



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 29 MAY 2025	DAY: 29/5/2025
REPORT	
TABLED BY:	Hon. Bays Eganu Deputy Leader of Majority Party
CLERK-AT-THE-TABLE:	Hallina Ahmed

OF

THE AUDITOR-GENERAL

ON

**THARAKA TECHNICAL AND VOCATIONAL
COLLEGE**

**FOR THE YEAR ENDED
30 JUNE, 2024**



Revised 30th June 2024



THARAKA TECHNICAL & VOCATIONAL COLLEGE

AMMENDED ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2024**

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

Key Entity Information and Management

(a) Background information

The *institution* was incorporated/ established under the TVET Act/ 2013. The institute is under the Ministry of Education. The institution started in September 2017 with few trainees with the Technical& business department currently the institution has gross enrolments of 750 trainees. Under the following departments: building and civil engineering, Electrical, Automotive, business, cosmetology, hospitality& Fashion & designs.

(b) Principal Activities

The principal activity is to enable skills acquisition through training

Vision

To be a national centre of excellence in provision of technical vocation education and training.

Mission

To develop competent technical human resource for innovation and development.

(c) Key Management

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

- Board of Governors/ Council/ Management etc.
- Accounting officer/ Principal
- Management...;

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Principal	-Tikva Gichohi
2.	Deputy principal Finance	-Julius Mutugi nyaga
3.	Deputy principal Academics	
4.	Registrar (s)	Paul Muchai mwai
5.	Dean of students	Susan Makena-
6.	Head of Finance	David Kimathi Kamwara
7.	Head of procurement	Brenda Komen

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

- *Audit and risk committee activities*

1. Review in consultation with the internal auditors, the Office of the Auditor General or any appropriate independent auditor, significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial reporting requirements;
2. Develop Risk Management framework /Plan for audit)
3. Apply appropriate level of scepticism, ask probing questions, and engage in frank discussions with management on the results of the audit, including any difficulties encountered- e.g with the office of OAG regional & (National)
4. Review the quarterly and annual financial reports and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles;
5. Review other sections of the annual report and disclosures before release and consider the accuracy and completeness of the information;

6. Review with management and the auditors all matters required to be communicated to the Committee under IPPF Standards; and
7. Review any significant disagreement between management and the Office of the Auditor General or the internal audit department in connection with the preparation of the financial statements and management's response to such matters.
8. Audit plan to be implemented by the Internal Auditor who is the Secretary to the committee.

- *Finance and Infrastructure committee activities*

1. To ensure that the budget is prepared by 30th June of every year the Procurement Plan in tandem with budget.
2. To ensure that the procurement process is undertaken as per the guidelines as stipulated in the public procurement and Asset disposal Act 2015
3. To ensure that application of expenditure complies with PFM Act 2012, treasury circulars and any other circulars released from time to time and ministry guidelines on use of grants.
4. To ensure financial statements are prepared by 9th September of every year and submitted to the auditor general by 20th September of every year and full Board for approval
5. To ensure that the idle and unserviceable/obsolete assets are disposed in a manner prescribed in the PPAD Act 2015 (must bring report to the committee, and then to the full board)
6. To explore new ways of raising funds for the College and any savings be used for projects as it shall be determined by the Board. (Resource mobilization)
7. To enable Board of Cash survey is done before 30th June of every FY.

A) Infrastructure

1. To advise on the expansion of the institute facilities engage a consultant to do (Master Plan)
2. To ensure repair and maintenance of the existing institute's facilities RI vote head
3. To ensure enhancement of ICT infrastructure development as per performance Contracting (PC)/strategic plan (SP)
4. Asses the emerging needs of the Institute and advise on new infrastructure
5. To appoint a mobilizer of funds person for the College.

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Education, Training research and human resource committee

1. To ensure eligible students are admitted to the right programs
2. To ensure continued improvement in academic performance
3. To ensure high completion rate
4. To grow enrolment to achieve a target of 5000 trainees. This should be cascaded to heads of departments, heads of sections and trainers to promote achievement of this target
5. To continuously improve integration of ICT Resources in teaching learning.
6. *To motivate trainees and trainers well by lobbying further studies from stake holders*
7. *Develop CBA/CBET training and assessment policies and guidelines*
8. Ensure quality training by provision of appropriate tools and equipment in place including using them in production units to generate income
9. Integrate production in Training and establish a commercial hub for innovation
10. To ensure there are competent trainers
11. To ensure full transition to CBET and Dual training
12. To deliberately mount short courses that are in tandem with job requirements both at local and international market
13. Conduct bench marking activities in education and training
14. To ensure 100% transition/Completion rate.
15. Introduce RPL program

B. TRAINING

1. To ensure that only trainers with relevant expertise undertake training in specific areas
2. To ensure that only trainers with relevant expertise undertake training in specific areas
3. To develop courses that are relevant to the market in consultation with the industry
4. To encourage capacity building for trainers (this include attachment, further training and refresher courses)
5. To deliberately develop centres of excellence in specific target disciplines
6. To promote participation in Co-Curricular activities
7. To enhance discipline among the trainees and Staff
8. To encourage Collaboration with other Training institutions and the industry

(f) Entity Headquarters

P.O. Box 51 – 60215
Marimanti-Gatunga Road
TharakaNthi,- KENYA

(g) Entity Contacts

Telephone: (254) 742951657
E-mail: tharakatechnical@gmail.com
Website: tharakatechnical.ac.ke

(h) Entity Bankers

1 .Equity bank
Meru Makutano Branch
P.O. Box 400-60200
Meru, KENYA

2.Transnation sacco ltd
P.o box 15-60400
Chuka- kenya




(i) Independent Auditors





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


(j) Principal Legal Adviser


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

2. The Board of Governors From April 2024- June 2024


<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.		<p>Geoffrey Mucee Rukunja OGW. He was born in Tharaka Nithi county, in 1958. He holds master degree in human resource management, he has vast experience in TVET he has been a Chief principal for over 14 years and also a National KATTI chairperson education & he is director of TANA - Water Works Development Agency. He is currently board chairperson</p>
2.		<p>Stanely Muriithi Nyaga was born in Tharaka Nithi county in 1970 ,he hold BA in counselling psychology he is currently the chairperson finance & infrastructure committee</p>
3.		<p>Justus Mwiti Kanga he was born in 1975 in Embu county he holds MBA in strategic management he is currently the chairperson of audit & risk committee</p>




4.		<p>Silas G. muguongo was born in 1961 in Nyeri county he holds a masters in microbiology he is currently senior lecturer at Outspan medical college he is a member in Finance & risk committee</p>
5.		<p>Ann Muthoni Mburu she was born in 1964 in Nyeri key qualifications she hold a bachelor degree in economics & a master of science in human resource management she is the chairperson for Education Training Research& human resource</p>
6.		<p>Alex Nyoto Barasa he was born in 1982 in Bungoma County, Kenya he holds BSC in computer science he is the CEO of Abno Software International he is a member of finance planning & infrastructure Committee.</p>
7.		<p>Christine Makena Kaburu she was born in 1992 in Tharaka-Nithi ; key qualification Holds bachelor degree in LLB she has over 8 years' experience in practice she is a legal assistant at Otieno C& CO Advocates she is member of finance planning & infrastructure Committee</p>

