effect of the increase in inventories and decrease in payables on the net cashflows from operating activities as required by the reporting template.

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

### **2.0. Undisclosed Material Uncertainty Related to Going Concern**

The statement of financial position reflects current liabilities balance of Kshs.6,095,947 which exceeds the current assets balance of Kshs.5,596,180, resulting to a negative working capital of Kshs.499,767. The College is therefore technically insolvent and its ability to continue as a going concern is dependent upon support from the Government and its creditors. However, this material uncertainty has not been disclosed in the financial statements.

In the circumstances, the College may be unable to meet its short-term liabilities as and when they fall due.

### **3.0. Inaccuracies in Cash and Cash Equivalents Balance**

The statement of financial position reflects a negative balance of Kshs.7,438,804 in respect of cash and cash equivalents as disclosed in Note 26(a) to the financial statements. However, review of the bank reconciliation statements for June, 2025 reflects direct deposits (unreceipted collections) amount of Kshs.25,641,318, comprising of Kshs.711,552 from the ECDE account and Kshs.24,929,766 from the fees collection account. Management did not provide an explanation why the receipts have not been recorded in the respective cash books thus understating the cash and cash equivalents balance.

Further, the overdraft or negative balance of Kshs.7,438,804 has been netted off other current assets contrary to Section 28(4)(5) of the Public Finance Management Act, 2012 which states that; An accounting officer for a national government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorized by the National Treasury or a board of a national government entity. Further, it is not clear why the over drawn account was treated as part of cash balance. Management did not provide approval for the overdrawing of the accounts.

In the circumstances, the accuracy and completeness of the cash and cash equivalents negative (overdrawn) balance of Kshs.7,438,804 could not be confirmed.

### **4.0. Long Outstanding Receivables from Exchange Transactions**

The statement of financial position and as disclosed in Note 27(a) to the financial statements reflects current portion of receivables from exchange transactions balance of Kshs.11,100,606. The balance comprised of outstanding College fees that remained uncollected during the year under review.

Further, available information revealed that a balance of Kshs.8,502,481 or 77% of the total receivables had been outstanding for more than two (2) years, indicating long-outstanding debts with limited recovery action.

In the circumstances, the accuracy, completeness and recoverability of the current portion of receivables from exchange transactions balance of Kshs.11,100,606 could not be confirmed.

### **5.0. Unsupported Biological Assets Balance**

The statement of financial position and as disclosed in Note 35 to the financial statements reflect biological assets balance of Kshs.1,200,000 which relates to the value of trees in a plantation forest within the College. However, Management did not provide the valuation report for the biological assets as at 30 June, 2025.

In the circumstances, the accuracy, valuation and completeness of the biological assets balance of Kshs.1,200,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Narok 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 summary statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.168,823,080 and Kshs.146,302,990 respectively resulting to under-funding of Kshs.22,520,090 or 13% of the budget. Further, the statement reflects that the College spent an amount of Kshs.156,547,278 against actual receipts of Kshs.146,302,990 resulting to over-utilization of Kshs.10,244,288 or 7% of the actual receipts.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matters.

### **Key Audit Matters**

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

My opinion is not modified in respect of this matter

### **Other Matter**

#### **Unresolved Prior Year Audit Matters**

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the College in 2024/2025 revealed that the following twelve (12) issues remained unresolved:

<b>No.</b>	<b>Financial Year</b>	<b>Audit Issue</b>
1	2023/2024	Inaccuracies in financial statements
2	2023/2024	Unconfirmed depreciation and amortization amount
3	2023/2024	Accuracy of cash and cash equivalents balance
4	2023/2024	Unsupported receivables from exchange transactions
5	2023/2024	Non-disclosure of biological assets in the financial statement
6	2023/2024	Unsupported trade and other payables and unallocated fees payments
7	2023/2024	Budget control and performance
8	2023/2024	Noncompliance with the law on board composition
9	2023/2024	Failure to maintain an updated asset register
10	2023/2024	Lack of internal audit function and audit committee
11	2023/2024	Lack of human resource policy and staff establishment
12	2023/2024	Failure to maintain an imprest register

## **Other Information**

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

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

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **Delayed Remittance of Statutory Deductions**

The statement of financial performance reflects employees' costs totalling Kshs.15,790,726 as disclosed in Note 16 to the financial statements. Review of the payroll records revealed that there was delay in remittance of Pay as You Earn (PAYE) statutory deductions amount of Kshs.525,061 that were remitted after ten (10) months from the date of deduction. This is contrary to Regulation 23 (2) (a) of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer designated under the Constitution, the Act or any other Act, shall comply with any tax, levy, duty, pension, commitments and audit commitments as may be provided for by legislation.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with

the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Maintain an Updated Fixed Assets Register**

The statement of financial position and Note 32 to the financial statements reflects property plant and equipment balance of Kshs.254,077,405. However, the College did not maintain up-to-date fixed assets register. The register provided did not have each parcel of land, building and the terms on which they are held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details.

