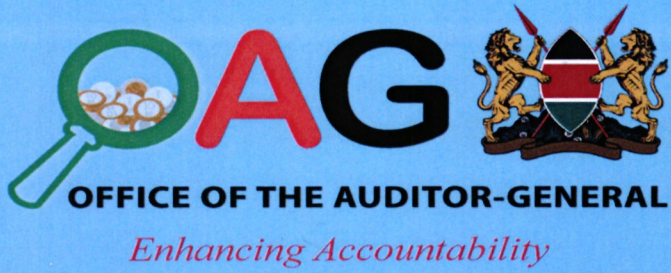


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY	
DATE: 25 JUL 2023	DAY: TUESDAY
TABLED BY:	Hon. Naomi Wago, MP Deputy Majority Whip
CLERK-AT-THE-TABLE:	Anne Shubke

THE AUDITOR-GENERAL

ON

**NGONG TECHNICAL AND
VOCATIONAL COLLEGE**

**FOR THE YEAR ENDED
30 JUNE, 2022**





NGONG TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2022**

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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

TABLE OF CONTENTS

I.	Key Entity Information and Management.....	iv
II.	The Board of Governors.....	viii
III.	Management Team.....	xii
IV.	Chairman’s Statement.....	xiii
V.	Report of the Principal.....	xv
VI.	Statement of Performance against Predetermined Objectives.....	xvii
VII.	Corporate Governance Statement.....	xx
VIII.	Management Discussion and Analysis.....	xxii
IX.	Environmental and Sustainability Reporting Statement.....	xxv
X.	Report of the Council/Board of Governors.....	xxvii
XI.	Statement of Board of Governors Responsibilities.....	xxix
XII.	Report of the Independent Auditor on (<i>Ngong technical and vocational college</i>).....	xxxi
XIII.	Statement of Financial Performance for the year ended 30 June 2022.....	1
XIV.	Statement of Financial Position as at 30th June 2022.....	2
XV.	Statement of Changes in Net Asset for the year ended 30 June 2022.....	3
XVI.	Statement of Cash Flows for the year ended 30 June 2022.....	4
XVII.	Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022.....	5
XVIII.	Notes to the Financial Statements.....	7
XIX.	Appendices.....	34

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

I. Key Entity Information and Management

(a) Background information

Ngong Technical and Vocational College (NTVC) is a public Technical and Vocational Education and Training (TVET) Institution established under the Ministry of Education, State Department of Technical and Vocational Training. The Institution was established under the TVET Act, 2013 in the year 2018. The entity is domiciled in Kenya and situated in Kajiado County, Kajiado North Constituency in Ngong town, about 23 km from Nairobi Central Business District. The College is governed by a Board of Governors appointed by the Cabinet Secretary for Education. It consists of Six (6) academic and four (4) non-academic departments as listed below;

Academic includes:

1. Electrical and electronics
2. Building and Civil Engineering
3. Mechanical
4. Applied science
5. ICT
6. Business

Non-Academic:

1. Administration
1. Guidance & Counselling
2. Industrial Liaison Office (ILO)

(b) Principle Activities

Mission

To be the International Center of Excellence in Technical and Vocational Training.

Vision

To produce competent and innovative manpower in Technical and Vocational disciplines to meet the dynamic needs of industry and society.

Core Values:

- Accountability
- Excellence
- Innovativeness
- Integrity
- Professionalism
- Team work

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

(c Key Management

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

- Accounting officer/Principal
- Management Team
- Lecturers
- BOG staff

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30 June, 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Teresia Mutuku
2	D/Principal	Dr Godfrey Mute
3.	Head of Finance	Bahati Wamae Nyaga
4	Registrar	Mary Muthoni Njogu
5	Dean of Students	Alice Wangari Maina

(e) Fiduciary Oversight Arrangements

• **Finance, Administration and Infrastructure Board Committee.**

Their role is to ensure:

- (i) Preparation of accurate and complete financial records.
- (ii) Preparation and presentation of accurate, timely and meaningful financial statements to the board.
- (iii) The board understand the organization's finances.
- (iv) Budgeting and anticipating financial problems.

• **Education, Training and Research Board Committee.**

Their role is to ensure:

- (i) Members of the committee give their suggestions and directions for the smooth running of the college in academic aspect;
- (ii) The review the academic and other related activities of the institute;
- (iii) The review the students and departmental development programs;
- (iv) Visualization and formulation of prospective plans for the development and growth of the institute;
- (v) Prepare and review Academics Calendar and Class Routine for the institute;
- (vi) The review and update the institute Prospectus

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Key Entity Information and Management (Continued)

- (vii) Promote research and extension activities in the institute;
- (viii) Plan for sustaining the quality of education, quality improvement and accreditation of the institute;
- (ix) Keep vigilance on the attendance of teachers and regularity in taking the classes;
- (x) Review student's attendance/malpractices in examinations;
- (xi) Oversee the internal examinations/evaluation/recording;
- (xii) Take disciplinary action to the students for violation and disobedience to the institute rules.

(f) Entity Headquarters

P.O. Box 1170-00208
Kajiado-North Constituency
Ngong Hills,
KENYA

(g) Entity Contacts

(+254) 77810129
E-mail: ngongtvc@gmail.com
info@ngongtvc.ac.ke
Website: www.ngongtvc.ac.ke

(h) Entity Bankers

Cooperative Bank
Ngong branch
P.O. Box 48231-00100
NAIROBI.

Equity Bank (Kenya),
Limited Ngong Branch
P.O. Box 30311-00100,
NAIROBI.

(i) Independent Auditors

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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

(j) Principal Legal Adviser



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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

II. The Board of Governors

<p>1.</p> <div style="text-align: center;">  </div> <p>Eng. Arthur Anam Rateng DoB 1953</p>	<p>Eng. Arthur Anam Rateng is the Chair BOG and an independent member. He holds a master's degree in Entrepreneurship Education from University of Illinois, USA and Post-graduate Certificate in Applied Management Studies, Queens University, Ontario, Canada. He has a Bachelor of Education (Technical-Vocational), University of New Brunswick, NB, Canada. He also holds certificate in Computer-Aided Design and Manufacturing (CAD/CAM), Camosun College, Victoria, BC, Canada and in Machine Shop Training, Assiniboine College, Brandon, Manitoba, Canada. He has a Diploma in Technical Education and Ordinary Diploma in Electrical and Mechanical Engineering from Kenya Polytechnic.</p> <p>Arthur has worked in various capacities including Director of Technical Education in the Ministry of Education, Science and Technology, Chief Principal, Machakos TTI, Deputy Director of Technical Training, Ministry of Science, Technical Training and Applied Technology, Principal, Mawego TTI, Head of Kenya Technical Teachers College (KTTC) Production Unit, Principal Lecturer and Head of Mechanical Engineering, KTTC, Principal Lecturer in Industrial Engineering and Entrepreneurship, KTTC, Senior Lecturer in Mechanical Engineering and Head of Production Engineering Section at KTTC, Lecturer in Technical Education and Mechanical Engineering at KTTC and High School Teacher in Electrical and Mechanical Engineering at Kisumu Technical School.</p> <p>Arthur Rateng has broad experience and relevant qualifications in policy formulation, strategic analysis, program development and project management.</p>
<p>2.</p> <div style="text-align: center;">  </div> <p>Dismas Oyieko</p>	<p>Dismas Oyieko is an independent member of the Board and a member Finance, Administration and Infrastructure Committee. He holds Master's Degree, MsoSc (Development Finance) University of Birmingham (U.K), and Bachelor's Degree, Bcom (Accounting Option) from the University of Nairobi.</p> <p>Dismas has attended various courses among them performance Contracts, The Future of DFIs in the Emerging Markets, Results Based Management &</p>

