

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 15 MAR 2023	DAY: <input type="text"/>
TABLED BY:	Hon. Samuel Chapkonga, MP
CLERK-AT THE TABLE:	on behalf of Majority leader Christine Ndeti

**THE AUDITOR-GENERAL**

**ON**

**CHESTA TEACHERS TRAINING  
COLLEGE**

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





**CHESTA TEACHERS' TRAINING COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021**



OFFICE OF THE AUDITOR -GENERAL  
CENTRAL RIFT REGIONAL OFFICE

**30 SEP 2022**

**RECEIVED**  
P. O. Box 2774 - 30100, ELDORET

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**CHESTA TEACHERS' TRAINING COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2021**

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





**CHESTA TEACHERS' TRAINING COLLEGE****ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021****TABLE OF CONTENTS**

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**2. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

Chesta Teachers Training College is a new public primary teacher training college situated in the lowlands of Pokot Central Sub-County about 103kilometres East of Kapenguria. Her name "Chesta" is derived from the Pokot language word meaning "Star".

The college was founded as a private entity by a group of ELCK missionaries who set up a mission centre in the area in 1979. By 2013 the college was deemed not viable leading to its closure. It was re-established and registered on 4<sup>th</sup> April 2014.

The college runs Teacher Training Regular Programme, School Based Programme and ECDE Diploma and Certificate Courses.

**(b) Principal Activities**

The Mandate of Chesta Teachers Training College as per Basic Education Act 2013 is to train P1 teachers, prepare teacher trainees for PTE examinations, expose them to practical teaching practices, equip them with the knowledge, skills, attitudes for the 21<sup>st</sup> century teacher and enhance their methodological approaches in various learning areas.

**i. Vision Statement**

To be a National Centre of Excellence in Teacher Training

**ii. Mission Statement**

To Produce Disciplined and Competent Teachers through Holistic Training

**iii. Core objectives**

The core objectives are to:

1. Institutionalize an efficient management system in the college by enhancing quality service delivery.
2. Create an enabling environment for moulding caring, responsible and adaptive teachers.
3. Design and implement programs that will enable student teachers to discover and develop their talents.
4. Provide and maintain adequate infrastructure to support the core functions of the institution.
5. Develop capacity of staff through training to enhance service delivery.
6. Initiate and sustain income generating projects to supplement the college budget.
7. Establish collaborations and linkages with relevant institutions for promotion of quality training.





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**KEY ENTITY INFORMATION AND MANAGEMENT (Continued)**

**(f) Chesta Teachers' Training College Postal Address**

P.O. Box 5-30603  
Wei-Wei  
KENYA

**(g) Chesta Teachers' Training College Contacts**

Telephone: (+254) 0722272884  
E-mail: [info@chestattc.ac.ke](mailto:info@chestattc.ac.ke)  
Website: <http://www.chestattc.ac.ke>

**(h) Chesta Teachers' Training College Banker**

Equity Bank of Kenya  
Kapenguria Branch  
P.O. Box 75104-00200  
Nairobi, Kenya

**(i) Independent Auditors**

Auditor General  
Office of Auditor General  
Anniversary Towers, Institute Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya







**(j) Principal Legal Adviser**

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











**CHESTA TEACHERS' TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021**3.THE BOARD OF MANAGEMENT**

S/NO.	NAME /PASSPORT	MEMBER'S DETAILS
1.	 Mr. Jackson K. Pengat	Date of birth: 1977 Academic Qualification: MA, BA Work experience: Financial Management  Responsibility: Board Chairman
2.	 Mrs. Selina Mayodi	Date of birth: 1978 Academic Qualification: MA, BA Work experience: Community Development  Responsibility: Deputy Chairperson
3.	 Mr. Duncan Okwaro	Date of birth: 1968 Academic Qualification: B. ED (ARTS) Work experience: Senior Principal  Responsibility: Board Secretary
4.	 Rev. Andrew Ngeiywa	Date of birth: 1975 Academic Qualification: MA, BA Work experience: Theologian  Responsibility: Chairman Human Rights and Students' Welfare Committee
5.	 Mrs. Hellen Koringura	Date of birth: 1970 Academic Qualification: MA, BA Work experience: Teacher  Responsibility: Member Finance, Procurement and General-Purpose Committee
6.	 Dr. Robert W. Oduori	Date of birth: 1968 Academic Qualification: PhD, MA, BA Work experience: Lecturer Moi University  Responsibility: Chairman Academic Standards, Quality and Environment Committee



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# CHESTA TEACHERS' TRAINING COLLEGE





ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021

7	 <p>Mr. Stephen P. Nalelia</p>	<p>Date of birth: 1956 Academic Qualification: BA Work experience:</p> <p>Responsibility: Chairman Discipline, Ethics and Integrity Committee</p>
8	<p>Ms. Juliana Cheyech</p>	<p>Date of birth: 1983 Academic Qualification: Diploma Work experience: Nurse</p> <p>Responsibility: Member Audit Committee</p>
9	 <p>Mr. James Loporna</p>	<p>Date of birth: 1976 Academic Qualification: BA Work experience: Human Resource Officer</p> <p>Responsibility: Member Discipline, Ethics and Integrity Committee</p>
10	 <p>Mr. Salim Matale</p>	<p>Date of birth: 1975 Academic Qualification: Masters Work experience: Medical Lab Officer</p> <p>Responsibility: Chairman Finance, Procurement and General-Purpose Committee</p>
11	<p>Hon. Christine Pedo</p>	<p>Date of birth: 1972 Academic Qualification: Diploma Work experience: Social Worker</p> <p>Responsibility: Member Human Rights and Students' Welfare Committee</p>
12	 <p>Ms. Elizabeth Chepkoto</p>	<p>Date of birth: 1972 Academic Qualification: Diploma Work experience: Social Worker</p> <p>Responsibility: Member Discipline, Ethics and Integrity Committee</p>
13	<p>Ms. Domtila Chesang</p>	<p>Date of birth: 1988 Academic Qualification: B.Ed Work experience: Ngo' Gender Officer</p> <p>Responsibility: Member Human Rights and Students' Welfare Committee</p>










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14	 Mr. Reuben Cheprot	Date of birth: 1968 Academic Qualification: Masters Work experience: Lecturer Chesta TTC  Responsibility: Member Academic Standards, Quality and Environment Committee
15	 Mr. Richard Krop	Date of birth: Academic Qualification: Masters Work experience: Kenya Water Towers Agency  Responsibility: Member Finance, Procurement and General Purpose Committee
16	 Mr. Moutich Kelvin	Date of birth: Academic Qualification: P1 Cert Work experience: Teacher  Responsibility: Member Human Rights and Students' Welfare Committee
17	 Ms. Priscilla Chebet	Date of birth: Academic Qualification: MA, BA Work experience: Head Of County Budget W. Pokot  Responsibility: Chairperson Audit Committee
18	    Mr. Geoffrey Chemos	Date of birth: Academic Qualification: MA, BA Work experience: TSC-County Director W. Pokot  Responsibility: Ex-Officio member