In the circumstances, failure to maintain an updated fixed asset register exposes the entity to risks of asset loss, misappropriation, inaccurate financial reporting, and potential disputes over asset ownership.

#### **2. Lack of Human Resource Policy and Staff Establishment**

Review of records revealed that the College had fifty-one (51) members of staff in the year under review. However, the College does have in place an approved human resource policy guideline and staff establishment. Therefore, without an approved staff establishment it was not possible to verify how various job groups were arrived at and what was the human capital gap if any.

In the circumstances, Management may not be in a position to identify whether the College is operating with the optimal number of staff to ensure effective service delivery to the public.

#### **3. Long Outstanding Payables and Unallocated Student Prepayments**

The statement of financial position and as disclosed Note 36 to the financial statements reflects trade and other payables balance of Kshs.6,095,947. Review of records revealed that the balance was fees paid in advance by students. Further, review of the aging analysis provided indicated that payables balance of Kshs.4,332,255 or 71% had been outstanding for more than one (1) year. However, the aging analysis did not indicate the status of the students whether continuing or completed and thus it was not possible to confirm whether the prepayments belonged to current students or students who have left the College. In addition, no explanation was provided as to why the prepayments had not been allocated to individual student accounts to clear outstanding fee balances.

In the circumstances, the effectiveness of internal controls in relation to management of creditors could not be confirmed.

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

The statement of financial performance and as disclosed in Note 15 to the financial statement reflects use of goods and services amount of Kshs.84,068,416. Review of records in support of the expenditure revealed that a total of Kshs.4,943,713 was paid as per-diem facilitation for various activities and training. However, the College did not maintain an imprest register and the imprests to various officers were not issued by way of imprest warrants and surrendered as required by the regulations. Therefore, it was not possible to track the expected dates of surrender, surrender details and outstanding balances of imprest as at the close of the financial year.

In the circumstances, the effectiveness of internal controls in relation to management of imprests 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 to as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

Nairobi

4 December, 2025

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**  
Annual Report And Financial Statements  
For The Year Ended 30<sup>th</sup> June 2025

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

	Notes	2024-2025	2023- 2024
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	13,019,780	16,809,384
Grants from donors and development partners	7	-	-
Transfers from other levels of government	8	-	-
Public contributions and donations	9	-	-
		<b>13,019,780</b>	<b>16,809,384</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	10	132,673,764	83,968,888
Sale of goods	11	-	-
Rental revenue from facilities and equipment	12	609,446	2,549,875
Finance income	13	-	-
Miscellaneous income	14	-	702,519
<b>Revenue from Exchange transactions</b>		<b>133,283,210</b>	<b>87,221,282</b>
<b>Total Revenue</b>		<b>146,302,990</b>	<b>104,030,666</b>
<b>Expenses</b>			
Use of goods and services	15	84,068,416	50,546,065
Employee costs	16	15,790,726	13,225,102
Board /Council Expenses	17	860,000	-
Depreciation and amortization expense	18	2,247,570	1,080,312
Repairs and maintenance	19	17,104,147	22,597,553
Contracted services	20	-	-
Grants and subsidies	21	-	-
Finance costs	22	-	-
<b>Total Expenses</b>		<b>120,070,859</b>	<b>87,449,032</b>
<b>Other Gains/(Losses)</b>			
Gain on sale of assets	23	-	-
Gain/ Loss on fair value of investments	24	-	-
Impairment loss	25	-	-
<b>Total Other Gains/(Losses)</b>			
<b>Net surplus/(deficit) for the year</b>		<b>26,232,131</b>	<b>16,581,634</b>

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

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

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

*Dr. Peter Njoroge*  
.....  
**Chairman of Council/Board**

**Date**

*1/12/2025*

*Joseph*  
.....  
**Principal**

**Stamp:**  
PRINCIPAL  
NAROK DIPLOMA TEACHERS  
TRAINING COLLEGE  
P.O. Box 709 - 20500, NAROK  
*1/12/2025*

*MARY Topoti*  
.....  
**Finance Officer**

**ICPAK No**

*27974523*

**Date**

*1/12/2025*

*[Signature]*

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**  
Annual Report And Financial Statements  
For The Year Ended 30<sup>th</sup> June 2025

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

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	(7,438,804)	2,805,484
Current portion of receivables from exchange transactions	27(a)	11,100,606	14,685,843
Receivables from non-exchange transactions	28		-
Inventories	29	1,934,378	1,225,555
Investments in financial assets	30		-
Prepayments	31		-
<b>Total Current Assets</b>		<b>5,596,180</b>	<b>18,716,882</b>
<b>Non-Current Assets</b>			
Long term receivables from exchange transactions	27(b)		-
Investments	30		-
Property, plant, and equipment	32	254,077,405	216,054,781
Intangible assets	33		-
Investment property	34	-	-
Biological Assets	35	1,200,000	-
<b>Total Non-Current Assets</b>		<b>255,277,405</b>	<b>216,054,781</b>
<b>Total Assets (A)</b>		<b>260,873,585</b>	<b>234,771,663</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	36	6,095,947	7,801,962
Refundable deposits from customers	37		671,762
Current provisions	38		-
Finance lease obligation	39		-
Deferred income	40		-
Employee benefit obligation	41		-
Payments received in advance	42		-
Current portion of borrowings	43		-
Social Benefits	46		-