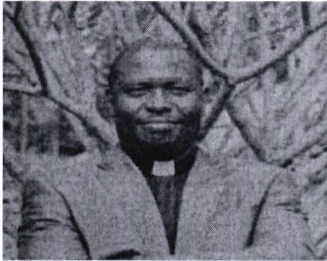


NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

<p>DoB 26/03/1959</p>	<p>Performance Appraisal Systems, Corporate Governance, Customer Service Courses, Management Development Courses and Organization and Methods study skills.</p> <p>He has worked at Industrial and Commercial Development Corporation (ICDC) where he held senior positions namely; Loans and Investments Manager, Investments Manager, Equity Manager, Corporate Planning Manager and Principal Organization and Methods Officer.</p>
<p>3.</p>  <p>Eng. George Mwangi Kiiru DoB 03/07/1958</p>	<p>Eng. George Mwangi Kiiru is an independent member of the Board and serves as the chairman of the Finance, Administration and Infrastructure Committee. He holds Msc (Highway Eng.), from University of Birmingham (UK) and Bsc (Civil), University of Nairobi.</p> <p>Worked in the Roads Department of the Ministry of Roads holding various posts namely Project Engineer, Resident Engineer and Materials Engineer for various road construction projects; Provincial Roads Engineer (Nairobi and Nyanza); District Works Officer (Samburu and Mt. Elgon). Worked at the Kenya National Highways Authority (KeNHA) as Manager (Design & Construction) and General Manager, Maintenance.</p> <p>Has experience in the project cycle of Planning, Design, Implementation (Project Construction Management) and Maintenance. Conversant with procurement systems and contracting conditions of various Development Partners like AfDB, KfW, European Union and BADEA.</p>
<p>4.</p>  <p>Dr. Fridah Wilumila Mugo D.o.B 11/05/1959</p>	<p>Dr. Fridah Wilumila Mugo is an independent member of the Board and serves as the chairman of Education, Training and Research committee. She holds a Ph.D. in Natural Resource Policy and Management, Cornell University, MSc. in Natural Resource Policy and Management, Cornell University, M.A. in Urban and Regional Planning, UON, B.Sc. in Agriculture, UON and Certificate in Environmental Impact Assessment and Audit.</p> <p>In her career, Dr. Fridah has worked as a Senior Lecturer, Department of Urban and Regional Planning, UON, Development and Environmental Consultant, working with Thuiya Development and Environmental Consultants (T-DEC)</p>

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

	<p>as Team Leader, Socio-Economic Consultant working with the International Centre for Research in Agroforestry (ICRAF) and Agroforestry Extension and Training Coordinator-Ministry of Energy, Government of Kenya.</p>
<p>5.</p>  <p>Nancy Watiri Shikuku DoB 1967</p>	<p>Nancy Watiri Shikuku is a BOG independent member serving in the Finance, Administration and Infrastructure Committee. She holds ACII (115 Points), Chartered Insurance (UK), DIP CII Chartered Insurance Institute (UK), Master's Degree (Corporate Law), University of South Africa, Bachelor of Law Degree, (LLB) UON, Diploma in Law, Kenya School of Law, and Certified Public Secretary She is an associate member of Chartered Institute of Arbitrators.</p> <p>Nancy is a legal professional with extensive exposure in the insurance industry and in civil litigation. She has held senior positions in both legal and claims. She has experience in company secretarial duties, management of claims process, strategy policy review and implementation, preparation of board papers, litigation in both civil and criminal matters, corporate legal matters and review of process and procedures to enhance efficiency.</p>
<p>6.</p> <p>Mabel Adhiambo Wendo DoB 01/05/1957</p> 	<p>Mabel Adhiambo Wendo is independent member of the Board and serves in Education, Training and Research committee. She holds a Masters in Community Health and Development, Diploma in Care and Management of People Living with HIV and AIDS; Training of Trainers Course validated by Manchester university, U.K, Higher Diploma in Advanced Nursing; UON. Diploma in Midwifery Course; Medical Training College -KNH, and Diploma in Registered Nursing Training; Medical Training College-KNH. Mabel is a member of the National Nurses Association of Kenya.</p> <p>Mabel is a Community Health and Development specialist and Educationist with experience in community program initiation dynamics, including community based health program actions for different /t models of partnerships in working with communities. Experience in curriculum design and development for different settings- health professionals, education and training, Community Health Workers for Sensitization for Health and</p>

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

	Development focusing on HIV and AIDS, Malaria, Reproductive health and child survival.
<p>7.</p>  <p>Rev. Fr. John Kimunya Kariuki DoB 1971.</p>	<p>Rev. Fr. John Kimunya Kariuki is a BOG independent member serving in the Education, Training and Research committee. He holds Bachelor of Sacred Theology and Philosophy and a Diploma in sacred Theology (St. Thomas Aquinas Seminary). He also holds a certificate of Philosophical and religious Studies (Augustine Philosophical seminary).</p> <p>In his career, Rev. Fr. John has worked as Father in Charge and Assistant Father in charge, Teacher in Systematic Theology, a Dean for Ngong Deanery and A diocesan choir Chaplain.</p>
<p>8.</p>  <p>Olivia Ondogo DOB 1962</p>	<p>Olivia Ondogo is the County director Kajiado-Narok and ministry representative in the board. She holds a PHD in strategic management, Master in education-education administration option and MBA in marketing management with a bachelor's of education (arts) in economics and commerce as well as a diploma in education (Humanities)</p> <p>In her career, she has served many position as a teacher, lecturer and director in various cadres of education among many others. She was an asset to Ngong TVC board and through her guidance the board was able to achieve a lot.</p>
<p>9.</p>  <p>Teresia Mutuku DOB 26/12/1969</p>	<p>The Principal & Secretary of the Board</p> <p>Bachelor Arts (Insurance)</p> <p>Post Graduate Diploma in Personnel Management</p> <p>PGDE</p> <p>MA Education Administration & Management</p> <p>She a non-member of the institute of certified secretary of Kenya.</p>

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

III. Management Team

<p>1.</p>  <p>Teresia Mutuku</p>	<p>The Principal & Secretary of the Board Bachelor Arts (Insurance) Post Graduate Diploma in Personnel Management PGDE MA Education Administration & Management She is not member of the institute of certified secretary of Kenya.</p>
<p>2.</p>  <p>Dr. Godfrey Ngunyi Mute</p>	<p>Deputy Principal PhD: Business Administration: Human Resource Management; University of Nairobi; Masters Busines Administration; Bachelors of education UO N, Post Graduate Diploma in Personnel Management PGDE. Diploma in education: Kenya Science</p>
<p>3.</p>  <p>Mary Muthoni Njogu</p>	<p>Registrar Bachelor in Business Information Technology (BBIT). Diploma in Technical Education (Computer Studies, EP)</p>
<p>4.</p>  <p>Alice Wangari Maina</p>	<p>Dean of Students M A Religious Education Bed Arts in Counselling</p>
<p>5.</p>  <p>CPA Nyauncho Josiah M.</p>	<p>FINANCE Master in business administration, finance option Bachelors in business management, finance and banking option Certified public accountant of Kenya ICPAK NO. 29221</p>

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

IV. Chairman's Statement

Ngong' Technical and Vocational College is one of the newer TVET that have been established by the Government of Kenya in order to increase access to competency based skills training for the growing number of youth coming out of our schools. The pursuit of Vision 2030 can only become a reality if the country is able produce adequate personnel with appropriate skills needed to achieve sustained growth in all sectors of the economy.

Therefore, members of the Board of Governors are sincerely grateful to the Government responding positively to the long held desire of Kajiado North community to establish this magnificent college within the rapidly growing Ngong Town. The Government has enabled the college to achieve rapid student enrolment by providing basic training equipment and posting qualified trainers with diverse skills needed to offer quality training in several technical disciplines. The trainers while working under the leadership of the Principal have been able to initiate demand driven training programs that have attracted a large number of trainees thereby increasing enrolment from less than 100 to 350 in just two years. This growth has necessitated urgent need for additional equipment along with classrooms and training labs/workshops. It is important to note that this kind of increase in trainee population would not have been possible without the support of Kenya Universities and Colleges Student Placement Service (KUCCPS) as well as capitation grants from GoK and loans granted to needy trainees by the Higher Education Loans Board (HELB).

It is the responsibility of the Board of Governors (BoG) to approve the annual budget and then provide oversight in revenue collection and disbursement of funds to meet the expenses incurred in institutional development and day to day operations as laid out in the procurement plan for any given year. The sum total of all financial transactions for a given budget are contained in the Annual Financial Report which must be approved by the Board before it submitted to all relevant organs of Government. Therefore, it is for that reason that I take this opportunity on behalf of the Board of Governors of Ngong TVC to authorize the submission of this Financial Report for 2021/2022 and all the adjoining financial statements in accordance with the requirements of the Public Finance Management Act 2012 and the TVET Act 2013. As I do so, I also take this opportunity to thank the Principal and other staff who have participated in its preparation directly or indirectly as well as members of the BoG who have

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

sacrificed their time, energy and mind under very difficult circumstances to bring this college to where it has reached so far.