8.		<p>DR. Andelina Mugure Muthuri (phD) she was born in 1967 in Meru County ; key qualification Holds phD In Educational Administration & planning master degree in Education she is Deputy Director of Technical Education. She is a member of finance planning & infrastructure Committee.</p>
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9.		<p>Tikva Gichoi ,she was born in 1968 in Nyeri County. She holds degree in BED and a master in counselling psychology she has over 26 years of experience in TVET training she is principal/ secretary to the board.</p>
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3. Key Management Team

SN	Member/ Director	Details
1.		<p>Tikva Gichoi, she was born in 1968 in Nyeri County. She holds degree in BED and a master in counselling psychology she has over 26 years of experience in TVET training She is directly responsible for implementing board resolutions& daily operation of the institution.</p>
2.		<p>Julius Mutugi Nyaga was born was born in 1967 in Tharaka Nithi county : key qualification he holds masters of Education (administration) he deputy principal administration.</p>
3.		<p>Paul mwai muchai was born in 1969 Kirinyaga county; key qualification he holds a bachalor degree in building technology he has over 30years in Tvet he is the registrar</p>

4.		<p>Susan makena muthengi was born in 1991 in Tharaka-Nithi county key qualification: she holds a BSc in Agriculture she is the Deans of student</p>
5.	<p>Manager 3</p>	
6.		<p>Brenda jebichi komen : she was born in 1986in Baringo county :Key qualification she holds diploma in supplies management with over 12 years procurement she is currently pursuing a degree she is procurement officer.</p>
7.		<p>David Kimathi kamwara born in 1989 Tharaka nithi county he Hold a diploma in accountancy , he is CPAK holder and a certified secretary with over 13 years of experience in finance ,auditing and consultancy services</p>

4. Chairman's Statement

Tharaka technical and vocational college has a board of eight members whose main work is oversight and to give guidance on the implementation of the strategic plan. This plan guides infrastructure developments from year to year and enables the institution to focus on the core mandate of quality training. The Board works closely with the administration headed by the principal in this annual "visioning" process. In the year under review, the Board envisioned to carry out various developmental activities among them, installation of solar energy, .

Capitation from the government for the four quarter was given for the year under review. However the college did not receive any development grants and gross enrolment towards the year end grew by double this lead to constrained in available resources .The college continues to suffer shortage of physical facilities like workshops, tuition rooms and laboratories. Workshop equipment and tools are also inadequate.

Going forward, the board will continue to put resources together in order to provide the much needed environment to offer quality skills training I continue to urge the government to disburse capitation and development grants in good time to enable to college acquire the much needed training requirements to enable it meet its mandate.

The college will continue to collaborate with the county government and other stakeholders for synergy and resource mobilisation.

5. Report of the Chief/Senior Principal

VI. REPORT OF THE PRINCIPAL

At the close of the year under review, the college had a current human resource combination of 64 workers in different cadres. 28 employed by the public service while the rest were employed by the board.

In the year under review, the following key activities were carried out;

- Installed college portal & E-citizen.
- Activated college website.
- Fabricated lecture chairs.
- Fabricated trainees.
- Put up printing booth at the reception.
- Installation of phase one solar energy (green energy).
- Participated in drama music festival up to nationals and athletics.
- Participated in recruiting PSC trainers exercise.
- Reviewed strategic plan with BOG at Embu 2023-2027.
- Conducted training on QMS.
- Trainees went for an educational trip in Nanyuki.
- Participated in various trainers and support staff capacity building workshops.


The college has embraced the competence based education and training (CBET) and is putting systems in place to commence the following CBET programmes;

- Planting trees (1450 seedlings)
- Recruited finance officer CPAK
- Bought principal's laptop.

Challenges

The college budgeted to spend shillings seventy million one hundred and ninety four thousand one hundred and thirty seven only Ksh. **75,874,000**. However, by the close of the year, only Kenya shillings seventeen million fifty three thousand one hundred and ninety six only (**35,453,265**) had been collected.

This shortfall led to some envisioned programs and projects not realized.



George Maceo Rukunja

Way forward

The following activities need to be carried out to improve on service delivery

- Construct a central store for safe storage of college items.
- Develop a master plan for the college future development.
- Construct pit latrine (funded by the CDF).
- Fabricate 3000 lecture chairs.
- Buy 10 trainer's desks.
- Construct lecture rooms (4 rooms).
- Increase enrolment to 3,000 trainees.
- Increase CCTV cameras to enhance security.
- Fix street lights (front view).
- Fabricate 150-seater tenets.
- Fix additional water line for water supply from Tharaka University intake pipe.
- Buy driving truck for the college.
- Buy 10 sewing machines for fashion design.
- Acquire title deed for the college.
- Add more electrical boards for practical.
- Establish new department for Tourism, Fashion design and cosmetology.

T. W. W. W.

TIKVA GICHOBI

05/03/2025

1. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

1. Introduction

Tharaka Technical and Vocational Training College is committed to providing quality technical and vocational education that equips learners with practical skills for the labor market. This statement evaluates the institution's performance against its predetermined objectives as outlined in its strategic plan and annual work plan.

2. Key Performance Areas and Achievements

A. Academic Excellence and Skills Development

- **Target:** Ensure 100% completion and certification rate for students enrolled in various programs.
- **Performance:** Achieved an 85% completion rate, with 82% of graduates obtaining certification in their respective courses.
- **Impact:** Enhanced employability and self-employment opportunities for graduates.

B. Curriculum Implementation and Quality Assurance

- **Target:** Develop and review at least three new market-driven programs.
- **Performance:** Successfully developed and accredited two in food and beverage and fashion designs.
- **Impact:** Improved alignment of training programs with industry needs.

C. Infrastructure and Learning Facilities

- **Target:** Construct and equip an additional classrooms
- **Performance:** the project was not achieved because of finance constrains
- **Impact:** increase in pressure on infrastructure facilities.

D. Student Enrollment and Retention

- **Target:** Increase enrolment by 15% compared to the previous year.
- **Performance:** Achieved a 70% increase in student enrolment.
- **Impact:** Strengthened the institution's capacity to provide technical education to a larger population.

E. Industry Linkages and Partnerships

- **Target:** Establish at least five new partnerships with industries and employers.
- **Performance:** Signed Memorandums of Understanding (MoUs) with four new industry partners for student internships and apprenticeships.
- **Impact:** Strengthened practical training and increased job placement opportunities.

6. STATEMENT OF CORPORATE GOVERNANCE

The Institute has adopted high standards and applies strict rules of conduct based on international best practices. As part of this commitment, The Board adheres to good corporate governance by embracing the following Principles:

1. To observing high standards of ethical and moral behaviour
2. To acting in the best interests of the Institution
3. To remunerating and promoting its staff fairly and responsibly
4. To recognizing the legitimate interests of all stakeholders and
5. To ensuring that the Institution acts as a good corporate citizen.

In general, Board members shall act in the best interest of the Institution and uphold their fiduciary responsibilities and duty with care. This involves not disclosing confidential information, avoiding real and perceived conflicts of interest, and favouring the interests of the Institution over other interests. They will act honestly and in good faith so as to create a culture built on principles of integrity, accountability and transparency.