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
<b>Total Current Liabilities</b>		<b>6,095,947</b>	<b>8,473,724</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	39		-
Deferred income	40		-
Non-Current Employee Benefit Obligation	41		-
Non- Current Borrowings	43		-
Non-Current Provisions	44		-
Service Concession Liability	45		-
Social benefits	46		-
<b>Total non- current liabilities</b>			-
<b>Total Liabilities (B)</b>		<b>6,095,947</b>	<b>8,473,724</b>
<b>Net Assets (A-B)</b>		<b>254,777,638</b>	<b>226,297,939</b>
<b>Represented By:</b>			
Revaluation Reserves			-
Accumulated Surplus		<b>254,777,638</b>	<b>226,297,939</b>
Capital Fund			-
<b>Net Assets</b>		<b>254,777,638</b>	<b>226,297,939</b>

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

*Dr. Peter Nasola*  
 Chairman of Council/Board

*Joseph Odu Kimani MARY TOPOTI*  
 Principal

Finance Officer  
 ICPAK No *27974523*  
 Date *1/12/2025*

Date *1/12/2025*

**PRINCIPAL**  
**NAROK DIPLOMA TEACHERS**  
**TRAINING COLLEGE**  
 P. O. Box 709 - 20500, NAROK  
 Date *1/12/2025*

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 2023</b>	-	<b>208,635,991</b>		<b>208,635,991</b>
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	16,581,634	-	16,581,634
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	1,080,312	(-)	1,080,312
<b>At June 30, 2024</b>	-	<b>226,297,939</b>		<b>226,297,937</b>
<b>At July 1, 2024</b>	-			-
Accumulated Surplus	-	226,297,937	-	226,297,937
Surplus/(deficit) for the year	-	26,232,131	-	26,232,131
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	2,247,570	-	2,247,570
<b>At June 30, 2025</b>	-	<b>254,777,638</b>		<b>254,777,638</b>

**Note:**

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

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		13,019,780	16,809,384
Grants from donors and development partners		-	-
Transfers from other levels of government		-	-
Public contributions and donations		-	-
Rendering of services- fees from students		132,673,764	84,671,407
Sale of goods		-	-
Rental revenue from facilities and equipment		609,446	2,549,875
Finance income		-	-
Miscellaneous income		-	-
<b>Total Receipts</b>		<b>146,302,990</b>	<b>104,030,666</b>
<b>Payments</b>			
Use of goods and services		86,315,986	74,223,930
Employee costs		15,790,726	13,225,102
Board /Council Expenses		860,000	-
Repairs and maintenance		17,104,147	-
Contracted services		-	-
Grants and subsidies		-	-
<b>Total Payments</b>		<b>120,070,859</b>	<b>87,449,032</b>
<b>Net Cash Flows from operating activities</b>	47	<b>26,232,131</b>	<b>16,581,634</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(36,476,419)	(-)
Proceeds from sale of property, plant and equipment		-	-
<b>Net cash flows used in investing activities</b>		<b>-</b>	<b>(-)</b>
<b>Cash flows from financing activities</b>			
Proceeds From Borrowing		-	-
Repayment Of Borrowings		-	(-)
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>(-)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>(10,244,288)</b>	<b>16,581,634</b>
Cash and Cash equivalents at 1 JULY 2024	26	2,805,484	(13,776,150)
<b>Cash and Cash equivalents at 30 JUNE 2025</b>	26	<b>(7,438,804)</b>	<b>2,805,484</b>

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

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
<b>Budget carryovers from the previous year*</b>	-		-	-	-	-
<b>Receipts</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>%</b>
Transfers from other National Government entities	16,800,000	-	16,800,000	13,019,780	3,708,220	77
Grants from donors and development partners	-	-	-	-	-	-
Transfers from other levels of government	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- fees from students	152,023,080		152,023,080	133,283,210	18,739,870	88
Sale of goods	-	-	-	-	-	-
Rental revenue from facilities and equipment	-	-	-	-	-	-
Finance income	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
<b>Total Receipts</b>	<b>168,823,080</b>		<b>168,823,080</b>	<b>146,302,990</b>	<b>22,520,090</b>	<b>87</b>
<b>Payments</b>						
Use of goods and services	96,222,291	-	96,222,291	86,315,986	9,906,305	90
Employee costs	16,800,000		16,800,000	15,790,726	1,009,274	94
Board /Council Expenses	900,000	-	900,000	860,000	40,000	96
Repairs and maintenance	17,865,000	-	17,865,000	17,104,147	760,853	96
Contracted services	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	-
Use of goods and services	-	-	-	-	-	-