In conclusion, I cannot fail to recognize and appreciate the goodwill and support we have received from the local leadership by way of advice and bursary for needy students, especially the Area Member of Parliament and the MCA as well as the Catholic Church Diocese of Ngong for setting aside part of the land on which the TVC is located. I cannot forget to thank the Governor of Kajiado County who has demonstrated that he is a true friend of the College by always opening doors and ears to hear our challenges and concerns whenever we seek an audience with him. It for that reason that he ordered and financed the relocation of the dumping site that was not only an eye sore and a health hazard but also occupied a large part of the land earmarked for the College. To this I say a big THANK YOU to him on behalf of the staff, trainees and Principal and Board members.

Arthur A. Rateng



 Board Chairman Ngong TVC

V. Report of the Principal

Ngong Technical and Vocational College (NTVC) is a public Technical and Vocational Education and Training (TVET) Institution under the Ministry of Education, State Department of Technical and Vocational Training. The Institution was founded in 2018 and is situated in Kajiado County, Kajiado North Constituency in Ngong town, about 23 km from Nairobi Central Business District.

The Institutes land is (five acres) which was allocated to the Government of Kenya by the Catholic Church for a public utility as a TVET Institution in the year 2016. The title of the land which is jointly owned by the Church, College, Ngong Township Secondary and Primary School remains in the name of the Catholic Church. The institute has an allotment letter.

The Government of Kenya and Kajiado-North Constituency Development Fund (CDF) provided grants which were used to construct the Administration cum Tuition Block. GOK in conjunction with China Government equipped and installed laboratories and workshops with Agriculture Value Addition Equipment and the college opened its doors in 2019.

Ngong TVC is a Government middle level Technical and Vocational College. It is established under the Ministry of Education (TVET Act 2013). It offers a variety of courses at Diploma, Craft, Artisan and Trade levels. Ngong TVC operates under TVET as stipulated in the laws of Kenya. The Institute's operations are also carried out in accordance with the Government policies and procedures as spelt out in official documents and circulars.

To strengthen the management of the Institute, the Board of Governors has employed a number of staff in various sections of tuition, support and Security. Current population stands at

PSC teaching staff, Twenty-five (25)

BOG teaching staff, four (4)

BOG non-teaching staff, Three (3)

Student enrolment, three hundred and fifty (350). Students are all day scholars.

Ngong TVC vision is to be The International Center of Excellence in Technical and Vocational Training.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

The institute believes in team work, professionalism and integrity. Our staffs are highly qualified and are offered an opportunity to advance their skills in order to keep abreast with the changing technology.

Mrs Teresia N Mutuku



Principal Ngong TVC



NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

VI. Statement of Performance against Predetermined Objectives

Ngong Technical & Vocational College exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

The Institution's strategic plan communicates a desire to strengthen our efforts towards sustainability. The strategic objectives are (i) achieving financial sustainability ii) achieving technical and environmental sustainability iii) achieving academic sustainability and iv) achieving organisational and institutional sustainability.

Ngong Technical & Vocational College develops its annual work plans based on 4 strategic pillars as outlined in the table below. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Institute achieved its performance targets set for the FY 2020/21 period for its 4 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar / theme / issue 1 Financial sustainability	Aims at Improving Efficiency through cutting costs leading to reduced wastage of resources.	1. Calculation of ratios 2. Enrolment 3. Increase of Public service trainers	1. Marketing 2. Increase in enrolment of trainee 3. request letter from the ministry	1. 200% Increase in enrolment

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

<p>Pillar / theme / issue 2</p> <p>Academic sustainability</p>	<p>Aims at Improving Efficiency through cutting costs leading to reduced wastage of resources.</p>	<ol style="list-style-type: none"> 1. Enrolment 2. Exams performance 3. Increase of number of courses. 	<p>-The sustainability of the educational results (occupational standards, curricula, teaching and learning materials, assessment tools) is guaranteed as we adhere to the regulations and procedures set by TVETA and TVET-CDACC as far as TVET-level programs are concerned.</p> <p>-The institution has also invested in blended learning to ensure continuity in training and learning.</p>	<ol style="list-style-type: none"> 1. 200% Increase in enrolment 2. Introduced Hospitality Section
<p>Pillar / theme / issue 3: Technical and environmental sustainability</p>	<p>Focuses on applying sustainability principles and practices within the structures, philosophies and services, learning processes and physical sites.</p>	<ol style="list-style-type: none"> 1. Additional buildings 2. Tidiness of environment 3. Planted flowers 	<p>-The Institute has employed key environmental strategies, e.g. planting of trees and also using best practices in waste disposal especially in this COVID 19 era.</p>	<ol style="list-style-type: none"> 1. Clearing of dumb site 2. Building classrooms 3. Planting flowers
<p>Pillar / theme / issue 4: Organisational</p>	<p>Focuses on institution developing</p>		<p>- The institute policy guidelines on integrating sustainability principles</p>	

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

<p>and institutional sustainability</p>	<p>meaningful collaborations and partnerships with the private sector and the industry.</p>		<p>and practices across all departments and throughout all our activities: administration and governance, operations, research, teaching & learning and community engagement.</p> <p>- We have a commitment to see sustainability embedded as part of the core ethos at the Institution. The Sustainability office is working closely with management and provides an annual update on the Institution's progress towards sustainability.</p> <p>- Investing in sustainability has ensured a better environment, benefit from healthier and safer working conditions and have positioned the institution to have a competitive advantage over others.</p>	
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NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

VII. Corporate Governance Statement

S/N	DATE	ATTENDANCE	PURPOSE
1	30/08/2021	6	Full board Virtual meeting
2	28/10/2021	7	Full board Virtual meeting
3	19/01/2022	4	Finance, Administration and Infrastructure Committee meeting
4	10/02/2022	6	Full board Virtual meeting
5	22/03/2022	4	Education ,Training & Research Committee
6	16/06/2022	4	Finance, Administration and Infrastructure Committee meeting
7	22/06/2022	4	Full board Virtual meeting
8	27/06/2022	4	Full board Virtual meeting

APPOINTMENT OF THE BOARD MEMBERS

The appointment of the Board of Governance is done in accordance with the second schedule of the Technical and Vocational Education and Training (TVET) ACT No.29 of 2013. The appointing authority is the Cabinet Secretary and is in accordance with Section 28 (3) and the second Schedule Part (1) and (2) (a) of the TVET Act. The term of office is three (3) years effective from the date of letter of appointment.

ROLE AND FUNCTIONS OF THE BOARD

The role and functions of the Board of Governors is to ensure:

- (a) Overseeing of the conduct of education and training in the institution in accordance with the provisions of the TVET Act and any other written law.
- (b) Promoting and maintaining standards, quality and relevance in education and training in the institution in accordance with the TVET act and any other written law.
- (c) Administering and managing the property of the institutions.
- (d) Development and implementation of the institutions' strategic plan.
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

- (f) Approval of the Institution's budget and procurement plans.
- (f) Receiving on behalf of the institution, fees, grants, subscription, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons.
- (g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this act.
- (h) Mobilizing resources for the institutions.
- (i) Developing and reviewing programmes for training and to make representation thereon to the TVET board.
- (j) Regulating the admissions and exclusion of students from the institution, subject to a qualification framework and the provisions of the TVET act.
- (k) Approving collaboration or association with other institutions and industries inside and outside Kenya subject to prior approval by the TVET board.
- (l) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry.
- (m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of all the institutions in consultation with the TVET Authority.
- (n) Making regulations governing organizations conduct and discipline of all the staff and the students.
- (o) Preparing comprehensive annual report on all areas of their mandate, including education and training services and submits the same to the TVET board.
- (p) Providing for the welfare of the students and staff of the institutions.
- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institution.
- (r) Discharging all other functions conferred upon it by the TVET act or any other written law.

The Board remuneration is done based on attendance of the meetings where they sign the meeting attendance form.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

VIII. Management Discussion and Analysis

Operational and Financial Performance of the Organisation.