To facilitate this, the Board adopts this charter and acknowledges that it is complementary to the requirements regarding the Board and Board members contained in applicable Kenyan laws and regulations. In particular, the principles and policies contained in the charter are in addition to and are not intended to change or interpret any statute, law or regulation.

This Board Charter shall apply to all Board members and will be subject to review as and when need arises to ensure it remains consistent with the Institutes objectives, responsibilities and best corporate governance practices. All Board members shall be expected to be aware of their duties and responsibilities and in line with section 3 of the Leadership and Integrity Act No. 19 of 2012 of the Laws of Kenya, and shall respect the values, principles and the requirements of the Constitution of Kenya.

This Charter is available to all Board members for application.

3. THE BOARD

The Board is the body of appointed members who jointly oversee the activities of the Institution. The Board is expected to provide strategic direction, exercise control and remain accountable through effective leadership, enterprise, integrity and good judgment. It should be diverse in its composition, independent but flexible, pragmatic, objective and focused on balanced and sustainable performance of the Institution

3.1 Composition and size of the Board

The institution shall be governed by a Board. The board members shall comprise of Nine [9] Members - Chairman, Secretary, and seven [7] members. The Principal shall be the Secretary to the Board and not more than two-thirds of the members of the Board shall be of the same gender. The Board Chair is appointed directly by the Cabinet Secretary while members appoint among themselves, members of the respective functional committees as need arise. Audit and Risk Committee must be one of such committees.

3.2 Appointment to the Board

The members of the board shall be appointed by the Cabinet Secretary Ministry of Education after wide consultation from strategic partners and individuals who share the same value, commitments and have an interest to work with TTVC. The recruitment to Board membership shall be through head hunting, recommendations by management, staff and other board members, interviews and consensus among the board members.

The membership of the Board of Governors shall comprise—

- (a) A chairperson;
- (b) A representative of the Principal Secretary in the Ministry responsible for technical and vocational training;
- (c) A representative of the county Governor of the county within which the institution is located; and
- (d) A six other persons appointed on the basis of their knowledge and experience in—

- i) Leadership and management;
- ii) Financial management;
- iii) Technology;
- iv) Industry;
- v) Engineering;
- vi) Information communication technology or Law.

3.3 Powers and Duties of the Board

3.3.1 General Functions, powers and duties – TVET Act – Part V

Clause 29 Generally, the Board of Members will have the following

roles:

- a) Oversee the conduct of education and training at TTVC 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 TTVC.
- c) Administer and manage the property of the institution
- d) Develop and implement TTVC strategic plan
- e) Prepare annual estimates of revenue and expenditure for the institution and incurring expenditure on its behalf
- f) Receiving, on behalf of the institution, fees, grants, subscriptions, 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 representations thereon to the Board;
- j) Regulating the admission and exclusion of students from the institution, subject to a qualifications framework and the provisions of the Education Act;
- k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Cabinet Secretary ;
- 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 the institutions, in consultation with the Authority;

- n) Making regulations governing Institution, conduct and discipline of the staff and trainees;
- o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Cabinet Secretary Board;
- p) Providing for the welfare of the trainees and staff of the institution;
- q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institution; and
- r) Discharging all other functions conferred upon it by this Charter or any other written law.

3.3.2 Conflict of Interest

In compliance with TVET Act of 2013 second schedule article 15, Board members shall:

1. If a member is directly or indirectly interested in any contract, proposed contract or other matter before a Board of Governors and is present at a meeting of the Board of Governors at which the contract, proposed contract or other matter is the subject of consideration, he shall, at the meeting and as soon as reasonably practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter.
2. A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made.
3. A member of the Board of Governors who contravenes subparagraph (1) commits an offence and shall be liable as stipulated in the Act.

3.3.3 Commitment in Attending to the Institution's Affairs

Board members are expected in the exercise of their role as Members to have the commitment, time, availability and energy to give due attention to the affairs of the Institution. In this regard, Board members have the duty to regularly attend all Board meetings and committees on which they serve. Failure to attend three consecutive meetings of the board without a written apology constitutes a ground for termination of a Board member.

3.4 Board Chair

The Chairperson of the Board shall chair all the meetings of the Board and provide the general policy guidelines related to the institution as provided by the Constitution. In the absence of the Chair, in any of the convened Board meetings,

the Members present shall appoint one Member to be the acting chair for that meeting.

Accordingly, the chairperson will ensure that:

- i) The Board satisfies its duties and responsibilities
- ii) Board members when appointed participate in an induction program and are thereafter continually developed based on identified development needs.
- iii) The board develops and adheres to an annual work plan
- iv) The Board constitutes committees and that the committees function properly;
- v) All the meetings of the Board, Special and all General Meetings are run efficiently and effectively within the general policy directives as provided by Law.
- vi) Board room decorum is observed and maintained by ensuring disorderly or disruptive conduct is avoided;
- vii) Board Decisions or consensus is properly recorded;
- viii) Internal disputes and conflicts of interest concerning individual board members are addressed.
- ix) The performance of the board, board members and the principal are evaluated annually.

3.5 The Principal and Secretary to the BOG

The institution's day to day operations shall be undertaken by the Principal who shall be appointed by the Cabinet Secretary. On the recommendation of the Board of Governors following a competitive recruitment process and who shall serve for a period of five years, which term may be renewed once. The Principal as the chief executive officer shall:

- a) Head the Institution by discharging all functions of management including planning for the Institution, implementing the decisions of the Board and controlling the resources and operations of the institution;
- b) Represent and act on behalf of the Institution generally;
- c) Do all such acts as may be necessary for the efficient running of the Institution's affairs;
- d) Keep full complete, up-to-date record of Institution's affairs;

3.5.1 Secretary to the BOG

The Principal is the Secretary to the Board and is in effect the only executive member of the Board. The Secretary's roles are to:

- a) Keep minutes of the Board of Governors Meetings;

- b) Carry out all correspondence and publicity on behalf of the Institution;
- c) Arrange for Board Meetings in consultation with the Chairperson;

3.6 Board Committees

To effectively discharge its mandate, the Board shall establish Committees with specific terms of reference. The Board shall appoint into Committees, members with requisite skills and competence to discharge allocated responsibilities. The Board may, from time to time rotate Board members between the Committees.

The Board remains collectively responsible for the decisions and actions taken by any Committee. A Committee may only perform the tasks delegated to it by the Board and may not exceed the authority or power of the Board.

The Chairperson of each Committee, in consultation with the Board, will determine the frequency of Committee meetings as is necessary to fulfil the Committee's functions. The Chairperson of each Committee, in consultation with Principal, will develop the Committee's agenda.

Composition of the Board

The board of governors is constituted of 9 members appointed by the cabinet secretary in the Ministry of education with the chairperson and six others as independent members while one represents the principal secretary ministry of education department of technical and vocational training and the other represents the county governor while the principal is the secretary to the board.

Change of board during the year

There was change in board during the financial year under review:

The old board retired from the office effective 31st Dec 2023 and the current board took over the office from April 2024.

Meetings held in the year under review were.