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For The Year Ended 30<sup>th</sup> June 2025

<b>Total Expenditure Payments</b>	<b>131,787,291</b>		<b>131,787,291</b>	<b>120,070,859</b>	<b>11,716,432</b>	<b>91</b>
<b>Capital Expenditure Payments</b>	<b>-</b>	36,476,419	36,476,419	<b>36,476,419</b>	<b>0</b>	<b>0</b>
<b>Surplus</b>	<b>37,035,789</b>		<b>37,035,789</b>	<b>26,232,131</b>	<b>10,803,658</b>	<b>70</b>

## **NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

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### **19. Notes to the Financial Statements**

#### **1. General Information**

Narok TTC is established by and derives its authority and accountability from the Basic Education Act 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is teaching and instructing students in Primary Diploma Teacher Education.

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

The financial statements have been prepared on a historical cost basis except for financial instruments which have been expressed at fair value. The preparation of financial statements is in conformity with International Public Sector Accounting Standards (IPSAS) which allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the College's accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the College.

The financial statements have been prepared in accordance with the PFM Act 2012, the Basic Education Act 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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For The Year Ended 30<sup>th</sup> June 2025

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

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

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

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

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of

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For The Year Ended 30<sup>th</sup> June 2025

	<p>commonly used measurement bases and the circumstances under which they should be used.</p> <p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <p>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</p> <p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>

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**iii. *Early adoption of standards***

Narok Teachers Training College did not early adopt any new or amended standards in year 2025.

#### **4. Summary of Significant Accounting Policies**

##### **a) Revenue recognition**

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

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

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

##### **ii) Revenue from exchange transactions**

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

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

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

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

##### **Interest income**

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

##### **Rental income**

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

**b) Budget information**

The original budget for FY 2024/2025 was approved by the BOM on 28<sup>th</sup> June 2024.

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

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

**c) Taxes**

***Current income tax***

The College is exempt from paying corporate taxes. However, it is authorised to withhold VAT at 2 per cent and withholding tax at 3 per cent from construction works and remit to KRA.

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

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

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

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

**d) Investment property**

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

**e) Property, plant and equipment**

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

**f) Leases**

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

**g) Intangible assets**

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

**h) Biological Assets**

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

**i) Research and development costs**

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

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

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

**j) Financial instruments**

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

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

### ***Financial assets***

#### ***Classification***

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

#### **Subsequent measurement**

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

#### **Amortized cost**

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

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

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

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

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

### **Trade and other receivables**

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

### **Impairment**

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

### ***Financial liabilities***

#### ***Classification***

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

#### **k) Inventories**

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

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

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

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

### **Inventories (Continued)**

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

#### **l) Provisions**

Provisions are recognized when the *Entity* 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 *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

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

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

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

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

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

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

**n) Nature and purpose of reserves**

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

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

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

**p) Employee benefits**

**Retirement benefit plans**

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**q) Foreign currency transactions**

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

**r) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**s) Related parties**

The *Entity* regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa.

Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

**t) Service concession arrangements**

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

**u) Cash and cash equivalents**

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

**v) Comparative figures**

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

**w) Subsequent events**

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

## **5. Significant Judgments and Sources of Estimation Uncertainty**

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

### **Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity 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 Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

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

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

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

### **Provisions**

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

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

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For The Year Ended 30<sup>th</sup> June 2025**6. Transfers from other National Government entities**

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Unconditional Grants</b>		
Capitation Grants	-	-
Operational Grant	13,019,780	16,809,384
Development grants	-	-
Other Grants	-	-
<b>Total unconditional Grants</b>	<b>13,019,780</b>	<b>16,809,384</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
<b>Total Government Grants and Subsidies</b>	<b>13,019,780</b>	<b>16,809,384</b>

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

<b>Name of the Entity Sending The Grant</b>	<b>Amount recognized to Statement of Financial performance *</b>	<b>Amount deferred under deferred income</b>	<b>Amount recognised in capital fund.</b>	<b>Total grant income during the year</b>	<b>Comparative FY</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Ministry of Education	13,019,780	-	-	13,019,780	16,809,384
<b>Total</b>	<b>13,019,780</b>	<b>-</b>	<b>-</b>	<b>13,019,780</b>	<b>16,809,384</b>

**7. Grants from Donors and Development Partners****(a) Reconciliations of grants from donors and development partners****8. Transfers from Other Levels of Government****9. Public Contributions and Donations**

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For The Year Ended 30<sup>th</sup> June 2025