In carrying out our duties, we intend to put all our efforts towards contributing effectively and efficiently to the achievement of the national development agenda as espoused in the Kenya Vision 2030, keeping in mind the specific priorities of the Ngong Technical and vocational college. We will implement the following Strategic Intentions during the Financial Year:

1. Train in areas of Technical and Vocational Education as stipulated in the TVET Act 2013.
2. Provide the required leadership in designing suitable plans and strategies that will contribute to high and sustainable socio-economic development.
3. Ensure that Ngong TVC has a credible Strategic Plan.

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 the Ngong Technical and Vocational College has a credible strategic plan 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 the agreed performance targets.

Big Four Initiatives

1. Introduce the Masonry Course at Certificate Level. In the FY 2021/2022 the Board committed to introduce the Masonry Course at artisan and Certificate Level and train at least 50 Trainees for provision of skilled manpower in support of affordable housing.
2. Increase the Number of Trainees in Food processing and preservation technology. In the FY 2021/2022 the Board to increase the number of Trainees in Food processing and preservation technology from 50 to 100 for provision of skilled manpower in support of Manufacturing Industry.
3. Production of dairy products and meat products through the department of food science and preservation technology to increase food supply.
4. Increase Trainee Enrolment. In the FY 2021/2022, the Board committed to increase overall enrolment from 70 to 350 Trainees through various marketing campaigns.

Vision 2030 Flagship Programmes/Projects

(a) Construct 4 Semi-permanent Classroom.

In the FY 2021/2022 the Board committed to construct 4 semi-permanent classrooms which is 90% completion level.

(b) Construct temporary fence - In the FY 2021/2022 the Board committed to construct a temporary chain link fence to a 100% completion level to improve on the face of college and control access.

The Institution has full compliance with statutory requirements i.e. NSSF, NHIF and PAYE. The Institution has no material arrears in statutory and other financial obligations.

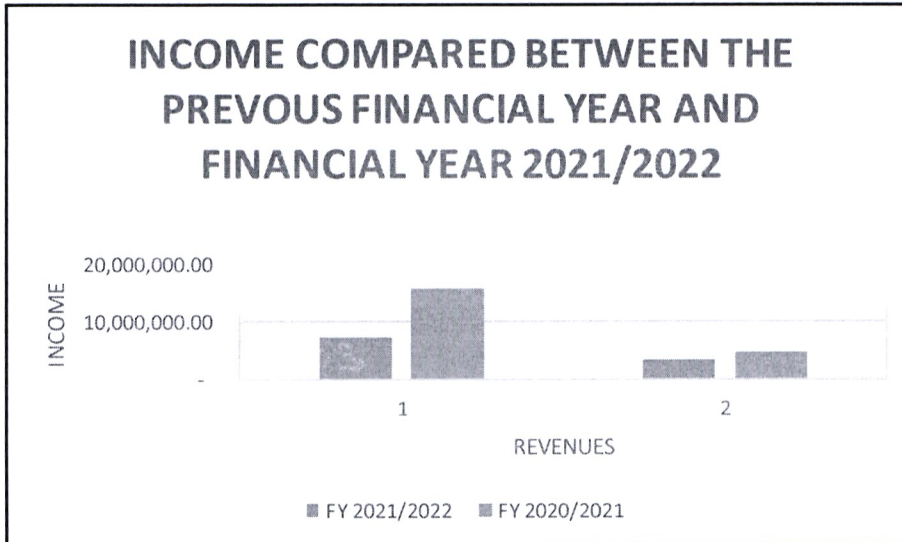
Statement of Strategic Intent by the Board of Governors and Management.

In carrying out our duties, we intend to put all our efforts towards contributing effectively and efficiently to the achievement of the national development agenda as espoused in the Kenya Vision 2030, keeping in mind the specific priorities of the Ngong TVC. We will also pay special attention to implementation of Post COVID-19 Recovery Strategies and Plans. Our Strategic Intentions during the Financial Year:

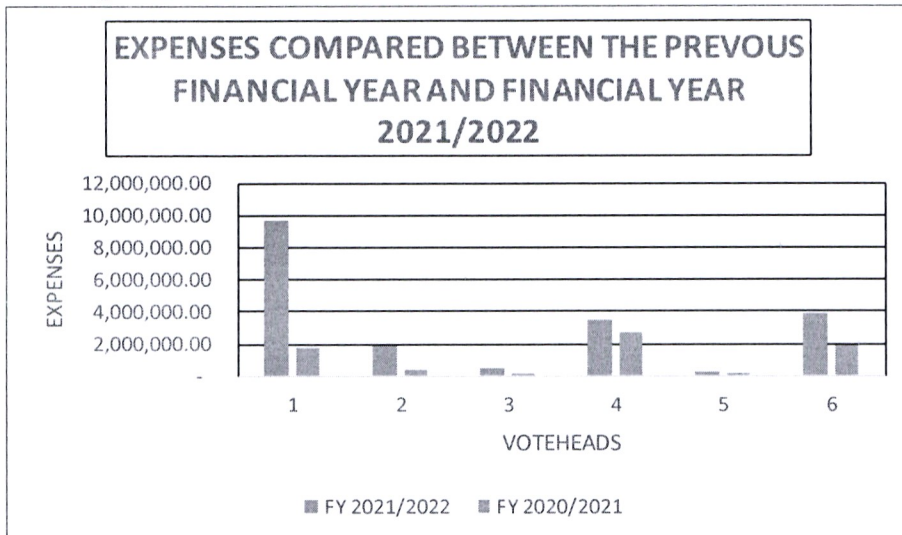
1. To enhance competitiveness to ensure that graduates fit in the labour market.
2. To manufacture/fabricate products that meets all regulatory standards for use by Kenyans and the East African region.
3. To implement guidelines from the Ministry of Education on the Covid-19 Response and Recovery Plans to control and curb the spread of Covid-19 among the Institute' stakeholders.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Financial Performance and representation in Pie charts and Graphs



- 1 TRANSFERS FROM NON EXCHANGE TRANSACTIONS
- 2 REVENUES FROM EXCHANGE TRANSACTIONS



KEY:

- 1 USE OF GOODS & SERVICES
- 2 EMPLOYEES COST
- 3 BOARD OF GOVERNORS EXPENSES
- 4 DEPRECIATION & ARMOTISATION
- 5 REPAIRS
- 6 ACQUISITION OF PPE

IX. Environmental and Sustainability Reporting Statement

(a) Sustainability strategy and profile

Ngong Technical & Vocational College exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

The Institution's strategic plan communicates a desire to strengthen our efforts towards sustainability. The strategic objectives are:

1. Achieving financial sustainability
2. Achieving technical and environmental sustainability
3. Achieving academic sustainability and
4. Achieving organisational and institutional sustainability

Financial sustainability aims at Improving Efficiency through cutting costs leading to reduced wastage of resources.

Academic Sustainability aims at sustaining results at the level of education, training and research. The sustainability of the educational results (occupational standards, curricula, teaching and learning materials, assessment tools) is guaranteed as we adhere to the regulations and procedures set by TVETA and TVET-CDACC as far as TVET-level programs are concerned. The institution has also invested in blended learning to ensure continuity in training and learning.

Technical and environmental sustainability focuses on applying sustainability principles and practices within the structures, philosophies and services, learning processes and physical sites. We have employed key environmental strategies, e.g. on the use of environmentally friendly technologies such as rain water harvesting and also using best practices in waste disposal especially in this COVID 19 era.

(b) Market place practices-

A research on market demand has helped the institution offer courses that would shape business strategies and practices, and the context in which they operate, to take explicit account of their social, economic, and environmental impacts. There has been increased level of engagement with high schools and the general public as the source of our new students and for increase in

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

brand awareness of Ngong Technical & Vocational College as a TVET institution of choice in the region and beyond.

School and church visits have given opportunities for career guidance. These opportunities have a direct impact on the students and parents where information is shared. Use of Social media. The Website, Facebook, WhatsApp and Twitter are a continuous source of critical information for our customers.

In regard to responsible Supply chain and supplier relations, the institution places its adverts for tenders on the daily's and on its website for access to all. Payment to suppliers is done within the limited period of less than Ninety days' other guidelines like Presidents directive on Special category tender opportunities are adhered to.

The Institution ensures that all the courses offered are accredited by the relevant bodies for example: KNEC and NITA.