**4. THE MANGEMENT TEAM**

<b>S/NO.</b>	<b>NAME/PASSPORT</b>	<b>DETAILS</b>
<b>1.</b>	 <b>Mr. Duncan Okwaro</b>	<b>Secretary BOM/Senior Principal</b>
<b>2.</b>	 <b>Dr. Christopher Omusula</b>	<b>Deputy Principal</b>
<b>3.</b>	 <b>Mr. John Gitau M.</b>	<b>Dean of Curriculum</b>
<b>4.</b>	 <b>Mr. Eliud Bucheche</b>	<b>Dean of students</b>
<b>5.</b>	 <b>Mr. Milton Tuei</b>	<b>Finance Officer</b>



## **CHESTA TEACHERS' TRAINING COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021**

### **5.BOM CHAIRMAN'S STATEMENT**

Dear stakeholders,

It gives me great pleasure to present to you a brief statement on the mandate, challenges and the way forward for Chesta Teachers Training College (CTTC) for the last financial year 2020/2021

The Mandate of Chesta Teachers Training College as per Basic Education Act 2013 is to train P1 teachers, prepare teacher trainees for PTE examinations, expose them to practical teaching practices, equip them with the knowledge, skills, attitudes for the 21<sup>st</sup> century teacher and enhance their methodological approaches in various subject designs. It is our responsibility to provide the required leadership in designing suitable plans and strategies that will contribute to high and sustainable socio-economic development.

It is our undertaking to ensure that Chesta Teachers Training College has a credible strategic plan and performance contract that will deliver the desired goals. It is also our undertaking that we will perform our responsibilities diligently and to the best of our abilities to support the achievement of agreed performance targets.

The fiscal year 2020/2021 was a year of turnaround for Chesta Teachers Training College. The college recorded healthy growth and development in all her endeavors. During the year we utilized a 100% of the allocated funds as per the college approved budget. The Board did not get any external resource mobilization.

On Implementation of Citizen's Service Delivery Charter. The Board availed and displayed Citizen's Service Charter in English, Kiswahili and Braille. whereas on innovations in service delivery, the board installed Wi-Fi hot spot in the compound; carried out capacity building initiatives on Covid19 MOH Protocols for all college staff and students; enhanced and installed adequate water supply and hand washing points; procured thermo Guns, adequate sanitization materials and placed them at strategic points for college community use and enhanced collaboration between Sub County MOH staff and college community for Testing , Certification and Monitoring of Covid19 Pandemic

On government's Big Four Agenda, the board enhanced food security by initiating Fruit Farming (Mangoes and Paw Paws) and expanded the Kitchen Garden to 1 acre. On affordable health, the board Constructed of a Health Unit for use by the college community. Today, am glad to report that for the first time in the college's history, we achieved 100% students' completion rate to actualize the government policy of 100 % transition rate. We also posted remarkable mean grade of 42.5% down from 22.5%. This was a tremendous improvement in academic performance.

The biggest challenge the college faces is inadequate infrastructure. It houses both men and women in temporal structures as hostels. Currently there are no staff houses on the compound. This leaves students highly vulnerable at night. Moving forward, we have appeal to well-wishers for funding our projects. We have also written funding proposals to provide funds that can be utilized in infrastructure development.

I feel humbled to thank each one of our students, employees, partners, shareholders, suppliers, lenders and community at large for their continued support.

Thank you:



**JACKSON PENGAT (BOARD CHAIRMAN)**





## **CHESTA TEACHERS' TRAINING COLLEGE**

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### **6. REPORT OF THE PRINCIPAL**

Chesta Teachers Training College is mandated to train teachers and prepare them for their national examinations. Apart from exposing them to practical teaching practices, we also equip them with the knowledge, skills and attitudes needed for the 21<sup>st</sup> century teacher. During the last financial year, it was our responsibility to provide the required leadership in designing suitable plans and strategies that contributed to high and sustainable socio-economic development of the college as a whole. We undertook to ensure that Chesta Teachers Training College had a credible strategic plan and performance contract that delivered the desired goals. As leadership of the college, we also performed our responsibilities diligently and to the best of our abilities.

The College under the Board of Management who oversee the running of the college in terms of oversight, policy formulation and employment of non – teaching staff members of the college. The Board of management also offers guidance on financial management in the college through the Boards committee on Finance and general purpose, which is very active and very supportive to the college management. The college financial accountability is under the office of the principal who reports directly to the Board of management. Other committees of the Board also play a key role in providing support and guidance to the college internal management. The principal is assisted by the college deputy principal, finance officer, procurement officer, Deans of Curriculum and dean of students in the day – to – day running of the college and implementation of received policies.

The college is funded by the school fees paid by students, grants for NTS salaries and development grants from Ministry of education. In the financial year 2020/2021, the college did not enrol any new students due to the abolishing of Certificate training for teachers, both P1 and ECDE. The college therefore ran short of funds and relied on fees from the final year students. This amount was meagre.

As a result of non – enrolment of students, Teacher Training Colleges, which are normally under performance contracting were exempted from the process since the colleges had no budgets.

In the financial year 2020/2021, the college received a total amount of Ksh.3, 985,528.00 as grants from MOE for payment of salaries of the permanent employees of the Board. The College is grateful to the ministry for the grants though it was not enough to cater for the salaries for all the pending months. This is because the payment of salary was being supplemented by the fee paid by students under personal emolument vote head.

During the Financial year 2020/2021, the college had minimal procurement activities since there were no students.

The college through the Senior Principal requested funding from development partners and received Ksh 1,200,000 from the County Government of West Pokot and Kshs300,000 from NGCDF-Sigor Constituency which enabled the college to put up Covid – 19 prevention measures which included putting up of several hand washing points, purchase of automatic sanitizer dispensers, purchase of thermo – guns, peddle operated waste bins, tilling of the kitchen, completion of the clinic and marking points to ensure social distancing.



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Although we met all our obligations set for that year, our biggest challenges were and are still twofold.

Firstly, we do not have a functional library. A library as a source of knowledge creation is key to learners' academic achievements. An educational institution that lacks a library severely hampers learners' access to new information and knowledge. This translates to retarded performance and development of the core mandate of Chesta Teachers' Training College as an educational institution. Currently there are no alternatives to mitigate the problem.

Secondly, there are no staff houses on the college compound. MOE requires that at least an administrator stays in the institution compound. The idea of administrators living outside the college is therefore incapacitated lecturers to attend to students in case of emergencies especially at night.

These are but a few high lights of CHESTA TTC.

In the next financial year, the college looks forward to resuming its normal activities by enrolling students who wish to upgrade from P1 to Diploma in Teacher Education, and from certificate ECDE to Diploma in ECDE.

The college management is committed to prudent use of public resources under its watch, with a view to maximize the utility of the resources for the good of the public.

In the FY 2021/2022, we look forward to improve our financial management capabilities by taking advantage of financial training opportunities which may arise for our staff. We fully embrace the new financial reporting guidelines and will strive to adhere and comply fully. We will be open to guidance in this endeavour.

Signed

God bless us all.

Thank you.