**10. Rendering of Services**

Description	2023-2024	2023-2024
	Kshs	Kshs
Tuition Fees	3,119,311	5,256,880
Activity Fees	3,201,787	2,588,807
Industrial Attachment Fees/Tp/LP book	1,848,990	2,743,043
Examination Fees	9,558,459	1,962,222
Library Fees/computer studies/internet	6,023,499	3,834,745
Facilities And Materials		-
Registration Fees/sudents ID/Guide books/Kuccps	3,637,556	2,573,594
Local transport and travelling	6,311,984	5,437,332
Electricity water and conservancy	6,137,364	4,346,917
Contingencies/covid 19 response	3,842,618	2,806,392
Personnel emolument subsidy	13,377,985	9,122,951
Boarding equipments and stores	46,193,565	30,389,618
Rmi /rehabilitation	4,672,747	3,745,798
Students' council, union and clubs	772,007	1,165,955
Uniform and track suits	1,645,000	19,800
Medical	1,563,832	1,104,420
gratuity	3,354	237,500
Hockey stick	1,974,000	-
Motor vehicle repair	9,248,028	6,605,116
Bank charges	914	27,798
Prepayments	6,156,217	
Sundry Debtors	3,384,547	
<b>Total Revenue from The Rendering of Services</b>	<b>132,673,764</b>	<b>83,968,888</b>

**11. Sale of Goods**

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Hire of Facilities and Equipment	609,446.00	2,549,875.00
Contingent Rentals	-	-
Operating Lease Revenue	-	-
Others (specify)	-	-
<b>Total</b>	<b>609,446.00</b>	<b>2,549,875.00</b>

(Provide brief explanation for this revenue. \*Contingent rentals include hire grounds, institutional facilities like halls, kitchen etc.)

**13. Finance Income**

**14. Miscellaneous Income**

Description	2024-2025	2023-2024
	Kshs	Kshs
Insurance recoveries	-	-
Consultancy fees	-	-
Income from sale of tender	-	-
Services concession income	-	-
Reimbursements and refunds	-	-
Graduation fees	-	-
Bad debts recovered	-	-
Income written back	-	-
Others ( <i>specify</i> )	-	217,400.00
Ict equipment	-	485,119.00
<b>Total other income</b>	<b>-</b>	<b>702,519.00</b>

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For The Year Ended 30<sup>th</sup> June 2025**15. Use of Goods and Services**

Description	2024-2025	2023-2024
	Kshs	Kshs
Teaching and learning materials/Tes	2,456,500	3,859,402
Industrial attachment costs/Tp	655,500	433,160
Electricity, water and conservancy	4,787,499	3,650,143
Water	-	-
Security	-	-
Professional and consultancy services	-	-
Subscriptions	-	-
Advertising	-	-
Examination fees	11,488,290	1,190,400
Audit fees	-	-
Catering, conferences, and delegations	-	-
Travelling and accommodation/Lt&t	4,943,713	2,093,317
Fuel and oil	-	-
Insurance	-	-
Legal expenses	-	-
Licenses and permits	-	-
Postage	-	-
Printing and stationery	-	-
Hire charges	480,000	1,696,000
Rent expenses	-	-
Skills development levies	-	-
Telephone expenses	-	-
Internet expenses & computer studies	3,677,882	2,402,444
Training expenses	-	-
Bank charges/contingencies	5,733,504	3,618,513
Boarding equipments and stores	32,941,636	20,615,085
Repairs maintenance and improvements		
Students' council	689,200	14,000
Medical	379,966	435,968
KUCCPS	500,000	
Activity	12,163,176	7,687,416.
Motor vehicle repairs	-	-
Clubs and Env. subsidy	448,400	328,835
Personal emolument subsidiary	372,600	
Track suits	2,350,550	2,521,382
<b>Total good and services</b>	<b>84,068,416</b>	<b>50,546,065</b>

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For The Year Ended 30<sup>th</sup> June 2025**16. Employee Costs**

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	10,896,047	13,225,102
Employee related costs - contributions to pensions and medical aids-SHA	310,731	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	3,002,280	-
Overtime payments	-	-
Social contributions-NSSF	1,581,668	-
<b>Employee Costs</b>	<b>15,790,726</b>	<b>13,225,102</b>

**17. Board/Council Expenses**

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	860,000	-
Other Allowances	-	-
Other Board/Council Expenses	-	-
<b>Total</b>	<b>860,000</b>	<b>-</b>

**18. Depreciation and Amortization expense**

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	2,247,570	1,080,312
Intangible assets	-	-
Investment property carried at cost	-	-
<b>Total depreciation and amortization</b>	<b>2,247,570</b>	<b>1,080,312</b>

**19. Repairs and Maintenance**

Description	2024-2025	2023-2024
	Kshs	Kshs
Property	14,394,717	21,200,147
Investment property – earning rentals	-	-
Equipment and machinery	-	-
Vehicles	2,709,430	1,397,406
Furniture and fittings	-	-
Computers and accessories	-	-
Total repairs and maintenance	17,104,147	22,597,553
<b>Total Repairs and Maintenance</b>	<b>17,104,147</b>	<b>22,597,553</b>