(c) Employee Welfare

Recruitment procedures:

In line with the Constitution 2010 and Employment Act 2007, HRM policies and Staff Establishment are used in providing guidelines for the above procedure.

Fair competition and meritocracy are the guiding principle for all staff appointment and advancement in the Institute.

Open advertisement was conducted for same. The institute has so far recruited 4 BOG trainers in various departments, this happened where vacant positions were filled through internal advertisement. Letters of appointment were issued by the Secretary to the Board.

N/B: Ngong Technical & Vocational College considers the one third gender rule and person with disabilities are given priority in accordance to the labor law.

X. Report of the Council/Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the college affairs.

Principle activities

The principle activities that enable the institution to produce competent and innovative manpower in technical and vocational disciplines to meet the dynamic needs of industry and society are: -

- Provide a conducive environment for teaching and learning.
- Promote leadership by providing opportunities for students' representation in clubs and classes.
- Provide adequate training materials.
- Adhere to the Government regulations and policies.
- Ensure syllabus coverage by optimizing and time utilization.
- Ensure all industrial attachees are posted and assessed.
- Ensure standard evaluation through continuous assessment tests and examination.
- Conduct annual staff performance appraisal.
- Ensure prompt payments for supplies and services.
- Make the institution a center of excellence for all through enhanced publicity, high levels of performances, quality service and integrity.
- Improve the rate of conveying information and adequate communication channels.
- Provide timely response to all enquiries.

Provide quarterly and annual performance reports to the Ministry of Education

Results

The results of the entity for the year ended June 30 are set out on page 1 to 6 of the financial report.

Board of Governors

The members of the Board /Council who served during the year are shown on page vii to viii. During the year under review none of the governor retired or resigned

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Auditors

The Auditor General is responsible for the statutory audit of the Institution in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board



Secretary of the board
Ngong TVC

Date 18/05/2023



XI. Statement of Board of Governors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (*section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013*) - require the council members to prepare financial statements in respect of that *entity*, which give a true and fair view of the state of affairs of the *entity* at the end of the financial year/period and the operating results of the *entity* for that year/period. The Council members are also required to ensure that the *entity* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *entity*. The council members are also responsible for safeguarding the assets of the *entity*.

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013, require the council members to prepare financial statements in respect of that entity, which give a true and fair view of the state of affairs of the entity at the end of the financial year/period and the operating results of the entity for that year/period. The council members are also required to ensure that the entity keeps proper accounting records which disclose with reasonable accuracy the financial position of the entity. The council members are also responsible for safeguarding the assets of the entity.

The council members are responsible for the preparation and presentation of the Ngong TVC financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. 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 entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The council members accept responsibility for the entity'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 State Corporations Act, and the TVET Act). The council members are of the opinion that the entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Approval of the financial statements

Ngong TVC financial statements were approved by the Board on 28th Sept 2022 and signed on its behalf by:

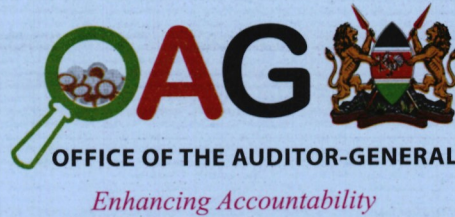
.....
DISMAS OYIEKO
.....
Name Dismas Oyieko
Chairperson of the Board/Council

.....
.....
.....
Name Teresia Mutuku
Accounting Officer/Principal



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NGONG TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2022

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 the intended purpose.
- C. Report on Effectiveness of Internal Control, 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 control 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 Ngong Technical and Vocational College set out on pages 1 to 36, which comprise of the statement of financial position as at 30 June, 2022 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 Ngong Technical and Vocational College as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical, Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements provided for audit revealed the following inaccuracies;

- 1.1 The statement of financial position reflects capital fund balance of Kshs.48,819,250 while the statement of changes in net assets reflects Kshs.55,142,009 resulting to an unexplained variance of Kshs.6,292,759;
- 1.2 The statement of financial position reflects comparative capital fund balance of Kshs.57,438,490 while the prior year audited financial statements reflects Kshs.51,235,689 resulting to unexplained variance of Kshs.6,202,801;
- 1.3 Note 18 on provisions for trade receivables reflects trade receivables balance of Kshs.2,671,800 while casting revealed Kshs.3,745,450 resulting to unexplained variance of Kshs.1,073,650;
- 1.4 Note 17 (a) and (b) reflect WIP semi-permanent classrooms at cost and net book value of Kshs.1,872,344 which has not been supported;
- 1.5 The statement of financial position reflects cash and cash equivalents balance of Kshs.9,695,745 while the cashbook reflects Kshs.9,695,234 resulting to variances of Kshs.511;
- 1.6 The statement of financial position reflects property, plant and equipment balance of Kshs.47,305,402 while fixed asset register reflects Kshs.60,827,965 resulting to an unexplained variance of Kshs.13,522,563;
- 1.7 The statement of comparison of budget and actual amounts reflects final revenue and expenditure budget of Kshs.12,831,938 each while the approved budget reflects Kshs.25,355,000 for each resulting to an unexplained variance of Kshs.12, 523,062; and
- 1.8 Appendix III on Inter Entity Confirmation Letter reflects total difference of Kshs.2,220,000 while casting revealed Kshs.4,050,000 resulting to unexplained variance of Kshs.1,830,000.

In circumstances, the accuracy of the above balances included in the financial statements could not be confirmed.

2. Unsupported Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.47,305,402 as disclosed in Note 17 to the financial statements. It was noted that these assets were transferred from mentor institution but there was no memorandum of transfers of the fixed assets, handing over report, land title deed of ownership documents. In addition, there was no valuation report supporting the assets balance in the financial statements.

In the circumstances, the accuracy, completeness, ownership and valuation of property, plant and equipment's balance of Kshs.47,305,402 as at 30 June 2022 could not be confirmed.

3. Unsupported Current Provisions

The statement of financial position reflects current provisions of Kshs.225,483 as disclosed in Note 18 to the financial statements. The amount relates to provision for trade receivables but there was no evidence of a finance policy indicating rates of provision for bad debts. In addition, the provision is incorrectly included under liabilities instead of being netted from debtors.

In the circumstances, the accuracy and completeness of the current provisions balance of Kshs.225,483 as at 30 June, 2022 could not be confirmed. The provision is also misrepresented.

4. Omitted Long Outstanding Trade Payables

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.8,420,604 (Kshs.235,027: 2020-2021) as disclosed in Note 16 to the financial statements. However, the balance excludes Kshs.3,098,897 owned to an institution which dates to the year 2018. In addition, the balance has not been supported by schedules indicating the values of goods, services and works supplied.

In the circumstances, the accuracy and completeness of trade and other payables from exchange transactions balance of Kshs.8,420,604 as at 30 June, 2022 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ngong Technical and Vocational 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 judgement, 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 reflects total revenue budget of Kshs.12,831,938 and actual on comparable basis of Kshs.22,421,222 resulting to over-collection of Kshs.9,589,284 or 75% of the budget. Further, the Institute spent Kshs.12,194,839 out of actual on comparable basis revenue of Kshs.22,421,222 resulting to under-absorption of Kshs.10,226,383 or 46% of the actual revenue.

The over-collection of 75% of budgeted revenue implies poor budget process while the under-absorption of 46% implies that the planned activities and programs were impacted negatively affecting service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards

Review of the financial statements revealed errors in presentation and disclosures as outlined below:

- i. Blank page and table of contents are numbered ii and iii instead of omitting page numbers and numbering of pages up to xxxii is incorrect.
- ii. Report of the Board of Governors in page xxviii erroneously includes the word 'Council'. Further, the report of the board of governors indicate results of the entity to be set out in pages 1-6 instead of 1-38.
- iii. Significant Judgments and Sources of Estimation Uncertainty in page 18 has been wrongly placed and should be after section u in page 19.
- iv. The financial statements have omitted notes on cash generated from operations, credit risk, liquidity risk and capital risk management tables.

In the circumstances, the annual report and financial statements have not been prepared as prescribed by the Public Sector Accounting Standards Board.