**SENIOR PRINCIPAL**  
**SECRETARY BOM**



**CHESTA TEACHERS' TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021**7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES**

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

ChestaTeachers' Training College has nine strategic goals and objectives within its Strategic Plan for the FY's 2018-2022. These strategic goals are as follows:

1. Curriculum issues.
2. Students' affairs issues.
3. Resource mobilization.
4. Human resource development.
5. Physical facilities.
6. Emerging issues in Education ISO certification.
7. Corruption eradication.
8. Health environment and safety
9. Promote ICT and e-learning

Chesta Teachers' Training College develops its annual work plans based on the above nine goals. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Board achieved its performance targets set for the FY 2019/2020 period for its eight strategic goals, as indicated in the diagram below:

S/ N o	Key strategic goals	Strategic objectives	Strategic activities	Time frame	Performance indicators	Resources required	Persons responsible
1.	Curriculum issues	1. Improve the college PTE mean from 5.97 to 2.50 by 2023	<ul style="list-style-type: none"> <li>• Maximum lesson attendance</li> <li>• Introduce extra lessons in all department</li> <li>• Recognize staff who demonstrate excellence in improving college PTE mean</li> </ul>	By Oct 2018	<ul style="list-style-type: none"> <li>• Improved content coverage</li> <li>• Improved PTE mean</li> </ul>	<ul style="list-style-type: none"> <li>• Workable timetable</li> <li>• Human resource</li> <li>• Time</li> </ul>	<ul style="list-style-type: none"> <li>• Class tutor</li> <li>• DOC</li> <li>• BOM</li> </ul>
		2. To enhance timely coverage of the syllabus	<ul style="list-style-type: none"> <li>• minimize absenteeism of students and lecturers</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Availability of lecturers and students</li> </ul>	<ul style="list-style-type: none"> <li>• Class register</li> <li>• lesson attendance control sheets</li> </ul>	<ul style="list-style-type: none"> <li>• DOC</li> </ul>
		3. Set and administer standard internal exams	<ul style="list-style-type: none"> <li>• Train lecturers on PTE setting grid and format</li> <li>• Source PTE and mock papers</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Students performance in internal exams</li> <li>• Reports from internal quality assurance</li> </ul>	<ul style="list-style-type: none"> <li>• Sample PTE papers</li> </ul>	<ul style="list-style-type: none"> <li>• Subject lecturers</li> <li>• HOD's / HOS'</li> <li>• Exam officer</li> <li>• DOC</li> <li>• Internal quality staff</li> </ul>





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2	Students' affairs issues	1. Enhance student-centered services and processes that effectively address their needs	<ul style="list-style-type: none"> <li>• Create a supportive, rewarding and equitable work environment</li> <li>• Develop and implement policies to address students' needs.</li> <li>• Creation of Assessments of different college units of how they contribute to students' acquisition of core competencies.</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Learner centred programs</li> <li>• Internal students' affairs policy</li> </ul>	<ul style="list-style-type: none"> <li>• Human resource</li> <li>• Sample student affairs policies</li> </ul>	<ul style="list-style-type: none"> <li>• DOS</li> <li>• DOC</li> </ul>
		2. Provide students access to affordable, quality textbooks and course materials	<ul style="list-style-type: none"> <li>• Develop policies that enable access of the library</li> </ul>	By July 2019	<ul style="list-style-type: none"> <li>• Rate of library usage</li> </ul>	<ul style="list-style-type: none"> <li>• Library</li> </ul>	<ul style="list-style-type: none"> <li>• HOS</li> <li>• DOC</li> </ul>
		3. Streamline college services and processes for incoming students	<ul style="list-style-type: none"> <li>• Proper orientation mechanism put in place</li> <li>• Provide more personalized support services</li> <li>• Improve entry-level placement process and developmental education</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Set admission board</li> <li>• Admission timetable</li> </ul>	<ul style="list-style-type: none"> <li>• Human resource</li> </ul>	<ul style="list-style-type: none"> <li>• DOC</li> <li>• Deputy principal</li> </ul>
		4. To bring about an emotionally controlled person who is psychologically and socially fit for life challenges	<ul style="list-style-type: none"> <li>• Guide students to focus on personal goals and career</li> <li>• Establish effective measures to help errand students</li> <li>• Invite speaker's talk on emerging issues eg drug abuse, career improvement, etc</li> <li>• Strengthen counselling services to reduce cases of indiscipline</li> <li>• Identify need students</li> <li>• Equip students with guiding and counselling skills</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Number of counselled students</li> <li>• Reduction in indiscipline incidences</li> </ul>	<ul style="list-style-type: none"> <li>• Human resource</li> <li>• Counselling room</li> </ul>	<ul style="list-style-type: none"> <li>• Counsellor</li> <li>• DOC</li> <li>• DOS</li> <li>• Principle</li> <li>• Deputy principal</li> </ul>
3	Resource mobilization	<ul style="list-style-type: none"> <li>• Sourcing funds for projects</li> </ul>	<ul style="list-style-type: none"> <li>• Writing proposals to seek financial support from stakeholders, county Government, NGOs or Financial</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Number of proposals</li> <li>• Number of responses from</li> </ul>	<ul style="list-style-type: none"> <li>• Proposal writing experts</li> </ul>	<ul style="list-style-type: none"> <li>• BOM</li> <li>• Principal</li> </ul>



# CHESTA TEACHERS' TRAINING COLLEGE

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			institutions		potential donors		
		<ul style="list-style-type: none"> <li>Generating funds to improve academic performance</li> </ul>	<ul style="list-style-type: none"> <li>Fundraising using alumni once it has been well established</li> </ul>	By July 2020	<ul style="list-style-type: none"> <li>Amount of money raised</li> <li>Number of fund drives</li> <li>Funds raised by Alumni</li> </ul>	<ul style="list-style-type: none"> <li>Human resource</li> <li>College website</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>Principal</li> <li>Alumni</li> <li>Lecturers</li> <li>Student teachers</li> </ul>
		<ul style="list-style-type: none"> <li>Establishing income generating activities in the college</li> </ul>	<ul style="list-style-type: none"> <li>Initiate, implement and sustain income generating projects</li> <li>Collaboration with other training institutions with income generating projects to gain insights</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>Number of income generating projects initiated</li> </ul>	<ul style="list-style-type: none"> <li>Human resource</li> <li>Financial resource</li> <li>Manual &amp; business project magazines &amp; journals</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>Principal</li> <li>Deputy Principal</li> <li>HODs</li> <li>HOSs</li> </ul>
4	Human resource Development	<ul style="list-style-type: none"> <li>Improve performance of staff</li> </ul>	<ul style="list-style-type: none"> <li>Capacity building</li> </ul>	By July 2019	<ul style="list-style-type: none"> <li>Performance improvement</li> </ul>	<ul style="list-style-type: none"> <li>Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>BOM staff</li> <li>lecturers</li> </ul>
		<ul style="list-style-type: none"> <li>Identify compelling gaps</li> </ul>	<ul style="list-style-type: none"> <li>Team teaching internal audit feedback from students</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>Quality output</li> </ul>	<ul style="list-style-type: none"> <li>Human resource</li> <li>Results</li> </ul>	<ul style="list-style-type: none"> <li>HOD's</li> <li>DOC</li> <li>Students</li> <li>Section heads</li> </ul>
		<ul style="list-style-type: none"> <li>Retain and motivate staff</li> </ul>	<ul style="list-style-type: none"> <li>Appraisals positive reinforcements</li> <li>Organized tours</li> </ul>	By Dec 2018	<ul style="list-style-type: none"> <li>Appraisals</li> <li>Certifications</li> <li>Tours</li> </ul>	<ul style="list-style-type: none"> <li>Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>Principal</li> <li>HOD's/Section Heads</li> </ul>
5	Physical facilities	<ul style="list-style-type: none"> <li>Complete a female hostel for at least 300 students</li> </ul>	<ul style="list-style-type: none"> <li>Source for funds from county government</li> </ul>	By Dec 2018	<ul style="list-style-type: none"> <li>Modern female hostel</li> </ul>	<ul style="list-style-type: none"> <li>Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>County Gov't</li> <li>Principal</li> </ul>
		<ul style="list-style-type: none"> <li>Construction of college clinic</li> </ul>	<ul style="list-style-type: none"> <li>Fees</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>Functional clinic</li> </ul>	<ul style="list-style-type: none"> <li>Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>Principal</li> </ul>
		<ul style="list-style-type: none"> <li>Construction of a male hostel for 300 students</li> </ul>	<ul style="list-style-type: none"> <li>Source for funds from county government</li> </ul>	By May 2020	<ul style="list-style-type: none"> <li>Modern male hostel</li> </ul>	<ul style="list-style-type: none"> <li>Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>County Gov't</li> <li>Principal</li> </ul>
		Construct LRC	Source for funds from county government	By June 2020	Modern LRC	Financial resources	BOM County Gov't Principal
		Construct a multi-purpose hall	Source for funds NG-CDF and national government	By June 2023	Modern multi-purpose hall	Financial resources	BOM CDF Principal