- | | |
|---|---|
| 1. Fully board meeting with one special | 9 |
| 2. Committees meetings | 4 |

6. Management Discussion and Analysis

7. Management Discussion and Analysis

Tharaka Technical and Vocational College is a newly built training college which had few activities over this year. Its main activity is giving skills through training.

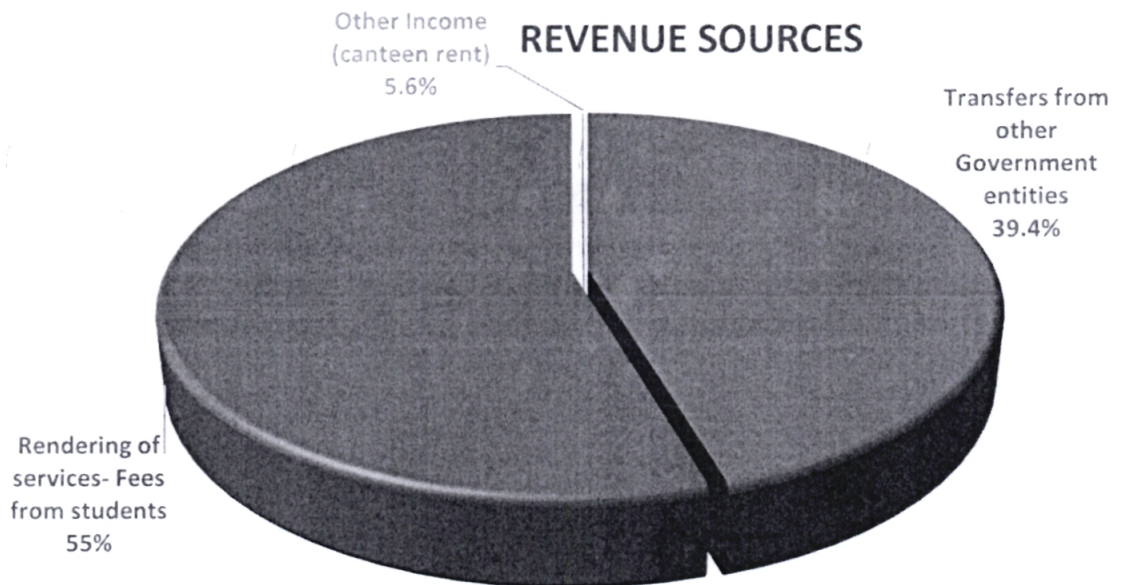
The college had no key project on 2023/24 financial year because it was not funded by the government and the number of students we had could not raise the required funds.

The major risk the college is facing is financing, college being situated on semi-arid place where the place receives little rains; locals here do not have any source of raising fees thus operating on fees balances.

The college have over the year deducted and submitted to relevant authorities all statutory deductions from its employees and suppliers who qualify for these deductions.

Revenue

The College's revenue during period under review was Kshs **35.5M** from the following revenue sources.



Income from rendering of services was due to due to increase in aggressive recruitment drive of students through advertising.

Expenditure

The College spend Kshs **41.7M** during the period.

8. Environmental And Sustainability Reporting Statement

Tharaka Technical and Vocational College exists to develop competent technical human Resource for innovation and development. The College has and is continuously developing strategies that will ensure that it becomes a national centre of excellence in provision of technical vocation education and training

1. Sustainability strategy and profile -

Tharaka Technical Training Institute in its endeavour to develop competent technical human resource for innovation and development has continued to comply with the Ministry of Education guidelines and policies. To ensure its continued operation the College is contentiously engaging and sanitizing the community on TVET courses. The College is also working with other government bodies such as Constituency Development Fund (CDF), Higher Education Loans Board (HELB), leaders, churches, community so as to support students through payment of school fees to student who are willing to join the College.

2. Environmental performance

The College is committed in ensuring that it preserves the environment and carries its activities so as to have little impact on environment destruction. The College is committed to

- a) Complying with all applicable environmental laws and regulations
- b) Train staff and student on environmental conservation and preservations
- c) Planting trees as part of restoring green environment
- d) Creating measure that will ensure reduction of pollution to the environment

In our effort preserve the environment we have planted over 300 trees within the compound and have employed a staff to take care of them. In future we intend to plant more trees within the compound and within the local community.

3. Employee welfare

The College is committed to continue with the improvement of staff. To ensure retention of competent staff, the College has invested in training of staff in order to build their capacity and competency. Further, the College also ensures that hiring of staff is done in transparent and competitive manner. In this financial year we have had staff going for trainings as a result of lockdown due the existence of Covid-19 disease.

During hiring we ensure adherence to gender and ethnicity. Currently the College is working closely with the government to ensure that salary structure is developed so that staff are appraised and rewarded according to skills, competency and work done.

Market place practices-

The organisation should outline its efforts to:

- a) Responsible competition practice.
Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors.
- b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices.
- d) Product stewardship- outline efforts to safeguard consumer rights and interests.

Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Tharaka TVc's affairs.

Principal activities

The principal activities of the Tharaka TVc is learning

Results

The results of the Tharaka TVc for the year ended June 30 are set out on page 1-6

Board of Governors

The members of the Board who served during the year are shown on page vi to vii.

Auditors

The Auditor General is responsible for the statutory audit of the Tharaka TVC

Income from rendering of services was due to due to increase in aggressive recruitment drive of students through advertising.

9. Environmental And Sustainability Reporting Statement

Tharaka Technical and Vocational College exists to develop competent technical human Resource for innovation and development. The College has and is continuously developing strategies that will ensure that it becomes a national centre of excellence in provision of technical vocation education and training

1. Sustainability strategy and profile -

Tharaka Technical Training Institute in its endeavour to develop competent technical human resource for innovation and development has continued to comply with the Ministry of Education guidelines and policies. To ensure its continued operation the College is contentiously engaging and sanitizing the community on TVET courses. The College is also working with other government bodies such as Constituency Development Fund (CDF), Higher Education

Loans Board (HELB), leaders, churches, community so as to support students through payment of school fees to student who are willing to join the College.

2. Environmental performance

The College is committed in ensuring that it preserves the environment and carries its activities so as to have little impact on environment destruction. The College is committed to

- a) Complying with all applicable environmental laws and regulations
- b) Train staff and student on environmental conservation and preservations
- c) Planting trees as part of restoring green environment
- d) Creating measure that will ensure reduction of pollution to the environment

In our effort preserve the environment we have planted over 300 trees within the compound and has employed a staff to take care of them. In future we intend to plant more trees within the compound and within the local community.

3. Employee welfare

The College is committed to continue with the improvement of staff. To ensure retention of competent staff, the College has invested in training of staff in order to build their capacity and competency. Further, the College also ensures that hiring of staff is done in transparent and competitive manner. In this financial year we have had staff going for trainings as a result of lockdown due the existence of Covid-19 disease.

During hiring we ensure adherence to gender and ethnicity. Currently the College is working closely with the government to ensure that salary structure is developed so that staff are appraised and rewarded according to skills, competency and work done.