2. Lack of Internal Audit Function

During the year under review, the College did not have an Internal Audit function contrary to provision of Section 73(1)(a) of the Public Finance Management Act, 2012 which provides that every government entity shall have appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the management was in breach of the law and the effectiveness of internal controls and risk management could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 3000 and 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, and 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 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 Handing Over Documents

During the year under review, Management did not provide handed over documents including the plans, proposals, memorandum of understanding for land, completion certificate of building, letter of appointments of the mentor and bank statements for grant on building.

In the circumstances, effectiveness of the operations and governance of the entity without proper procedures and instructions could not be confirmed.

2. Lack of Operational Policies and Manuals

During the year under review, the College did not have a finance manual, fraud prevention guidelines, risk assessment and management policy, training need assessment tools, approved organization chart, disaster recovery plan, approved human resource manual and an annual staff training program.

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

3. Lack of Segregation of Duties

Review of staffing and roles allocation in the accounts department revealed that the department had one employee who was performing duties of recording transactions, disbursing funds, making entries in the cashbook, reconciling cashbooks and bank balances, and making payments.

In the circumstance, the internal controls on financial operations could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 the 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 controls, 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.

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

Auditor-General's Responsibilities for the Audit

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 control 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 noncompliance. 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 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 applicable 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 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

21 June, 2023

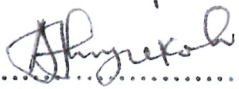
NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

XIII. Statement of Financial Performance for the year ended 30 June 2022


Description	Notes	2021-2022 Kshs	2020-2021 Kshs
Revenue from Non-Exchange transactions			
Transfers from the National Government – grants/ gifts in kind	6	6,270,000	3,335,000.00
Total Revenue from non-exchange transactions		6,270,000	3,335,000.00
Revenue from Exchange transactions			
Rendering of services- Fees from students	7	16,015,222	4,575,746
Other income	8	136,000	-
Revenue from Exchange transactions		16,151,222	4,575,746.00
Total Revenue		22,421,222	7,910,746.00
Expenses			
Use of goods and services	9	9,634,544	1,803,525
Employee costs	10	1,881,970	360,280.00
Board of Governor's Expenses	11	467,500	158,000.00
Depreciation and Ammortization	12	3,706,621	9,818,658.00
Repairs and maintenance	13	210,825	82,436
Total Expenses		15,901,460	12,222,899
Total other gains/(losses)		-	-
Net Surplus for the year		6,519,762	4,312,153.00

(The notes set out on pages 6 to 38 form an integral part of the Annual Financial Statements).

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


.....
Chairman of Council/Board


.....
Finance Officer


.....
Principal

Date 18/5/2023

ICPAK No 29221
Date 18/05/2023

Date 18/05/2023



NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

XIV. Statement of Financial Position as at 30th June 2022

Description	Notes	2021-2022 Kshs	2020-2021 Kshs
Assets			
Current Assets			
Cash and cash equivalents	14	9,695,745	6,085,039
Current portion of receivables from exchange transactions	15(a)	2,671,800	2,272,743
Receivables from non-exchange transactions	15	-	1,115,000
Total Current Assets		12,367,545	9,472,782.00
Non-Current Assets			
Property, plant and equipment	17	47,305,402	43,888,582.00
Total Non-current Assets		47,305,402	43,888,582.00
Total Assets		59,672,947	53,361,364
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	16(a)	8,420,604	235,027.00
Current provisions	18	225,483	-
Payments received in advance		8,646,087	235,027.00
Non-current liabilities		-	-
Total Non-current liabilities		-	-
Total liabilities		8,646,087	235,027.00
Net Asset		51,026,859.18	51,026,859.18
Accumulated Surplus/(Deficit)		2,207,609.40	-
Capital Fund	17	48,819,250	-
Total Net Assets and Liabilities		51,026,858.93	51,026,858.93
Total Net Assets and Liabilities		59,672,947	53,361,364

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

[Signature]

 Chairman of Council/Board

[Signature]

 Finance Officer
 ICPAK No 29221

[Signature]

 Principal

(Note: 1. ...)

Date 18/5/2023

Date 18/05/2023.
 CPA Myaundo Joseph

Date

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

XV. Statement of Changes in Net Asset for the year ended 30 June 2022

Description	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/	Total
				Development Grants/Fund	
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.
Balance b/f at July 1, 2020			-	53,497,740	53,497,740
Evaluation gain	-	-	-	-	-
Fair value adjustment on quoted investments	-	-	-	-	-
Total comprehensive income	-	-	4,312,153	-	4,312,153
Capital/Development grants received during the year	-	-	-	1,644,269	1,644,269
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	-
Balance c/d as at June 30, 2021	-	-	4,312,153	55,142,009	50,829,856
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.
Balance b/f as at July 1, 2021	-	-	4,312,153	55,142,009	50,829,856
Evaluation gain	-	-	-	-	-
Fair value adjustment on quoted investments	-	-	-	-	-
Total comprehensive income	-	-	6,519,762	-	6,519,762
Capital/ Development grants received during the year	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	-
Balance c/d as at June 30, 2022	-	-	2,207,609	55,142,009	57,349,618

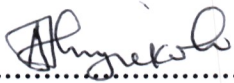
Revaluation reserve relates to the amount of asset donated to the college by the ministry.

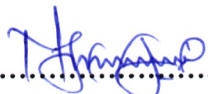
NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022


XVI. Statement of Cash Flows for the year ended 30 June 2022

Description		2021-2022	2020-2021
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other government entities/govt. Grants	6 (b)	7,385,000	3,335,000
Rendering of services- fees from students	7	16,015,222	4,575,746
Other income	8	136,000	-
Total Receipts		23,536,222	7,910,746
Payments			
Compensation of employees	10	1,881,970	360,280
Use of goods and services	9	9,634,544	1,803,525
Repairs maintenance and improvements	13	210,825	82,436
Board of Governors expenses	14	467,500	158,000
Other payments			
incerase/(decrease) in payables	16 (b)	8,185,577	224,371
(Increase)/Decrease in Receivables	15 (b)	- 399,057	- 2,272,743
Total Payments		19,981,359	355,869
Net cash flows from operating activities		3,554,863	7,554,877
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(5,821,959)	(7,554,877)
Net cash flows used in investing activities		(5,821,959)	(7,554,877)
Cash flows from financing activities			
Net cash flows used in financing activities		-	-
Increase in Net Assets/Receivables		5,877,802	3,825,357
Net Increase/(Decrease) in Cash and Cash equivalents		(2,267,096)	-
Cash and cash equivalents at 1 July 2021	16	6,085,039	6,085,039
Cash and cash equivalents at 30 June 2022	16	9,695,745	6,085,039

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


.....
Chairman of Council/Board


.....
Finance Officer


.....
Principal

ICPAK No 29221

Date 18/5/2023

Date 18/05/2023

Date 18/05/2023

CPA M. Kanneho Josiah



NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

XVII. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022

Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	performance difference	utilisation difference	Explanation of material variances
	Jul-2020		Jun-2021	Cumulative to date	Variance		
	Shs		Shs	Shs	Shs		
Revenue							
Rendering of services- Fees from Students	31,442,805	-	31,442,805	29,412,693	2,030,112	6%	(a)
Transfers from other government entites-capitation grants	30,000,000	-	30,000,000	21,147,500	8,852,500	30%	(b)
Total income	61,442,805	-	61,442,805	50,560,193	10,882,612		
Expenses							
Use of Goods and Services	57,157,948	2,591,130	54,566,818	27,811,307	26,755,511	49%	(c)
BoG Meetings- Remuneration of Directors	889,001	1,400,000	2,289,001	1,173,100	1,115,901	49%	(d)
Personal Emoluments- Compensation of employees	3,395,856	1,191,130	4,586,986	7,458,161	2,871,175	-63%	(e)
Total expenditure	61,442,805	-	61,442,805	36,442,568	25,000,237		
Surplus for the period	-	-	-	14,117,625	14,117,625		

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

	<i>Explanation of material variance</i>							
a)	Movement is due to lower student turnout that anticipated. The budgeted turnout was 800 students whereas the number that reported was 597. This was brought about by the adverse effects of the Covid-19 pandemic restricting our ability to admit students in the first two quarters of the year and affecting the recovery of fes arrears from students.							
b)	Movement is due to a reduction of activities that usually happen during the year as well as reduced activities during the first two quarters. Student activities such as ball games TVET fairs and other normal activities did not occur due to the restrictions imposed to curb the spread of Covid-19. Trainings also did not occur, most of our funds were spent in preparation for re-opening.							
c)	Movement is due to hire of administrative staff on lesser terms of service as well as a reduction in part-time trainers due to an increase in full time trainers provided by the Public Service Commission.							
d)	Movement is due food processing machine which have not been in use due to lack of phase three power supply							
f)	Movement is due to the unemployed staff as projected							

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

XVIII. Notes to the Financial Statements

1. General Information

Ngong TVC is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is training.