# CHESTA TEACHERS' TRAINING COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021

		<ul style="list-style-type: none"> <li>• Construction of lecturers' residence</li> </ul>	<ul style="list-style-type: none"> <li>• Fees and well wishers</li> </ul>	By July 2019	<ul style="list-style-type: none"> <li>• A lecturers' residence</li> </ul>	<ul style="list-style-type: none"> <li>• Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>• BOM</li> <li>• Principal</li> <li>• Well wishers</li> </ul>
6	Emerging Issues in Education ISO certification	<ul style="list-style-type: none"> <li>• Fast track certification of ISO 9001-2008</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake fast tracking ISO certification in college management, operation</li> </ul>	By July 2019	<ul style="list-style-type: none"> <li>• ISO certification</li> </ul>	<ul style="list-style-type: none"> <li>• Human Resource</li> </ul>	<ul style="list-style-type: none"> <li>• Principal</li> <li>• HOS</li> <li>• DOC</li> </ul>
7	Corruption eradication	<ul style="list-style-type: none"> <li>• Corruption Eradication and Address of Public Complaints</li> </ul>	<ul style="list-style-type: none"> <li>• Establish college anticorruption committee</li> <li>• Develop a college anticorruption policy</li> <li>• Create preventive anticorruption mechanism</li> <li>• Check and address public complaints adequately</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Anticorruption policy</li> <li>• Anticorruption committee</li> </ul>	<ul style="list-style-type: none"> <li>• Human Resource</li> <li>• Financial resource</li> </ul>	<ul style="list-style-type: none"> <li>• Principal</li> <li>• Deputy Principal</li> <li>• HOD</li> <li>• DOC</li> <li>• HOS</li> </ul>
8	Health, Environment and safety	<ul style="list-style-type: none"> <li>• To prevent HIV/AIDS and other infections</li> <li>• To provide care and support for those infected/affected</li> <li>• To prevent alcohol and drug abuse among staff and students</li> <li>• To engage the members of the institution in environmental conservation activities</li> </ul>	<ul style="list-style-type: none"> <li>• Put in place a program for creating awareness on HIV/AIDS</li> <li>• Undertake capacity building for students and staff on HIV/AIDS</li> <li>• Establish mechanism for the prevention of alcohol and drug abuse in the institution</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Quarterly NACADA reports</li> <li>• HIV/AIDS awareness committee reports</li> </ul>	<ul style="list-style-type: none"> <li>• Human resource</li> </ul>	<ul style="list-style-type: none"> <li>• Deputy principal</li> <li>• DOC</li> <li>• DOS</li> </ul>
	Mainstream disability for all persons with special needs in the	<ul style="list-style-type: none"> <li>• Identify cases of disability among students and staff</li> <li>• Develop strategy to empower</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a special needs club</li> <li>• Develop a disability friendly club</li> <li>• Develop peer support groups</li> </ul>	By July 2018	<ul style="list-style-type: none"> <li>• Special needs club</li> <li>• Peer support group</li> </ul>	<ul style="list-style-type: none"> <li>• Human Resource</li> <li>• Special rooms</li> </ul>	<ul style="list-style-type: none"> <li>• Principal</li> <li>• DOS</li> <li>• HOD</li> <li>• HOS</li> </ul>





**CHESTA TEACHERS' TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021

	college	persons with disability					
9	Promote ICT and e-learning	<ul style="list-style-type: none"> <li>To promote effective use of ICT</li> </ul>	<ul style="list-style-type: none"> <li>Improve local access</li> <li>ICT equipment procured</li> </ul>	By July 2019	<ul style="list-style-type: none"> <li>Number and type of ICT equipment procured</li> </ul>	<ul style="list-style-type: none"> <li>Human resource</li> <li>Financial resources</li> </ul>	<ul style="list-style-type: none"> <li>BOM</li> <li>Principal</li> <li>Bursar</li> <li>HODs</li> </ul>

**8. CORPORATE GOVERNANCE STATEMENT**

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

- (a) Six persons elected to represent parents (in case of Teacher Training Colleges, the six persons will represent the community)
- (b) One person nominated by the County Education Board
- (c) One representative of the Teaching staff
- (d) Three representatives of the sponsors of the College where applicable
- (e) One person to represent special interest groups in the community
- (f) One person to represent persons with special need, and
- (e) One representative of the students' council who will be an *ex-officio* member.

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

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

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

Education Board.



## **CHESTA TEACHERS' TRAINING COLLEGE**

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021

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

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

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

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

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

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



## **CHESTA TEACHERS' TRAINING COLLEGE**

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The Board of management comes up with the citizens' service charter for the institution and reviews it from time to time.

The performance of the Board of Management is closely monitored by the County director of education, who can recommend to the cabinet secretary of Education to dissolve a Board of Management at any time during the tenure of the Board.

### **9. MANAGEMENT DISCUSSION AND ANALYSIS**

In the FY 2020/2021, Chesta Teachers' Training College was operating under very tough economic situation due to non-enrolment of students who are the main source of funds for the college. During the financial year, the college operated on Grants, Kshs 3,985,528.00 from MOE, Kshs 1,200,000 grants from the County Government of West Pokot, Kshs 300,000 from NGCDF-Sigor Constituency, fees from students Kshs 3,549,803.00 and sell of farm produce (vegetables) Kshs 40,720. The money was used to pay part of salaries for members of non-teaching staff, completion of the college clinic, face lifting of the kitchen, college operation expenses and cater for finalist student's requirements/examination fee as they prepared to do their final exam PTE.

During the exam period in November December 2020, the College faced an unprecedented challenge of organizing space for a total 580 students who sat for the PTE due to Covid 19 MOH protocols. The college resorted to buying two 100-seater tents, which dented the already fragile financial situation of the college.