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For The Year Ended 30<sup>th</sup> June 2025**20. Contracted Services****21. Grants and Subsidies****22. Finance Costs****23. Gain On Sale of Assets****24. Gain/(loss) on Fair Value Investments****25. Impairment Loss****26. Cash and Cash Equivalents**

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	(7,438,804)	2,805,484
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Specify)	-	-
<b>Total Cash and Cash Equivalents</b>	<b>(7,438,804)</b>	<b>2,805,484</b>

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

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For The Year Ended 30<sup>th</sup> June 2025**26 (a). Detailed Analysis of Cash and Cash equivalents**

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank-ECDE	1132933749	1,917,364.10	(165,508.90)
Kenya Commercial Bank-Graituty	1153754916	1,252,194.20	734,073.90
Kenya Commercial Bank-INFRA.	1153755157	5,131,290.52	8,837,894.52
Kenya Commercial Bank-Fees coll	1122657382	(15,739,652.2)	(6,600,975.70)
<b>Sub- Total</b>		<b>(7,438,804)</b>	<b>2,805,483.82</b>
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		-	-
<b>d) Staff Car Loan/ Mortgage</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		-	-
<b>e) Others(Specify)</b>		-	-
Cash in Transit		-	-
Cash in Hand		-	-
Mobile Money account		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>(7,438,804)</b>	<b>2,805,484</b>

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For The Year Ended 30<sup>th</sup> June 2025**27. Receivables from Exchange transactions****27 (a) Current Receivables from Exchange transactions**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	11,100,606	14,685,843
Rent Debtors	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	-	-
Less: Impairment Allowance		(-)
<b>Total Current Receivables</b>	<b>11,100,606</b>	<b>14,685,843</b>

**27 (b) Long- term Receivables from Exchange transactions****27 (c) Ageing Analysis of Receivables from Exchange transactions**

Description	2024/2025		2023/2024	
	Kshs	% of total	Kshs	% of total
	2024/2025	% of total	2023/204	% of total
Less than 1 year	-	-	-	-
Between 1- 2 years	2,598,125	23%	-	-
Between 2-3 years	8,502,481	77%	-	-
Over 3 years	-	-	-	-
<b>Total (a+b)</b>	<b>11,100.606</b>	<b>100%</b>	-	-

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

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

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

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For The Year Ended 30<sup>th</sup> June 2025**28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions****29. Inventories**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Consumable stores	229,795	17,505
Maintenance stores		
Health Unit stores	39,183	
Electrical stores		
Cleaning Materials stores		
Catering stores	1,665,400	1,208,050
Less: Impairment allowance		
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>1,934,378</b>	<b>1,225,555</b>

**30. Investments in financial assets****d) Shareholding in other entities**

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

**31. Prepayments**

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**32. Property, Plant and Equipment**

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets Office equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Depreciation Rate</b>		9.9%	12.9%		1.29%	13.9%	6.9%		
<b>At 1 July 2023</b>	183,079,421	12,192,976	1,004,816		1,253,215	3,547,541	8,487,500	-	209,565,469
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	192,837,607	12,192,976	6,273,408		1,221,374	3,024,715	504,700	-	216,054,781
Additions	-	36,476,419	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	196,631,383	47,562,075	5,551,966		1,205,744	2,654,331	471,906	-	254,077,405
<b>Depreciation And Impairment</b>									
<b>At 1 July 2024</b>	-		42,566	-	97,993	1,803,219	2,186,236	-	4,130,014
Depreciation	-								
Disposals	-								
Impairment	-								
<b>At 30 Jun 2025</b>			42,566		97,993	1,803,219	2,186,236		4,130,014
Depreciation	-	1,107,320.1	721,442	-	15,630	370,384	32,794		2,247,570.1
Disposals	-								
Impairment	-								
Transfer/Adjustment	-								
Additions									
<b>At 30<sup>th</sup> Jun 2025</b>	-	1,107,320.1	764,008		111,623	2,173,603	2,219,030		6,377,584.1

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets Office equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Net Book Values</b>									
<b>At 30<sup>th</sup> Jun 2024</b>	192,837,607	12,192,976	6,273,408		1,221,374	3,024,715	504,700	-	216,054,781
<b>At 30<sup>th</sup> Jun 2025</b>	196,631,383	47,562,075	5,551,966		1,205,744	2,654,331	471,906	-	254,077,405

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025**Notes to the Financial Statements (Continued)****Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by xxx professional valuers on xxx. These amounts were adopted in the financial statements on xxx.