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 judgement or complexity, or where assumptions and estimates are significant to the financial statements as disclosed.

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

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

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. It's not application to this period.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Standard	Effective date and impact:
	(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. It's not application to this period.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. It's not application to this period.</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. It's not application to this period.</p>
IPSAS 43	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees</p>

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Standard	Effective date and impact:
	<p>and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. It's not application to this period.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. It's not application to this period.</p>

iii. Early adoption of standards

The College did not early-adopt any new or amended standards in year 2022.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

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.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

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 2021/2022 was approved by the Council or Board on **26/07/2021**. 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 did not record additional appropriations of AIA on the FY 2021/2022 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 actuals as per the statement of financial performance has been presented under section **II** of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule **II** of the **Income Tax Act**.

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.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of 5 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.

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

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.

g) Intangible assets

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

h) 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.

i) 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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

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 an 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:

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of 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.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Loans and borrowing

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

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

j) Inventories

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

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

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

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

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.

k) 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.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

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.

l) Nature and purpose of reserves

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

m) 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.

n) Employee benefits

Retirement benefit plans

The does not provide 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.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

4 Summary of Significant Accounting Policies (Continued)

o) 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.

p) 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.

q) Related parties

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

r) Service concession arrangements

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

5. Significant Judgments and Sources of Estimation Uncertainty

s) 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.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

t) Comparative figures

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

u) 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, 2022.

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 33.

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 other National Government entities

Description	2021-2022	2020-2021
	Ksh	Ksh
Unconditional Grants		
Capitation Grants	6,270,000	3,335,000

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Name Of The Entity Sending The Grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund.	Total grant income during the year	2020-2021
			Kshs	Kshs	Kshs
State Department of Vocational and Technical Training	6,270,000	-	-	6,270,000	3,335,000
Ministry of Education	-	-	-	-	-
Total	6,270,000	-	-	6,270,000	3,335,000

(a) Transfers from other Government entities (Categorized)

(b) Transfers from other Government entities (Accumulative)

Description	2021-2022	2020-2021
	Ksh	Ksh
Unconditional Grants		
Capitation Grants	7,385,000	3,335,000

7. Rendering of Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Fees	9,444,957	3,731,707
Activity Fees	1,172,639	249,332
Industrial Attachment Fees	561,180	49,773
Examination Fees	1,983,495	106,310
Library Fees	350,060	33,082
Facilities And Materials	1,462,063	185,687
Registration Fees	552,623.00	176,548
Internet	348,255	33,082
Insurance	139,950	10,225
Total Revenue from The Rendering Of Services	16,015,222	4,575,746

This is the gross amount of fees from students in various vote head.

8. Other Income

Description	2021-2022	2020-2021
	Ksh	Ksh
Insurance recoveries	-	-
Consultancy fees/IGA	136,000	-
Total other income	136,000	-

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

9. Use Of Goods And Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	4,871,949	898,218
Industrial attachment costs	59,570	-
Electricity	290,624	54,620
Water	96,350	40,000
Security	144,000	-
Professional and consultancy services		-
Development Expenses	92,893	-
Advertising		-
Examination fees	1,783,780	-
Audit fees		-
Catering, conferences, and delegations	655,650	-
Travelling and accommodation	786,010	219,980
Identity cards	44,800	-
Insurance	-	-
Legal expenses	-	-
Licenses and permits	-	-
Postage	-	-
Printing and stationery	-	-
IGA Expenses	32,000	-
Student Refunds	-	13,000
Covid-19	-	56,000
Telephone expenses	-	-
Internet expenses	437,684	162,229
Training expenses	-	-
Administration exp i.e Regi	309,814	359,478
Student welfare	29,420	
Total good and services	9,634,544	1,803,525

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

10. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	1,746,150	360,280
Employee related costs - contributions to pensions and medical aids		
Travel, motor car, accommodation, subsistence and other allowances	-	
Housing benefits and allowances		
Overtime payments		
Performance and other bonuses		
Social contributions	135,820	
Employee Costs	1,881,970	360,280

11. Board/Council Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Chairman's Honoraria	0	0
Board of Governors Emoluments and Allowances	467,500	158,000
Other Allowances		
Other Board/Council Expenses		
Total director emoluments	467,500	158,000

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

12. Depreciation and Amortization expense

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	3,706,621	9,818,658
Intangible assets	-	
Investment property carried at cost	-	
Total depreciation and amortization	3,706,621	9,818,658

13. Repairs and Maintenance

Description	2021-2022	2020-2021
	Ksh	Ksh
Building	151,315.00	82,436
Other repairs	34,870.00	
Equipment and machinery	10,470.00	
Furniture and fittings	14,170.00	
Computers and accessories		
Total Repairs and Maintenance	210,825	82,436

14. A) Cash and Cash Equivalents

Description	2021-2022	2021-2022
Current Account Co-operative Bank	9,695,234	2,137,436
Cash	511	6940
Equity Bank CDF Account	-	3,940,663
Total cash and cash equivalents	9,695,745	6,085,039

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

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

Description		2021-2022	2020-2021
Financial Institution	Account number	Ksh	Ksh
a) Current Account			
Co-operative Bank	0112984241400	9,695,234.00	2,137,436
Equity Bank, etc.		-	3,940,663
Sub- Total		9,695,234	6,078,099
b) On - Call Deposits			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
Sub- Total		-	-
c) Fixed Deposits Account			
Kenya Commercial Bank			
Bank B		-	-
Sub- Total		-	-
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		-	-
Bank B		-	-
Sub- Total		-	-
e) Others(Specify)			
Cash in Transit		-	-
Cash in Hand		511.00	6,940
Mobile Money account		-	-
Sub- Total		511	6,940
Grand Total		9,695,745	6,085,039

15. A) Receivables from Exchange transactions

Description	2021-2022	2020-2021
	Ksh	Ksh
Current Receivables		
Student debtors	2,671,800.00	2,272,743
Staff Advances		
Consultancy Debtors		
Other Exchange Debtors		
Less: Impairment Allowance 5%		
Total Current Receivables	2,671,800	2,272,743

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

b) Receivables from Exchange transactions Net Changes

Description	2021-2022	2020-2021	NET CHANGES
	Ksh	Ksh	Ksh
Current Receivables			
Student debtors	2,671,800.00	2,272,743	399,057.00
Less: Impairment Allowance 5%			
Total Current Receivables	2,671,800	2,272,743	399,057

c) Receivables from Non-exchange transactions

Receivables from Non-exchange transactions		
Description	2021-2022	2020-2021
	Ksh	Ksh
Current Receivables		
Capitation Grants*		615,000
Transfers from Other Govt. entities		500,000
Undisbursed Donor Funds		
Total Current Receivables	-	1,115,000

16. Trade and other Payables from Exchange Transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables (Suppliers)	2,025,987.00	72,850
Fees paid in advance	3,063,720	56,177
Mentor Institution (PC Kinyanjui)	3,098,897	
Audit Fees	232,000	
Other payables	-	106,000
Total trade and other payables	8,420,604	235,027

The amount of KES 3,098,896.91 spent by the mentor institution on behalf of Ngong TVC has not been included in the financial statement.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

b) Trade and other Payables from Exchange Transactions from Net changes

Description	2021-2022	2020-2021	Net Changes
	Kshs	Kshs	Kshs
Trade payables (Suppliers)	2,025,987.00	72,850	1,953,137
Fees paid in advance	3,063,720	56,177	3,007,543
Mentor Institution (PC Kinyanjui)	3,098,897		3,098,897
Audit Fees	232,000		232,000
Other payables	-	106,000	106,000
Total trade and other payables	8,420,604	235,027	8,185,577