### **10. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

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

#### **1. Sustainability strategy and profile**

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

#### **2. Environmental performance**

Chesta Teachers Training College is situated in the lowlands of Pokot Central Sub-County about 103 Kilometres East of Kapenguria. The college has a constant and sufficient supply of gravity and borehole water. The availability of enough clean water has ensured high standards of cleanliness in the college.





The college periodically invites the National Environment Management Authority (NEMA) to come, Audit our environmental situation, and give recommendations that are then acted upon.

**3. Employee welfare**

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

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

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

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

**4. Market place practices**

Chesta Teachers College operates under its citizen's service charter and signs performance Contract with MOE to ensure that best practices are in place in the college.

The College also maintains strict adherence to PPRA guidelines in its procurement procedures.

**5. Community Engagements**

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

The college has always maintained a cordial relationship with the neighbouring community. In the FY 2020/2021, the college sold vegetables to the community traders at a subsidized price.

The college also have connected piped water to the community.



## **11.REPORT OF THE BOARD OF MANAGEMENT**

The Board of Management submit their report together with the audited financial statements for the year ended June 30, 2021, which show the state of the college affairs.

### **Principal activities**

The principal activities of Chesta Teachers College continue to be Training of Teachers to teach in Primary schools in Kenya.

### **Results**

The results of Chesta Teachers College for the year ended 30<sup>th</sup> June, 2021 are set out on page ....

## **BOARD OF MANAGEMENT**

The members of the Board of Management who served during the year are shown on page v. During the year 2021 no Board Member resigned.

### **Auditors**

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

By Order of the Board



DUNCAN OKWARO  
BOM Secretary  
Private Bag 5-30603  
WEI-WEI  
1/9/2021



## **12. STATEMENT OF BOARD OF MANAGEMENT MEMBERS' RESPONSIBILITIES**

Section 81 of the Public Finance Management Act, 2012 and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 require the BOM members to prepare financial statements in respect of Chesta teachers training college, which give a true and fair view of the state of affairs of the college at the end of the financial year, 2020/2021 and the operating results of the college for the year. The BOM members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The BOM members are also responsible for safeguarding the assets of the college.

The BOM members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the college; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The BOM members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The BOM members are of the opinion that the College's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the college's financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the college, 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 BOM 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 6/09/2021 and signed on its behalf by:

Name MR. JACKSON PENGAT

Name MR. DUNCAN OKWARO

Signature.....

Signature.....

Chairperson of the Board

Accounting Officer/Principal





# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON CHESTA TEACHERS TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2021

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Chesta Teachers Training College set out on pages 1 to 29, which comprise the statement of financial position as



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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Chester Teachers Training College as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards ( Accrual Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the financial statements**

The financial statements balance for three (3) items differs with the general ledger provided as detailed below;

<b>Particulars</b>	<b>Financial statements (Kshs)</b>	<b>General ledger (Kshs)</b>	<b>Variance (Kshs)</b>
Repairs and Maintenance	106,080	52,770	53,310
Total Revenue from Non-Exchange	5,485,528	9,471,056	3,985,528
Employees Cost	8,065,934	6,994,053	1,071,881

Further, the statement of comparison of budget and actual amounts reflect an amount of Kshs.4,870,475 in respect of employee costs. However, the statement of financial performance reflects an amount of Kshs. 8,065,934 for the same item resulting to an unexplained variance of Kshs.3,195,459.

In addition, the statement of changes in net assets reflects nil net assets while the statement of financial position reflects net assets of Kshs.54,989,251 made up of accumulated deficit and capital fund of Kshs.5,535,211 and Kshs.60,524,462 respectively. The variance between total assets and total net assets and liabilities amounting to Kshs.4,130,796 has not been explained or reconciled.

In the circumstances, the accuracy of the financial above balance reflected in the financial statements could not be confirmed.

#### **2. Unsupported Cash and Cash Equivalents**

The statement of financial position reflects cash and cash equivalents of Kshs.1,043,682 which includes Kshs.52,235 held in MPESA account as disclosed in Note 27 to the



financial statements. However, supporting schedules reflect a balance of Kshs.60,035 leading to unexplained difference of Kshs.7,800.

In the circumstances accuracy of the amount for cash and cash equivalent could not be confirmed.

### **3. Unsupported Inventories Balance**

The statement of financial position reflects inventories balance of Kshs.403,455 as disclosed in Note 14 to the financial statements. However, the amount was not supported by any schedule. In addition, Management did not provide stock take report for the year ended 30 June, 2021.

Under the circumstances, the accuracy, completeness and existence of inventories balance of Kshs.403,455 as at 30 June, 2021 could not be confirmed.

### **4. Unsupported Receivables**

The statement of financial position reflects receivables from exchange transactions balance of Kshs.6,472,910 as disclosed under Note 28 to the financial statements. However, ledgers and supporting schedules were not provided for audit review.

In addition, during the year under audit, the College earned income from rendering services of Kshs.12,814,400 out of which an amount of Kshs.3,549,803 was received leaving a balance of Kshs.9,264,597 which has not been disclosed in the financial statements.

Further, the receivables from exchange transactions have not been categorized into long term and current receivables. Further, there is no evidence to confirm that potential impairment was assessed as per significant accounting policy no.4(i) of the.

In the circumstance, the accuracy, completeness and existence of the receivables from exchange transactions of Kshs.6,472,910 as at 30 June, 2021 could not be confirmed.

### **5. Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.51,200,000 as at 30 June, 2021 made up of land, motor vehicles, furniture and fittings, computers and buildings balances of Kshs.5,400,000, Kshs.9,000,000, Kshs.2,000,000, Kshs.300,000 and Kshs.34,500,000 respectively as detailed under Note 31 to the financial statements. However, the following anomalies were noted;

- i) Disclosure under Note 31 to the financial statements indicate that the land is valued at prevailing market price However, there was no title deed for the land.
- ii) The College acquired two buses from a dealer in 2016 for a total cost of Kshs.12,300,000 out of which the College deposited Kshs.9,900,000 and a commercial bank financed the balance of Kshs.2,400,000. Although Management

explained that the loan had been repaid, the log books availed for the two buses still indicated joint ownership with the bank.

- iii) The Ministry of Education on 9 October vide letter MOE.HQS/3/10/vol.VII/ (26) donated a vehicle to the College and as at the time of audit, the log book was still in the name of the Ministry of Education.
- iv) Depreciation expense has not been not charged on the property, plant and equipment contrary to paragraph 59 of IPSAS 17.
- v) Note 30 to the financial statements reflects a balance of Kshs.2,000,000 while the supporting schedule provided for audit reflect a balance of Kshs.2,385,000 resulting to unexplained variance of Kshs.385,000. Further, the quantities of each item of furniture and fittings were not disclosed, and no provision was made for depreciation.
- vi) Management did not maintain a fixed asset register and the assets information including serial numbers, acquisition date, description, location, class and cost of acquisition could not be confirmed. In addition, several plastic water tanks of various sizes have not been disclosed in the financial statements.
- vii) The college assets have not been valued.
- viii) The work in progress relates to incomplete women hostels being funded by West Pokot County Government at undisclosed amount and as at the time of audit the total amount of work in progress had not been disclosed.
- ix) The assets were not coded or tagged for ease of identification and tracking.