CORPORATE SOCIAL RESPONSIBILITY

TTVC's CSR and community engagement efforts reflect our on-going commitment to fostering both environmental sustainability and social welfare. By educating our Trainees and the community on the importance of environmental conservation, planting trees, distributing seedlings, and supporting local schools, we are making tangible contributions to the environment and community development. Our efforts have positively impacted the lives of many and will continue to guide our future CSR activities as we strive to make a difference both within and beyond our institution.

10. Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the *entity's* affairs.

Principal activities

The principal activities of the entity is impacting skills through training.

Results

The results of the entity for the year ended June 30 are set out on page

Board of Governors

The members of the Board who served during the year are shown on page x-xii. During the year the old board members their term expired on December 2023. All members retired at the same time since their appointment was not staggered and the new board assumed the office with effect from April 2024.

Auditors

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

Signed on behalf of the board

.....

Secretary of the Board

Nairobi

Date:

I. 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 board 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 Board 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 board members are also responsible for safeguarding the assets of the *entity*.

The Board members are responsible for the preparation and presentation of the *entity's* 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, 2024. 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.

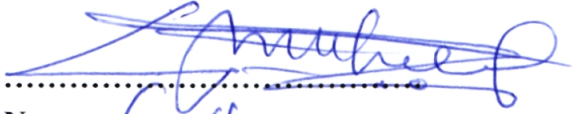
The board members accept responsibility for the *entity's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *and the TVET Act 2013*).


The board 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, 2024, and of the *entity's* financial position as at that date. The board 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.

In preparing the financial statements, the Principal has assessed the *entity's* ability to continue as a going concern nothing has come to the attention of the board members to indicate that the *entity* will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

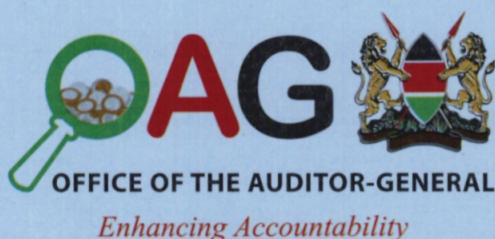
The *entity's* financial statements were approved by the Board on _____ 2024 and signed on its behalf by:


.....
Name *Geoffrey Muceo Rukunja*
Chairperson of the Board


.....
Name *TIKVA GICHOFF*
Accounting Officer/Principal
05/03/2025

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON THARAKA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024

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 Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tharaka Technical and Vocational College set out on pages 1 to 43, which comprise of the statement of financial position at 30 June, 2024, and the statement of financial performance, statement of

Report of the Auditor-General on Tharaka Technical and Vocational College for the year ended 30 June, 2024

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Tharaka Technical and Vocational College as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Employee Costs

The statement of financial performance reflects employee costs amount of Kshs.9,434,566 which includes salaries and wages amount of Kshs.9,210,815 as disclosed in Note 11 to the financial statements. However, review and analysis of the payroll provided revealed that salaries and wages amounted to Kshs.6,250,852 leading to unexplained variance of Kshs.2,959,963.

In the circumstances, accuracy and completeness of employee costs amount of Kshs.2,959,963 could not be confirmed.

2. Inaccurate Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents balance of Kshs.3,762,880 held in two commercial bank accounts as disclosed in Note 16 to the financial statements. However, the bank reconciliation statements for one of the bank accounts with a balance of Kshs.335,145 was not provided for audit verification. In addition, Note 16 to the financial statements discloses a balance of Kshs.3,418,831 as being held in one of the bank accounts. However, the cash book reflects a balance of Kshs.3,120,713 leading to unexplained and unreconciled variance of Kshs.298,118.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.3,761,879 could not be confirmed.

3. Unconfirmed Inventory

The statement of financial position and as disclosed Note 29 to the financial statements reflects inventory balance of Kshs.1,827,103. However, there was no evidence to show that quarterly and annual inventory stock take were conducted. This is contrary to Section 162 (2) of the Public Procurement and Asset Disposal Act, 2015 which states that which states that the head of procurement function shall arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock taking in order to ensure compliance with all respective governing laws and submit the report to the accounting officer.

In the circumstances, the accuracy and completeness of inventory balance of Kshs.1,827,103 could not be confirmed. In addition, Management was in breach of the law.

4. Lack of Valuation and Ownership Documents for Land

The statement of financial position and as disclosed in Note 32 to the financial statements reflects property, plant and equipment balance of Kshs.81,006,487 which includes Kshs.25,000,000 in respect to land whose valuation report indicating how the value was determined was not provided for audit.

Further, as previously reported, three plots of land measuring 11.12 Hectares as per the allotment issued by County Council of Tharaka does not have a title deed.

In the circumstances, the accuracy, completeness, ownership and valuation of property, plant and equipment balance of Kshs.25,000,000 could not be confirmed.

5. Unsupported Biological Assets

The statement of financial position reflects biological assets balance of Kshs.239,000 as disclosed in Note 21 to the financial statements. However, valuation report was not provided for audit contrary to paragraph 48 of International Public Sector Accounting Standard (IPSAS) 27 which requires an entity to present a reconciliation of changes in the carrying amount of biological assets between the beginning and the end of the current period.

In addition, review of records revealed that the College procured two (2) bulls at Kshs.50,000 and one dairy cow at Kshs.50,000 both totalling Kshs.100,000. No documentation including quotations, evaluation minutes, professional opinion, delivery notes and inspection and acceptance report was provided to show how the animals were procured competitively.

In the circumstances, the accuracy, completeness and valuation of biological assets balance of Kshs.239,000 could not be confirmed.

6. Irregular Board Payments

The statement of financial performance reflects board expenses amount of Kshs.1,903,200 which includes Directors Emoluments of Kshs.1,300,700 as disclosed in Note 12 to the financial statements. This further includes payments of Kshs.170,000 in respect to allowances paid to Board Members while attending virtual full board meetings to discuss the recruitment process of technical and vocational trainers which was a function that had been delegated to selection panels that included a representative of the Board.

According to letter ref No. MOE/VTT/CONF/1/33/VOL.IV (63) dated 5 June, 2023 the shortlisting was to take place from 12 June, 2023 to 25 June, 2023 and thereafter the interviews to commence from 3 July, 2023. The full board therefore had no role to play in the selection process and therefore the meetings over which the members drew an allowance for the Public Service Commission delegated exercise were an irregular charge to public funds.

Further, no notices to these Board meetings were produced for audit verification contrary to Section 11 of TVET Act, 2013 which requires that every meeting of the Board of Governors shall be convened by giving at least fourteen days' notice in writing to every Member unless three quarters of the total Members of a Board of Governors otherwise agree.

In the circumstances, the regularity of the Board payments amount of Kshs.170,000 could not be confirmed.

7. Irregular Payments to Suppliers

The statement of receipts and payments and as disclosed in Note 10 to the financial statements, reflects an amount of Kshs.29,154,933 in respect of use of goods and services which includes an amount of Kshs.8,617,053 for administrative costs and which further includes expenditure amount of Kshs.326,668 paid to two (2) suppliers. However, the amounts differ with Kshs.225,303 reflected in the respective Local Purchase Orders and bid documents leading to unexplained and unreconciled variance of Kshs.101,365.

In the circumstances, the accuracy and regularity of use of goods and services amount of Kshs.326,668 could not be confirmed.