**32 (b) Property, Plant and Equipment at Cost**

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

Description	Cost	Accumulated Depreciation	Additions	NBV
	Kshs	Kshs		Kshs
Land	192,837,607	-		196,631,383
Buildings	12,192,976	1,107,320.1	36,476,419	47,562,075
Plant And Machinery	3,024,715	370,384		2,654,331
Motor Vehicles including Motorcycles	6,273,408	721,442		5,551,966
Computers and Related Equipment	1,221,374	15,630		1,205,744
Office Equipment, Furniture, And Fittings	504,700	32,794		471,906
<b>Total</b>	<b>216,054,781</b>	<b>2,247,570.1</b>	<b>36,476,419</b>	<b>254,077,405</b>

**33. Intangible Assets****34. Investment Property****35. Biological Assets**

	2024-2025	2023-2024
	Kshs	Kshs
Trees in a plantation forest	1,200,000	-
Animals: Dairy Cattle, Pigs, Sheep	-	-
Others (Specify)	-	-
<b>Total</b>	<b>1,200,000</b>	

*(Provide the necessary disclosures)*

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025**36. Trade and Other Payables**

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	-		-	
Fees paid in advance	6,095,947		7,801,962	
Salary deductions	-		-	
Third-Party Payments	-		-	
Other Payables	-		-	
<b>Total Trade and Other Payables</b>	<b>6,095,947</b>		<b>7,801,962</b>	
<b>Ageing analysis:</b>	<b>2024-2025</b>	<b>% of the Total</b>	<b>2023-2024</b>	<b>% of the Total</b>
Under one year	1,763,692	29%	-	-
1-2 years	2,947,019	48%	-	-
2-3 years	1,385,236	23%	-	-
Over 3 years	-	-	-	-
<b>Total (to tie to totals above)</b>	<b>6,095,947</b>	<b>100%</b>		

**37. Refundable Deposits from Customers/Students****38. Current Provisions****39. Finance Lease Obligation****40. Deferred Income**

## **NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

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### **41. Employee Benefit Obligations**

#### **Retirement benefit Asset/ Liability**

The College contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The College's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. 4,231 per employee per month:

#### **Recognition of Retirement Benefit Asset/ Liability**

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

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

1 The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. 4,231 per employee per month.

### **42. Payments received in advance.**

### **43. Borrowings**

**43 a) Analysis of External and Domestic Borrowings**

**43 b) Breakdown of Long and Short-Term Borrowings**

### **44. Non-Current Provisions**

### **45. Service Concession Arrangements**

### **46. Social Benefit Liabilities**

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025**47. Cash generated from operations.**

	2024-2025	2023-2024
		KShs
Surplus for the year before tax	26,232,131	16,581,634
Adjusted for:		
Depreciation	2,247,570	1,080,312
Non-cash grants received		
Contributed assets	-	-
Impairment		
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Revaluation profit		
Contribution to impairment allowance	-	-
Finance income	-	-
Finance cost	-	-
Working Capital adjustments		
Increase in inventory	-	-
Increase in receivables	(21,040,897)	(14,856,462)
Increase in investments	-	-
Increase in deferred income	-	-
Increase in payables	-	-
Increase in payments received in advance	-	-
Refundable deposits from customers	-	-
Current Provisions	-	-
Finance lease obligation	-	-
Current portion of borrowings	-	-
Employee benefit obligation	-	-
<b>Net cash flow from operating activities</b>	<b>(7,438,804)</b>	<b>2,805,484</b>

## NAROK TEACHERS TRAINING COLLEGE (NTTC)

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### 48. Financial Risk Management

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

The entity's financial risk management objectives and policies are detailed below:

#### (i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2024</b>				
Receivables from exchange transactions	14,685,843	14,685,843	nil	nil
Receivables from non-exchange transactions	-	-	-	-
Bank balances	2,805,484	2,805,484	-	-
<b>Total</b>	<b>17,491,327</b>	<b>17,491,327</b>	<b>-</b>	<b>-</b>
<b>At 30 June 2025</b>				
Receivables from exchange transactions	11,100,606	11,100,606	nil	nil
Receivables from non-exchange transactions	-	-	-	-
Bank balances	(7,438,804)	(7,438,804)	nil	nil
<b>Total</b>	<b>3,661,802</b>	<b>3,661,802</b>	<b>-</b>	<b>-</b>

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025**Financial risk management (continued)**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

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

**(ii) Liquidity risk management**

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

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2024</b>				
Trade Payables	-	-	7,801,962	7,801,962
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	<b>7,801,962</b>	<b>7,801,962</b>
<b>At 30 June 2025</b>				
Trade Payables	-	-	6,095,947	6,095,947
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	<b>6,095,947</b>	<b>6,095,947</b>

## **NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

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### **(iii) Market risk**

The entity has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

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

### **a) Foreign currency risk**

The College has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025**iv) Capital Risk Management**

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

	2024-2025	2023-2024
	Kshs	Kshs
Revaluation reserve	-	-
Retained earnings	254,777,638	226,297,939
Capital reserve		
<b>Total funds</b>	<b>254,777,638</b>	<b>226,297,939</b>
Total borrowings	-	-
Less: cash and bank balances	(7,438,804)	2,805,484
Net debt	262,216,442	223,492,455
Gearing (%)	-	-