In the circumstances, the accuracy, existence, completeness and ownership of the property, plant and equipment balance of Kshs.51,200,000 as at 30 June, 2021 could not be confirmed.

## **6. Unsupported Employee Benefit Obligation**

The statement of financial position reflects employee benefit obligation of Kshs.723,034 as at 30 June, 2021. However, the supporting schedule for the amount was not provided for audit.

In the circumstance, the accuracy of the balance for employee benefit obligation could not be confirmed.

## **7. Unsupported Capital Fund**

The statement of financial position reflects capital fund balance of Kshs.60,524,462. However, supporting Schedule and documents were not provided for audit.

In the circumstance, the accuracy and completeness of the capital fund could not be confirmed.

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

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

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

The statement of comparison of budget and actual amounts revealed that the College had an approved revenue budget of Kshs.28,795,590 but only realized Kshs.9,076,051 or 68% of the budget. In addition, the College spent Kshs.11,189,091 or approximately 61% of the budgeted expenditure of Kshs.28,795,590.

The under realization of revenue and under expenditure impacts negatively on the performance of the College.

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

#### **Conclusion**

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

#### **Basis for Conclusion**

##### **1. Revenue Spent at Source**

Included in total revenue amount of Kshs.8,849,339 is revenue from exchange transaction of Kshs.3,323,091 which further includes an amount of Kshs.1,510,835 collected but spent at source. This is contrary to regulation (82)(2)(g) of the Public Finance Management (National Government) Regulations, 2015 which states that for purposes of this regulation, sound cash management includes pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the government are collected and banked promptly.

## **2. Failure to Observe One Third Rule on Staff Composition**

Audit review of personnel records revealed that Chesta Teachers Training College had staff establishment of forty-four (44) members of Non-Teaching Staff out of which 43 representing 98% were from the dominant community and remaining one or 2% from other communities. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 that requires all public establishments to seek to represent the diversity of the people of Kenya in employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community.

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

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

#### **Conclusion**

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

#### **Basis for Conclusion**

##### **1. Lack of Segregation of Duties**

There was no segregation of duties in the finance section as all the accounting activities including initiation, receiving of cash, making payments, updating the cash books, reconciling and preparation of financial statements were being handled by one officer.

In addition, the college incurred cash payments without operating an imprest system

In the circumstances, the existence of an effective internal control system could not be confirmed.

##### **2. Lack of Risk Management Policy**

During the year under review, the institution did not have risk management policy in place. Contrary to regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which requires each national government entity to develop risk management strategies and a system of risk management.

In the absence of risk management policy the college may fail to monitor and review effectiveness of internal controls, risk management and governance systems within the college.

### **3. Lack of Staff Establishment and Human Resource Manual**

Review of employee cost for the financial year under review revealed that the College did not have an approved staff establishment which could guide on how many staff and the cadres the institution is authorized to have against the actual establishment.

Further, the College did not have an approved human resource policy manual and approved salary structure to guide on the employment of employees considering the qualifications required for various job groups and the progression of staff.

In absence of staff establishment and human resource manual, the policy, strategies and procedures put in place by the Management to assess human resource needs and to recruit, appoint, promote, remunerate, train, discipline and terminate staff 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.



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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

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

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

**Nairobi**

**29 September, 2022**





**14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

	Notes	2020-2021
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from the National Government—grants/ gifts in kind	6	3,985,528
Grants from donors and development partners	7	1,500,000
		<b>5,485,528</b>
<b>Revenue from exchange transactions</b>		
Rendering of services- Fees from students	8	3,323,091
Sale of goods	9	40,720
<b>Revenue from exchange transactions</b>		<b>3,363,811</b>
<b>Total revenue</b>		<b>8,849,339</b>
<b>Expenses</b>		
Use of goods and services	10	5,030,978
Employee costs	12	8,065,934
Repairs and maintenance	13	106,080
Other expenses	11	1,181,558
<b>Total expenses</b>		<b>14,384,550</b>
<b>Net deficit for the year</b>		<b>(5,535,211)</b>

**-The notes set out on pages 6 to 32 form an integral part of the Annual Financial Statements.**

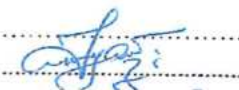


**CHESTA TEACHERS' TRAINING COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup>**  
**JUNE, 2021**

**15.STATEMENT OF FINANCIAL POSITIONAS AT 30<sup>TH</sup> JUNE 2021**

	Notes	2020-2021
		Kshs
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	14	1,043,682
Receivables from exchange transactions	15	6,472,910
Inventories	17	403,455
Total		7,920,047
<b>Non-current assets</b>		
Property, plant and equipment	18	51,200,000
<b>Total assets</b>		<b>59,120,047</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables from exchange transactions	12	3,195,459
Refundable deposits from customers	19	212,303
Employee benefit obligation(Service gratuity fund)	16	723,034
<b>Total liabilities</b>		<b>4,130,796</b>
<b>Net assets</b>		
Reserves		0
Accumulated surplus/deficit		(5,535,211)
Capital Fund		60,524,462
Total		54,989,251
<b>Total net assets and liabilities</b>		<b>59,120,047</b>

The Financial Statements set out on pages 6 to 28 were signed on behalf of the Institute Council/ Board of Management by:

  
**Chairman of Board of Management**

Date: 5/9/2021

  
**Finance Officer**

Date: 5/9/2021

  
**Snr Principal**

Date: 5/9/2021



**16.STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2021**

	<b>Revaluation reserve</b>	<b>Fair value adjustment reserve</b>	<b>Retained earnings</b>	<b>Capital/ Development Grants/Fund</b>	<b>Total</b>
<b>At July 1, 2021</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	60,524,462	<b>60,524,462</b>
Revaluation gain	0.00	-	-	-	<b>0.00</b>
Fair value adjustment on quoted investments	-	0.00	-	-	<b>0.00</b>
Surplus (Deficit) for the year	-	-	(5,535,211)	-	<b>(5,535,211)</b>
Capital/Development grants received during the year	-	-	-	0.00	<b>0.00</b>
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	0.00	(0.00)	-
<b>At June 30, 2021</b>	<b>0.00</b>	<b>0.00</b>	<b>(5,535,211)</b>	<b>60,524,462</b>	<b>54,989,251</b>





**17. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2021**

		<b>2020-2021</b>
	<b>Note</b>	<b>Kshs</b>
<b>Receipts</b>		
Transfers from other Government entities/Govt. grants	6	3,985,528
Grants from donors and development partners	7	1,500,000
Rendering of services- Fees from students	8	3,323,091
Sale of goods	9	40,720
<b>Total Receipts</b>		<b>8,849,339</b>
<b>Payments</b>		
Employee costs	12	4,870,475
Use of goods and services	10	5,030,978
Other expenses	11	1,181,558
Repairs and maintenance	13	106,080
<b>Total Payments</b>		<b>11,189,091</b>
<b>Net earnings/deficit</b>		<b>(2,339,752)</b>
<b>Decrease in current receivables</b>	15	226,712
<b>Net cash flows from operating activities</b>		<b>(2,113,040)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant, equipment and intangible assets		-
Proceeds from sale of property, plant and Equipment		-
Decrease in non-current receivables		-
Increase in investments		-
<b>Net cash flows used in investing activities</b>		<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings		-
Repayment of borrowings		-
Increase in deposits		-
<b>Net cash flows used in financing activities</b>		<b>-</b>
<b>Net increase/(decrease)in cash and cash equivalents</b>		<b>-</b>
Cash and cash equivalents at 1 <sup>ST</sup> July 2021	14	3,156,722
<b>Cash and cash equivalent sat 30<sup>TH</sup> June 2021</b>	14	<b>1,043,682</b>