8. Inaccurate Statement of Cash Flows

The statement of cash flows reflects net cash flows from operating activities amount of Kshs.3,656,768 while Note 24 to the financial statements discloses net cash flows from operating activities amount of Kshs.1,976,676 leading to unexplained and unreconciled variance of Kshs.1,680,092. In addition, the statement reflects net cash flows from investing activities amount of Kshs.428,400. However, the additions to biological assets amounting to Kshs.239,000 has not been reflected in the statement of cash flows under cash flows from investing activities.

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

9. Inaccurate Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects total actual income on a comparable basis amount of Kshs.3,548,238 while a recast of the of the statement results in a total of Kshs.35,448,238 leading to an unexplained variance of Kshs.31,900,000. In addition, the statement reflects total performance income variance of Kshs.45,186,054 while a recast of the statement results to a performance variance of Kshs.40,425,762 leading to another unexplained variance of Kshs.4,760,292.

Further, the statement of comparison of budget and actual amounts reflects total actual income and expenses on a comparable basis amounts of Kshs.35,448,238 and Kshs.46,069,688 respectively. However, the statement of financial performance reflects total revenue and total expenses amounts of Kshs.35,453,265 and Kshs.43,353,452 respectively. The respective variances of Kshs.5,027 and Kshs.2,716,236 respectively have not been reconciled.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Tharaka 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.75,874,000 and actual income of Kshs.35,448,238 resulting to an under-funding of Kshs.40,425,762 or 53% of the budget. Similarly, the College spent Kshs.46,069,688 against actual receipts amount of Kshs.35,448,238 resulting to an over utilization amount of Kshs.10,621,450 or 30% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page iv to xxxii which comprise of College information and Management, Chairman's Statement, Report of the Chief Principal, Statement of Performance against the College's predetermined Objectives, Corporate Governance Statement, Management Discussion and analysis, environmental and Sustainability Reporting, Report of the Council of Governors and the statement of Council's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of 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

Non-Compliance with Law on Staff Ethnic Composition

Review of personnel records revealed that during the year under review, thirty-four (34) or 49% out of the sixty-nine (69) members of staff of Tharaka Technical and Vocational College staff were from the dominant ethnic community.

This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public offices shall seek to represent the diversity of people of Kenya in employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and the Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual

Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the College's, ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

03 April, 2025

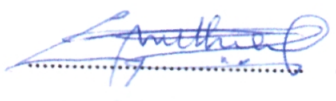
THARAKA TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

13. Statement of Financial Performance for the Year Ended 30 June 2024

	Notes	Current FY2023-2024	Comparative FY2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	14,010,402	8,789,000
Grants from donors and development partners			
Transfers from other levels of government			
Public contributions and donations			
		14,010,402	8,789,000
Revenue from Exchange transactions			
Rendering of services- fees from students	7	19,608,272	19,971,425
Sale of goods	8	36,505	-
Rental revenue from facilities and equipment	9	416,300	24000
Finance income			
Examination fees		1,085,659	3,104,380
Miscellaneous income	14		
Production units		296127	405,600
		21,442,863	23,505,405
Revenue from Exchange transactions		35,453,265	29,323,425
Total Revenue			
Expenses			
Use of goods and services	10	29,154,933.26	19,366,595
Employee costs	11	9,434,566	8,307,299
Board Expenses	12	1,903,200	1,115,000
Depreciation and amortization expense	13	2,627,042.75	3,523,641
Repairs and maintenance	14	233710	317,097
Contracted services			
Grants and subsidies			
Finance costs			
		43,353,452	32,719,632
Total Expenses			
Other Gains/(Losses)			
Gain on sale of assets			
Gain/ Loss on fair value of investments			
Impairment loss			
Total Other Gains/(Losses)			
Net surplus/(deficit) for the year		(7,900,187)	(425,227)

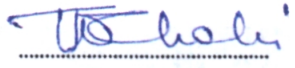
(The notes set out on pages 9 to 58 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 43 were signed by:




Chairman of Board

Date 05/03/2025



Principal

Date 05/03/2025



Finance Officer

ICPAK No ASSCO/4607

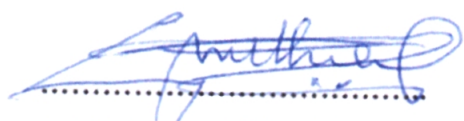
Date 5/03/2025

14. **Statement of Financial Position as At 30th June 2024**

Description	Notes	FY2023-2024	FY2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	16(a)	3,762,879.9	534,511
Current portion of receivables from exchange transactions	17(a)	7,504,087	8,262,869
Receivables from non-exchange transactions			
Inventories	19	1,827,103	8,498,167
Investments in financial assets			
Prepayments			
Total Current Assets		13,094,069.9	17,295,547
Non-Current Assets			
Long term receivables from exchange transactions	22	296,000	
Investments			-
Property, plant, and equipment	20	81,006,487	83,466,805
Intangible assets			
Investment property	34		
Biological Assets	21	239,000	
Total Non-Current Assets		81,302,487	
Total Assets (A)		94,396,556.9	100,762,352
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	22	6,372,290.90	4,598,879
Refundable deposits from customers			
Current provisions			
Finance lease obligation			
Deferred income			
Employee benefit obligation			
Payments received in advance			
Current portion of borrowings			

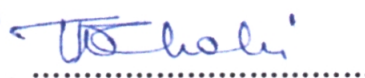
Description	Notes	FY2023-2024	FY2022-2023
		Kshs	Kshs
Social Benefits			
Total Current Liabilities		6,372,290.90	4,598,879
Non-Current Liabilities			
Finance lease obligation	39		
Deferred income	40		
Non-Current Employee Benefit Obligation	41		
Non- Current Borrowings	43		
Non-Current Provisions	44		
Service Concession Liability	45		
Social benefits	46		
Total non- current liabilities			
Total Liabilities (B)		6,372,290.90	4,598,879
Net Assets (A-B)		88,263,286	96,163,473
Represented By:			
Revaluation Reserves			
Accumulated fund b/f		20,003,473	20,003,473
Deficit for the period		(7,900,187)	
Capital Fund		76,160,000	76,160,000
Net Assets		88,263,286	96,163,473

The Financial Statements set out on pages 1 to 43 were signed by:



Chairman of Board

Date



Principal

Date



Finance Officer

ICPAK No

Date

THARAKA TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

15. Statement of Changes in Net Asset for The Year Ended 30 June 2024

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023 (previous year)		20,003,473	76,160,000	96,163,473
Revaluation gain		-	-	
Surplus/(deficit) for the year	-	(7,900,187)	-	(7,900,187)
Capital grants received during the year	-	-		
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
At June 30, 2024				
At July 1, 2024 (current year)		12,103,286	76,160,000	88,263,286
Revaluation gain		-	-	
Surplus/(deficit) for the year	-		-	
Capital grants received during the year	-			
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
At June 30, 2024		12,103,286	76,160,000	88,263,286