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

17. A) Property, Plant and Equipment

Description	Land	Buildings	PERIMETER WALL-WIP	Furniture and fittings	Computers and related equipment	OTHER ASSETS	Plant and equipment	Capital WIP- TEMPORARY CLASSROOMS	Total
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Kshs	Shs
		5%	0%	20%	33%	10%	12.50%		
Opening Book Net Book value 2018 At 1 July 2020	-	53,497,740.00		80,500.00	129,000.00	-	1,476,769.00	-	55,184,009
Additions									-
Disposals									-
Transfers/adjustments At 30th June 2021									-
	-	53,497,740		80,500	129,000	-	1,476,769	-	55,184,009
Additions				129,233	1,356,550		2,519,675	1,872,344.00	5,877,802
Disposals									-
Transfer/adjustments									-
At 30th June 2022	-	53,497,740		209,733	1,485,550		3,996,444	1,872,344	61,061,811
Depreciation and impairment At 1 July 2020									-
Depreciation		9,806,136		16,100	42,957		184,596		10,049,789
Impairment									-
At 30 June 2021		9,806,136		16,100	42,957		184,596		10,049,789
Depreciation		2,674,887		41,947	490,232		499,556		3,706,621
Disposals									-
Impairment									-
Transfer/adjustment									-
At 30th June 2022	-	12,481,023		58,047	533,189		684,152		13,756,409
Net book values At 30th June 2022	-	41,016,717		151,686	952,362		3,312,292	1,872,344	47,305,402
At 30th June 2021	-	43,691,604		64,400	86,043		1,292,173	1,872,344	47,006,564
Work In Progress: Making of temporary exterior workshops								1,513,848	48,819,250

Note;

The opening net book values are asset received from the mentor institutions through the parent ministry, WIP of Kshs. 872,006 is some of the on-going projects which are still being under construction hence their fair values (historical cost) can't be ascertained at the moment thus no depreciation was subjected to them

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). These amounts were adopted in the financial statements on 28.09.2022

17 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	53,497,740	12,481,023	41,016,717
Perimeter Wall	-	-	-
Office equipment, furniture, and fittings	209,733	58,047	151,686
Computers and related equipment	1,485,550	533,189	952,362
Other Assets	-	-	-
Plant and Equipment at Cost	3,996,444.00	684,152	3,312,292
WIP -Semi-parment Classrooms	1,872,344	-	1,872,344
Total	61,061,811	13,756,409	47,305,402

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

18. Provisions

Description	Current	1 - 90	91 - 180	181 - 270	> 270	TOTAL
Trade Receivables	- 1,073,650	1,386,700	762,513	1,596,237	-	2,671,800
Rate in %	-	0.02	0.05	0.10	0.20	
Provisions	-	27,734	38,126	159,624	-	225,483

Noted

The current provision is the prepaid amount deducted from the total debtors to get the net debtors amount

BASIS OF PROVISION FOR DOUBTFUL DEBTS

BASED ON IPSAS-19						
BRACKET	Current	1 - 90 Days	91 - 180 Days	181 - 270 Days	> 270 Days	361 Days and Above
Corporates e.g. APA, CIC, Individual etc.	0%	2%	5%	10%	20%	100%
Government clients e.g. NCC, NHIF, KRA etc.	0%	2%	5%	10%	20%	100%
Corporate Capititations	0%	0%	0%	0%	10%	100%
Government Capititations	0%	0%	0%	0%	0%	0%

CURRENT PROVISIONS

Description	Leave provision	Bonus provision	Bad Debtors provision	Total
	KShs	KShs	KShs	KShs
Balance at beginning of the year/ period	-	-	-	-
Additional Provisions for the period	-	-	225,483.35	225,483.35
Provision utilised during the period	-	-	-	-
Change due to discount and time value for money	-	-	-	-
Transfers from non - current provisions	-	-	-	-
Total provisions as at end of year/ period			225,483.35	225,483.35

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

19. Financial Risk Management

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

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

(i) Credit risk

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

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

(i) Credit risk (continued)

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

The entity has significant concentration of credit risk on amounts

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

(ii) Liquidity risk management

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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

(iii) Market risk

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

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

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

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

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

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

a) Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

b) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

(iii) **Market risk (Continued)**

b) Interest rate risk(continued)

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

20. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

21. Events After the Reporting Period

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

22. 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.

23. Currency

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

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

XIX. Appendices
Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Inaccuracies in the financial Statement	The errors affecting subsequent financial years have been noted and corrected	Resolved	
2.	Unsupported Remuneration of Directors	Most of the meetings were in the financial year were virtual and attendance register had not been signed in the subsequent year the registers will be circulated for signing in such circumstances	Not resolved	Financial year 2022/2023
3.	Cash and Cash Equivalent	The cash at hand survey report will be conducted in the subsequent financial year	Not resolved	Financial year 2022/2023
4.	Property Plant & Equipment	The land occupied by the college was donated by the catholic church on condition that the title would remain in the name of the catholic church. The management is following from ministry to get the value of the food Science equipment that were donated.	Not resolved	Financial year 2022/2023

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

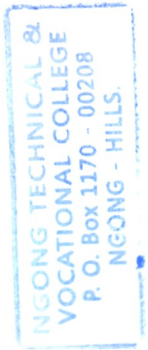
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5.	Unsupported Receivables	The college has installed the QuickBooks system hence able to generate ageing debtor analysis.	Resolved	
6.	Trade & Other Payables	Fees paid in advance schedule and payable fees is available to support the amount of 56177 in the financial position	Resolved	
	Other Matter			
1.	Budgetary control & Performance	The audit opinion has been noted for future adoption. The under-utilized funds have been budgeted for the subsequent finance year.	Resolved	
2.	Irregular Recruitment	Management is in the process of developing procedures to be followed during new staff recruitment.	Not resolved	Financial year 2022/2023
3.	Failure To maintain an Imprest Register	Imprest register has been maintained	Resolved	
4	Non-Compliance with Law on Ethnic Composition	Most of the employees are PSC trainers who are posted by the Ministry hence the college has only control of employment of BOG staff	Not resolved	Continuous process
5	Irregular Procurement of Goods & services	The college used the PC Kinyanjui pre-qualified supplier list in the financial year under review, However, the college has its own pre-	Resolved	

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Report on Effectiveness of Internal Controls, Risk Management & Governance.	qualified supplier for the financial 2022/23 to 2023/24		
1	Lack of operational and Policies Manual	Management will be working on the policies manual in the subsequent financial year.	Not resolved	Financial year 2022/2023
2	Lack of Internal Audit Function	The recommendation to functional Internal Audit has been noted for action	Not resolved	Financial year 2022/2023
3	Non-Establishment of Audit committee	Management has noted the failure of non-Establishment of Audit Committee. The matter will be addressed by the Board.	Not resolved	Financial year 2022/2023
4	Lack of Segregation of Duties	The management will expand the finance department to ensure there is proper segregation of duties.	Not resolved	Financial year 2022/2023

.....
T. Mutuku

Name
Teresia Mutuku
(Ngong Technical & Vocational College)



NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Date

Appendix II: Projects Implemented by (NGONG TECHNICAL AND VOCATIONAL COLLEGE)

Projects

Projects implemented by the State Corporation/ SAGA Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Perimeter wall	1	NG-CDF Kajiado County	-	6,484,955	No	No

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1 Perimeter wall	6,484,955	5,043,745	77.7%	6,484,955	5,043,745	Kajiado NG-CDF
2						
3						

NGONG TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements
for the year ended 30th June 2022

Appendix III- Inter-Entity Confirmation Letter

[Ngong Technical & Vocational College]
[P.O Box 1170-00208]

The *Ngong Technical and vocational college* wishes to confirm the amounts disbursed to you as at 30th June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Ngong Technical & Vocational College] as at 30th June 2022

Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022				Total (D)=(A+B+C)	Amount Received by [beneficiary Entity] (KShs) as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)				
DTE/CAP 9/28 (116)	18/11/21	1,905,000	0	0	1,905,000	500,000	500,000	
DTE/CAP 9/30 (160)	03/03/22	1,905,000	0	0	1,905,000	240,000	240,000	
DTE/CAP 9/33 (120)	06/06/2022	2,460,000	0	0	2,460,000	740,000	740,000	
Total		6,270,000			6,270,000	2,220,000	2,220,000	

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

Head of Accountants department of beneficiary Ngong TVC:

Name *C.P.A. J. S. S. S. S.* Sign *[Signature]* Date *18/09/2023*