## 18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference
<b>Revenue</b>	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021
Transfers from other Govt entities Govt grants	Kshs	Kshs	Kshs	Kshs	Kshs
Public contributions and donations	15,905,418	-	15,905,418	3,985,528	11,919,890
Rendering of services- Fees from students	-	-	-	-	-
Sale of goods	12,390,172	-	12,390,172	3,323,091	9,067,081
Fees arrears (sundry debtors)	-	-	-	40,720	(40,720)
Grants (West Pokot County and Sigor CDF)	500,000	-	500,000	226,712	273,288
<b>Total income</b>	<b>28,795,590</b>	<b>-</b>	<b>28,795,590</b>	<b>9,076,051</b>	<b>19,719,539</b>
<b>Deficit for the period</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>2,113,040</b>	
<b>Expenses</b>	<b>28,795,590</b>	<b>-</b>	<b>28,795,590</b>	<b>11,189,091</b>	
Compensation of employees	10,847,628	-	10,847,628	4,870,475	5,977,153
Use of Goods and services	12,059,572	-	12,059,572	5,030,978	7,028,594
Development grants from ministry	5,537,790	-	5,537,790	0.00	5,537,790
Repairs and maintenance	350,600	-	350,600	106,080	244,520
Other expenses (Grants)	0.00	-	0.00	1,181,558	(1,181,558)
<b>Total expenditure</b>	<b>28,795,590</b>	<b>-</b>	<b>28,795,590</b>	<b>11,189,091</b>	
<b>Surplus for the period</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	

## Budget notes

1. The budgeted amount is more than the actual amount because there were no students' intake and the government didn't release grants as expected (10% over/ under) IPSAS 24.14



## 19. NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Chesta Teachers Training College is established by and derives its authority and accountability from Public Finance Management Act 2012. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity under Basic Education Act 2013 is to train P1 teacher trainees for PTE examinations, expose them to practical teaching practices, equip them with knowledge, skills, and attitudes for 21<sup>st</sup> century teacher and enhance their methodological approaches in various learning areas.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx

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

The college has been presenting the financial statements for audit since inception to county school's auditor (West Pokot County)

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



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3. ADOPTION OF NEW AND REVISED STANDARDS**

- i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2021.**

Standard	Impact
Other Improvements to IPSAS	<p><b>Applicable: 1<sup>st</sup> January 2021:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</li> <li>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</li> <li>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</li> <li>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</li> </ul>





**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2021.**

<b>Standard</b>	<b>Effective date and impact</b>
<b>IPSAS 41:</b> Financial Instruments	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>•Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>•Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>•Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<b>IPSAS 42:</b> Social Benefits	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the entity;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</li> </ul>
<b>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</b>	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> <li>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</li> </ul>

**iii. Early adoption of standards**

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





**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. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

**ii) Revenue from exchange transactions**

**Rendering of services**

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

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

**Sale of goods**

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

**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.

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.



**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**a) Revenue recognition (Continued)**

**ii) Revenue from exchange transactions (continued)**

**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 2020/2021 was approved by the Council or Board on 5 July 2020. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded additional appropriations of nil on the FY 2020/2021 budget following the Council/ Board's approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has been presented under section 18 of these financial statements.



**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****c) Taxes (continued)*****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.

**c) 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 a period of nil years.

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.

**d) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, 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.



**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****e) 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 so as 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.

**f) 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





## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### g) 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.

## 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### h) Financial instruments

#### *Financial assets*

#### *Initial recognition and measurement*

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

#### *Held-to-maturity*

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost



using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

***Impairment of financial assets***

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****i) Financial instruments (Continued)*****Financial assets (Continued)******Impairment of financial assets (Continued)***

- The debtors or a entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

***Financial liabilities******Initial recognition and measurement***

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

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

***Loans and borrowing***

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

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



**i) 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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Inventories (Continued)**

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.

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.

**j) 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.

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements.

**l) 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.

**m) 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.

**n) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.



**o) 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.



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**p) 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 CEO/principal and senior managers.

**q) Service concession arrangements**

The Entity 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.

**r) 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.

**s) Comparative figures**

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

**t) 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, 2021.





**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Entity'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 Entity
- 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.



**6. TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES**

Description	2020-2021
	KShs
<b>Unconditional grants</b>	
Operational grant (Ministry of education)	3,985,528
<b>Total government grants and subsidies</b>	<b>3,985,528</b>

**7. GRANTS FROM DONORS AND DEVELOPMENT PARTNERS**

Description	2020-2021
	KShs
CDF Sigor	300,000
County Government of West pokot	1,200,000
<b>Total grants from development partners</b>	<b>1,500,000</b>

**Reconciliations of grants from donors and development partners**

Description	2020-2021
	KShs
<b>Balance unspent at beginning of year</b>	-
Current year receipts	1,500,000
Conditions met - transferred to revenue	(1,500,000)
<b>Conditions to be met - remain liabilities</b>	-

(Due to the covid19 pandemic, the college used the funds to put in place the facilities needed as per MOE protocols before re-opening of the college as per the request. completion of clinic, tiling the kitchen, thermo guns, washing detergents, disinfectants etc).



**CHESTA TEACHERS TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**8. RENDERING OF SERVICES**

Description	2020-2021
	KShs
Boarding, Equipment and Stores	1,048,403
Tuition fees	128,000
Local Travelling and Transport	370,223
Repairs and maintenance	80,700
Contingency	729,169
Teaching practice	9,000
Electricity, Water and Conservancy	258,656
Personal Emolument	152,900
Computer studies	3,000
Motor Vehicle repair	45,000
Examination fees	498,040
Medical	0
Activity	0
Motor vehicle replacement	0
Student Council	0
Facilitation fees	0
<b>Total revenue from the rendering of services</b>	<b>3,323,091</b>

NOTE -This revenue of **Kshs. 3,323,091** was received as fees from students per vote heads.

-The expected fees from students was **Kshs. 12,814,400** (Fee structure of kshs 64,072x200 students) in the FY2019/2020. The college received **Kshs. 9,491,309** before the learning was halted during covid19 pandemic and later resumed in the FY 2020/2021 under audit and paid the remaining fees of **Kshs 3,323,091**.





**CHESTA TEACHERS TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**NOTES TO THE FINANCIAL STATEMENTS (Continued)****9. SALE OF GOODS**

Description	2020-2021
	KShs
Sale of goods	
Sale of farm produce	40,720
<b>Total revenue from the sale of goods</b>	<b>40,720</b>

(Revenue from sale of vegetables from kitchen garden to the local community.)