16. Statement of Cash Flows for the Year Ended 30 June 2024

Description		FY 2023-2024	FY2022-2023
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	14,010,402	8,789,000
Grants from donors and development partners			
Transfers from other levels of government			
Public contributions and donations			
Rendering of services- fees from students	7	19,608,272	19,971,425
Sale of goods	8	36505	60540
Rental revenue from facilities and equipment	9	416,300	24000
Examination fees		1,085,659	
Finance income			
Miscellaneous income			
Total Receipts		35,453,265	28,844,965
Payments			
Use of goods and services	10	20,225,021	19,336,595
Employee costs	11	9,434,566	8,307,299
Board Expenses	12	1,903,200	1,115,000
Repairs and maintenance	14	233,710	317,097
Contracted services			
Grants and subsidies			
Total Payments		33,632,731	29,075,991
Net Cash Flows from operating activities	47	3,656,768	
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets(solar)		(428,400)	2,110,644
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		(428,400)	(5510,134)
Cash flows from financing activities			
Proceeds From Borrowing			
Repayment Of Borrowings			
Net cash flows used in financing activities			
Net Increase/(Decrease) in Cash and Cash equivalents		3228,368	(5,510,134)
Cash and Cash equivalents at 1 JULY	26	534,511	
Cash and Cash equivalents at 30 JUNE	26	3,762,879.9	534,511

16. Statement of Comparison of Budget & Actual amounts
For Year Ended 30 June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other National Government entities	17,640,000		17,640,000	14,010,402	3,629,598	20%
Grants from donors and development partners						
Transfers from other levels of government						
Public contributions and donations						
Rendering of services- fees from students	21,840,000		21,840,000	19,608,272	2,231,728	10.2.0 %
Sale of goods				36,505	-36,505	-100.00 %
Rental revenue from facilities and equipment	18,000		18,000	416,300	-374,300	-2079.4 %
Examination fees				1,085,659		
personal emolument	7,456,000		7,456,000		2,473,468	33.17 %
administration	4,100,000		4,100,000		564,536	13.17 %
student welfare	355,000		355,000		68,387	23.86
repairs maintenance & improvement	2,400,000		2,400,000		844,840	35.2 %
production unit	330,000		330,000	291,100	38,900	19.26 %
Finance income					0	
Miscellaneous Income					0	
Total Income	36,499,000		75,874,000	3548,238	45,186,054	
Expenses						
Use of goods and services	9,015,000		9,015,000	29,154,933	-8,714,642	-96.6 %
personal emolument	9,235,680		9,235,680	11,532,082	-2,296,402	-24.86 %
Board expenses	834,000		834,000	1,903,200	-1,069,200	128%
Administration cost	16,198,920		16,198,920	5,675,786	10,523,134	64.96 %

student welfare	320,000		320,000	162,600	157,400	49.19 %
Repairs and maintenance	2,398,555		2,398,555	233,710	2,164,846	97.4 %
Development/projects	24,703,160		24,703,160	718,734	23,984,426	97.0%
Contracted services					0	
Grants and subsidies					0	
Total Expenditure	75,874,000		75,874,000	46,069,688	37,762,641	

NOTES

- 1. The variance in the comparative budget and actual in revenue from non-exchange transaction was as a result of less money disbursement by the ministry, therefore the college had no control of the same.*
- 2. Revenue from other sources variance i.e sale of farm produce, rental revenues, was as a result of unforeseen opportunity which the college had to capitalise on to make more revenue*
- 3. Rental revenue from facilities and equipment, personal emolument, administration, repairs maintenance & improvement, student welfare, rendering of services- fees from students is as a result of accrual basis of accounting in financial statement as opposed to cash basis in comparative budget*
- 4. Board expenses went beyond the budgeted because the board had to meet to do handing over and also they had a court case which necessitated the board to hold meetings outside the calendar. However the budget also covered only four meeting which was ideal, included in B.OG allowance is ksh 522500 relating to other board allowance as per the notes.*

17. **Notes to the Financial Statements**

1. **General Information**

Tharaka TVC entity is established by and derives its authority and accountability from Tveta Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is imparting skills and knowledge through 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 judgment in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The values are rounded off to the nearest shilling. 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.

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3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

There are no new standards in the year ended 30th June 2024

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 45: Property	<i>Applicable 1st January 2025</i>

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Plant and Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish</p>

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	<p>the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

iii. Early adoption of standards

Tharaka Technical& Vocational College did not early adopt any new or amended standards in year ended 2024 entity's financial statements.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

The 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.

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.

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b) Budget information

The original budget for FY 2023/2024 was approved by the Board on **30/09/2022**. 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 to conclude the final budget. Accordingly, the entity did not record additional appropriations of -on the FY 2023/2024. 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 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 on page **xx** under section **xxx** of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule **xxx** of the **xxx** 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.

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

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

g) Intangible assets

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

h) 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

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

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liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

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Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

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.

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

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

Inventories (Continued)

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

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. 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) Social Benefits

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

m) Nature and purpose of reserves

The *Entity* creates and maintains reserves in terms of specific requirements. The entity did not maintain reserves for the year under review.

n) 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.

o) Employee benefits

Retirement benefit plans

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

p) Foreign currency transactions

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

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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.

q) Borrowing costs

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

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

r) Related parties

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.

s) Service concession arrangements

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

t) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts 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.

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u) Comparative figures

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

v) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the *Entity*.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.

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- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

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

(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

6. Transfers from other National Government entities

Description	Current FY2023-2024	FY2022-2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	14,010,402	8,789,000
Operational Grant		
Development grants		
Other Grants		
Total unconditional Grants	14,010,402	8,789,000
Conditional Grants amortised/ recognised in revenue		
Laboratory Grant		
Other Organizational Grants		
Total Government Grants and Subsidies	0	0

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(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY 2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Technical vocational Education & training	14,010,402	-	-	14,010,402	8,789,000
XX Ministry					
Total	14,010,402			14,010,402	8,789,000

7. Rendering of Services

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Tuition Fees	14,982,687	7,311,000
Activity Fees	2,907,176	1,270,000
Industrial Attachment Fees	516,250	1,087,500
Examination Fees	1,053,159	1,085,700
administration		
Facilities And Materials	149000	9,021,225
Total Revenue from The Rendering of Services	19,608,272	19,971,425

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8. Sale of Goods

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Sale of farm produce	36505	60540
Sale of Publications		
Cafeteria sales		
Other sales (specify)		
Total Revenue from Sale of Goods	36505	60540

9. Rental revenue from facilities and equipment

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Canteen rent	24000	24000
Hostel fees	392,300	
Others (<i>specify</i>)		
Total	416,300	24000

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10. Use of Goods and Services

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Teaching and learning materials	7,330,461	3,337,350
Industrial attachment costs	723,965	375,990
Electricity	644,416	291,478
Water	207,400	380,300
Security		424,549
Professional and consultancy services		
Subscriptions	797,120	376,200
Advertising/marketing	979,975	878,560
Examination fees	3,003,650	3,104,380
Audit fees	208,000	
Transport and dsa facilitation	3,290,814	
Staff meeting & training meals		3,033,540
NYS boarding expense & stipends	413,500	2,146,570
Fuel and oil		810,527
Insurance		
Legal expenses		
Licenses and permits		
Postage		7725
Printing and stationery		630,985
Hire charges		
Rent expenses		