#### **49. Related Party Balances**

##### **Nature of related party relationships**

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

##### **Government of Kenya**

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) County Government;
- iv) Government agencies;
- v) Employees
- vi) Key management;
- vii) Board of directors;

#### **50. Segment Information**

*(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)*

#### **51. Contingent Assets and Contingent Liabilities**

#### **52. Capital Commitments**

*(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the entity but at the end of the year had not been contracted or those already contracted for and ongoing)*

#### **53. Events After The Reporting Period**

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

#### **54. Ultimate And Holding Entity**

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

#### **55. Currency**

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

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025**20. Appendices****Appendix 1: Implementation Status of Auditor-General Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Time frame: (Put a date when you expect the issue to be resolved)</b>
1.	-Failure to Maintain an Updated Asset Register	-The institution is in the process of establishing an Asset register	-Not Resolved	By 30 <sup>th</sup> June 2026
2.	-Lack of Internal Audit function and Audit Committee	-The college management will lies with the Ministry of Education to speed up the process of coming up with an Audit Committee and to also establish an Audit Function in the Institution.	-Not Resolved	By 30 <sup>th</sup> June 2026
3.	-Lack of Human Resource Policy and Staff Establishment	-The institution is in the process of establishing a Human Resource Policy to guide on Staff Establishment.	-Not Resolved	By 30 <sup>th</sup> June 2026
4.	-Failure to Maintain an Imprest Register	-The College will lies with the Ministry of Education to obtain guidelines on how to maintain an impress register and also the management of cash in the Institution.	-Not Resolved	By 30 <sup>th</sup> June 2026
5.	Non –compliance with the law on Board Composition	-The college will consider this and follow the law on Board composition.	-Not Resolved	By 30 <sup>th</sup> June 2026
6.	-Budgetary Control and performance	-The College will look into the issue of budget control and performance to ensure the effective distribution of funds.	-Not Resolved	By 30 <sup>th</sup> June 2026

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Time frame: (Put a date when you expect the issue to be resolved)</b>
7.	-Unsupported Trade and Other Payables and unallocated Fees Prepayments.	-The management will look into the Matter and ensure that funds are allocated to the respective students.	-Not Resolved	By 30 <sup>th</sup> June 2026
8.	-Non-disclosure of Biological Assets in the Financial Statements	-The Management have disclosed its biological Assets in the current Financial Year.	-Resolved	-
9.	-Unsupported Receivables from Exchange Transaction.	-The Management have provided an ageing analysis for the current Financial Year.so such an issue will not re-occur again.	-Resolved	-
10.	-Accuracy of cash and cash Equivalents Balance.	-The Management will consider making sure that the money collected will be receipted.	-Not Resolved	By 30 <sup>th</sup> June 2026
11.	-Unconfirmed Depreciation and Amortization Amount	-The management will develop a policy that will guide on the depreciation and amortization rates to be used.	-Not Resolved	By 30 <sup>th</sup> June 2026
12.	-Inaccuracies in the Financial Statements	--The Management will make sure that such inaccuracies are corrected in the coming years to avoid the same queries occurring.		

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**  
Annual Report And Financial Statements  
For The Year Ended 30<sup>th</sup> June 2025

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JOSEPH ON KIMINTA

Name .....  
Accounting Officer  
Narok Teachers Training College

Date ..... 1/12/2025

**Appendix II: Projects Implemented by Narok Teachers Training College**

**Projects**

No projects implemented by the college Funded by development partners

**Status of Projects completion**

N/A

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

Annual Report And Financial Statements

For The Year Ended 30<sup>th</sup> June 2025

**Appendix III- Inter-Entity Confirmation Letter**

Name of transferring entity.....Ministry of Education.....

Name of beneficiary entity.....Narok Teachers Training College.....

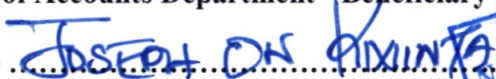
Confirmation of amounts received by Narok Teachers Training College as at 30 <sup>th</sup> June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	24/09/2024	4,488,554	N/A	4,488,554	
	24/12/2024	4,265,613	N/A	4,265,613	
	26/06/2025	4,265,613	N/A	4,265,613	
Total				<b>13,019,780/=</b>	


I confirm that the amounts shown above are correct as of the date indicated.

**Head of Accounts Department - Disbursing Entity:**

Name ..... Sign ..... Date .....

**Head of Accounts Department - Beneficiary Entity:**

Name JOSEPH ON KINIA Sign  Date 1/12/2025



**Appendix IV: Reporting of Climate Relevant Expenditures**

Disaster Management expenditures

No expenditures were incurred on Climate Expenditures

*N/A*

**NAROK TEACHERS TRAINING COLLEGE (NTTC)**

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For The Year Ended 30<sup>th</sup> June 2025

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**Appendix V: Reporting on Disaster Management Expenditure**

Disaster Management expenditures

No expenditures were incurred on disaster management.

*N/A*