**CHESTA TEACHERS TRAINING COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10. USE OF GOODS AND SERVICES**

<b>Description</b>	<b>2020-2021</b>
	<b>KShs</b>
Boarding Equipment and stores	1,383,886
Tuition Expenses	249,522
Local Travelling and Transport	1,110,130
Medical	77,450
Motor Vehicle Replacement	26,000
Contingency	897,149
Bank charges	5,520
Tents	220,000
Teaching practice	92,045
Electricity, water and conservancy	199,276
Computer studies	100,000
Facilitation expenses	154,600
Examination expenses	504,590
Farm Expense	10,810
Activity	0
Student council	0
<b>Total good and services</b>	<b>5,030,978</b>

**11. OTHER EXPENSES**

<b>Description</b>	<b>2020-2021</b>
	<b>KShs</b>
County grants	886,590
CDF grants	294,968
<b>Total other expenses</b>	<b>1,181,558</b>

**12. EMPLOYEE COSTS**

	<b>2020-2021</b>
	<b>KShs</b>
Salaries and wages	4,870,475
Payables for the year(schedule attached)	3,195,459
<b>Total employee costs</b>	<b>8,065,934</b>



**CHESTA TEACHERS TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**NOTES: PAYABLES.**

<b>Date Paid</b>	<b>Details</b>	<b>Cheque no.</b>	<b>Amount(ksh)</b>
1/7/2021	NHIF (June 2021)	363	13,000
1/7/2021	PAYE (June 2021)	364	1,779
6/7/2021	Salary (Dec 2020, Jan, Feb & march 2021)	369	1,433,097
6/7/2021	NSSF(Feb&March2021).	370	66,438
6/7/2021	SACCO (Dec2020, Jan, Feb& March2021)	371	534,916
28/7/2021	Salary (April & May 2021)	373	457,310
28/7/2021	NSSF (April & May 2021)	374	62,974
28/7/2021	SACCO(April&May2021)	375	249,786
4/9/2021	Salary (June 2021)	384	221,594
4/9/2021	NSSF(June 2021)	385	30,772
4/9/2021	SACCO(June 2021)	386	123,793
		<b>TOTAL</b>	<b>3,195,459</b>

**13. REPAIRS AND MAINTENANCE**

<b>Description</b>	<b>2020-2021</b>
	<b>KShs</b>
Vehicles	59,310
Furniture and fittings	46,770
<b>Total repairs and maintenance</b>	<b>106,080</b>

**14. CASH AND CASH EQUIVALENTS**

<b>Description</b>	<b>2020-2021</b>
	<b>KShs</b>
Current account	971,447
Others(Cash in hand)	72,235.00
<b>Total cash and cash equivalents</b>	<b>1,043,682</b>





**CHESTA TEACHERS TRAINING COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**14(a). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS**

<b>Financial institution</b>	<b>Account number</b>	<b>2020-2021 KShs</b>	<b>2019-2020 KShs</b>
<b>a) Current account</b>			
Equity Bank	1070262301593	607,397	
Equity Bank	1070262702629	364,050	
<b>Sub- total</b>		<b>971,447</b>	
<b>b) Others</b>			
cash in hand		20,000	
M pesa		52,235	
<b>Sub- total</b>		<b>72,235.00</b>	
<b>Grand total</b>		<b>1,043,682</b>	

**Note:** The total closing cash and cash equivalent was **ksh 72,235** comprises of  
Main Account =**ksh 60,035**  
Salaries and grants account=**ksh 12,200**. (As per cash survey certificate).



**CHESTA TEACHERS TRAINING COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**NOTES TO THE FINANCIAL STATEMENTS (Continued)****15. RECEIVABLES FROM EXCHANGE TRANSACTIONS**

Description	2020-2021	2019-2020
	KShs	KShs
<b>Current receivables</b>		
Student debtors		
Fees arrears 2014/2015	2,403,826	
Fees arrears 2015/2016	1,158,761	
Advance	7,500	
Fees arrears 2016/2017	1,690,249	
Fees arrears 2017/2018	645,512	
Fees arrears 2018/2019	189,702	
Fees arrears 2019/2020	377,360	
<b>Total current receivables</b>	<b>6,472,910</b>	

**Note:** Ksh 6,699,622 - ksh 6,472,910 = **ksh 226,712**. (Decrease in current receivables)

: All the records are contained in the previous audited reports by the County schools' audit. (West Pokot County)

**16. EMPLOYEE BENEFIT OBLIGATIONS**

Description	2020-2021	2019-2020
	KShs	KShs
Current benefit obligation (Service gratuity from fees)	723,034	
<b>Total</b>	<b>723,034</b>	

**17. INVENTORIES**

Description	2020-2021	2019-2020
	KShs	KShs
Consumable stores	31,285	
Maintenance stores	153,725	
Health Unit stores	46,325	
Electrical stores	3,500	
Cleaning materials stores	23,145	
Stationary stores	145,475	
<b>Total</b>	<b>403,455</b>	

**Note:** These were extracted from stores ledger as at 30<sup>th</sup> June 2021



**CHESTA TEACHERS TRAINING COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**18. PROPERTY, PLANT AND EQUIPMENT**

Cost	Land Shs	Motor vehicles Shs	Furniture and fittings Shs	Computers Shs	Buildings Shs	Plant and equipment Shs	Capital Work in progress Shs	Total Shs
At 1 July 2021	5,400,000	9,000,000	2,000,000	300,000	34,500,000	0	0.00	51,200,000
Additions								
Disposals								
Transfers/adjustments								
At 30 <sup>th</sup> June 2021	5,400,000	9,000,000	2,000,000	300,000	34,500,000	0	0	51,200,000
Depreciation								
At 1 July 2020	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Depreciation	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
At 30 <sup>th</sup> June 2021	5,400,000	9,000,000	2,000,000	300,000	34,500,000	0	0	51,200,000
Net book values								
At 30 <sup>th</sup> June 2021	5,400,000	9,000,000	2,000,000	300,000	34,500,000	0	0	51,200,000

- ✓ The land has no title deed. It's a community land donated to the college. The value quoted is the prevailing market price.
- ✓ The value of motor vehicles (2 buses) was done by Madison insurance company.
- ✓ The value of buildings is estimated historical costs.
- ✓ Furniture and computers value is at estimated costs.
- ✓ The management has put in place measures to engage a professional to do the valuations.





**CHESTA TEACHERS TRAINING COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE**  
**2021**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**19. REFUNDABLE DEPOSITS FROM CUSTOMERS/STUDENTS**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Caution money	212,300	
<b>Total deposits</b>	<b>212,300</b>	

**20. EVENTS AFTER THE REPORTING PERIOD**

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

**21. ULTIMATE AND HOLDING ENTITY**

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

**22. Currency**

The financial statements are presented in Kenya Shillings (Kshs).





**CHESTA TEACHERS TRAINING COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**32. REFUNDABLE DEPOSITS FROM CUSTOMERS/STUDENTS**

Description	2020-2021	2019-2020
	KShs	KShs
Caution money	212,300.00	212,300.00
<b>Total deposits</b>	<b>212,300.00</b>	<b>212,300.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**32. EVENTS AFTER THE REPORTING PERIOD**

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

**33. 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.

**34. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

CHESTA TEACHERS TRAINING COLLEGE  
P. O. Box 5- 30600 WETI WEL  
13 JUL 2022  
PRINCIPAL