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Skills development levies		
Telephone expenses		
kitchen		1,176,845
Internet expenses & Staff Airtime		427,870
activity	2,331,852	564,086
Student welfare	162,600	99,192
helb		132,000
General expenses		588,373
production	444,127	550,075
Administration cost	8,617,053.26	
Total good and services	29,154,933.26	19,336,595

11. Employee Costs

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Salaries and wages	9,210,815	7,628,387
Employee related costs - contributions to pensions and medical aids	223,751	678,912
Travel, motor car, accommodation, subsistence and other allowances		
Housing benefits and allowances		
Overtime payments		
Social contributions		
Employee Costs	9,434,566	8,307,299

12. Board Expenses

Description		
-------------	--	--

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	FY2023-2024	FY2022-2023
	Kshs	Kshs
Chairman's Honoraria	80000	
Directors Emoluments	1,300,700	1,115,000
Other Allowances	522,500	
Other Board/Council Expenses		
Total	1,903,200	1,115,000

13. Depreciation and Amortization expense

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Property, plant and equipment		
Intangible assets		
Investment property carried at cost		
Total depreciation and amortization		

14. Repairs and Maintenance

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Property		
Investment property – earning rentals		
General repair & maintenance	233710	221,097
Vehicles		
Furniture and fittings		
Computers and accessories	233710	96,000
Total Repairs and Maintenance	233,710	317,097

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15. Cash and Cash Equivalents

Description	FY2023-2024	FY 2022-2023
	Kshs	Kshs
Current Account	5,238,336.78	3,261,660.037
On - Call Deposits		
Fixed Deposits Account		
Staff Car Loan/ Mortgage		
Others (Specify)		
Total Cash and Cash Equivalents	5,238,336.78	3,261,660.037

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

Financial Institution	Account number	FY2023-2024	FY2022-2023
		Kshs	Kshs
a) Current Account			
Transnation Sacco	68260900029001	335,145	348,580.47
Equity Bank, etc.	1040262403552	3,418,830.93	2,913,079.99
Sub- Total			
b) On - Call Deposits			
Kenya Commercial Bank			
Equity Bank – etc.			
Sub- Total			

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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		8,904	
Mobile Money account			
Sub- Total		3,762,879.9	
Grand Total		3,762,879.9	3,261,660.037

17 (a) Current Receivables from Exchange transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Current Receivables		
Student Debtors	7,504,087	8,262,869
Rent Debtors	-	
Consultancy Debtors		
Other Exchange Debtors		
Less: Impairment Allowance @ 2%		
Total Current Receivables	7,504,087	8,097,611.62

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17 (b) Long- term Receivables from Exchange transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	296000	
Advance Payments		
Public Organizations		
Less: Impairment Allowance		
Total		
Current Portion Transferred To Current Receivables		
Total Non-Current Receivables		
Total Receivables	296000	

17 (c) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2023-2024		FY 2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,456,750.55	19.4%	5,665,281	68.6%
Between 1- 2 years	1,632,247.68	21.8%	2,343,567	28.8%
Between 2-3 years	3,895,088.77	51.9%	254,021	3%
Over 3 years	520,000	6.9		
Total (a+b)	7,504,087	100%	8,097,611.62	100%

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Receivables from Non-Exchange transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Current Receivables		
Capitation Grants*	14,010,402	
scholarship		
Undisbursed Donor Funds		
Other Debtors (Non-Exchange Transactions)		
Less: Impairment Allowance		
Total Current Receivables	14,010,402	

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

Description	FY 2023-2024		FY 2022-2023	
	Kshs		Kshs	
	FY 2023-2024	% of the total	Comparative FY 2022-2023	% of the total
Less than 1 year			5,665,281	68.6%
Between 1- 2 years			2,343,567	28.8%
Between 2-3 years			254,021	3%
Over 3 years				
Total				100%

18 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

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19. Inventories

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Consumable stores	425,000	396,708
Building & civil department	189,200	1,654,608
automotive	200,000	3,108,980
Electrical stores	650,353	1,312,393
Main store	104,050	
cosmetology	150,000	126,800
Agriculture stores	108,500	
Less: Impairment allowance		
Total Inventories at lower of Cost and Net Realizable Value	1,827,103	8,498,167

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20. Property, Plant and Equipment

	Land	Buildings	Furniture and fittings	Computers	Solar energy	Other Assets (IMS)	Plant and equipment	Capital Work in progress	Total
Depreciation Rate		2.50%	10%	30%	25%	20%	15%		
Cost	Shs	Shs	Shs	Shs		Shs	Shs	Shs	Shs
At 1 July 2020(historical cost)	25,000,000	60,509,003	576,875	1,502,190					81,009,294
At 1 July 2023(historical cost)	25,000,000	60,509,003	2,572,890	1,502,190			3,153,569		92,757,652
Additions during the year					428,400				428,400
Disposals									
Transfers/adjustments									
Total Cost At 30th June 2024	25,000,000	60,509,003	2,572,890	1,502,190	428,400		3,153,569		93,166,052
Depreciation and impairment									
At 1 July 2023(Accumulated depreciation)		4,380,147	2,315,601	1,329,771			1,785,241	-	9,810,760
Depreciation for the year		1,403,221.4	257,289	450,657	42,840		473,035.35		2,627,042.75
Total depreciation & impairment at 30th June 2024		5,783,368.4	2,572,890	1,780,428	42,840		2,258,276.3		12,437,802
Net book values at 30th June 2024	25,000,000	54,725,634.6	875,107		385,560		895,382.65		81,006,487
opening balance at 1 st July 2024	25,000,000	50,345,487.6	875,107		385,560		895,382.65		81,006,487

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20 (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	25,000,000		25,000,000
Buildings	60,509,003	5,783,368.4	54,725,634.6
Plant And Machinery	3,153,569	2,258,276	895,293
Motor Vehicles including Motorcycles			
Computers and Related Equipment	1,502,190	1,780,428	
Office Equipment, Furniture, And Fittings	2,572,890	2572890	
solar	428,400	42,840	385560
Total	92,572,890	8,905,061	81,006,487

21. Biological Assets

	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Cattle	200000	
Trees	39,000	
Others (Specify)		
Total	239,000	

22. Trade and Other Payables

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Trade payables	6,372,270.90	
Fees paid in advance		
Salary deductions		
Third-Party Payments		
Other Payables		
Total Trade and Other Payables	6,372,270.90	

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	FY2023-2024	% of the Total	FY2022-2023	% of the Total
Ageing analysis:				
Under one year	6,372,270.90			
1-2 years				
2-3 years				
Over 3 years				
Total (to tie to totals above)	6,372,270.90			

23. Refundable Deposits from Customers/Students

Description	FY 2023-2024		FY2022-2023	
	Kshs		Kshs	
Consumer deposits	296,000			
Caution money				
Other refundable deposits				
Total Deposits	296,000			
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total

24. Cash generated from operations.

	FY2023-2024	FY2022-2023
	Kshs	Kshs
Surplus for the year before tax	-	
Adjusted for:		
Depreciation	2,627,042.75	
Non-Cash grants received		
Contributed assets		
Impairment		
Gains and Losses on Disposal of Assets		
Contribution to provisions		
Contribution to impairment allowance		

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	FY2023-2024	FY2022-2023
	Kshs	Kshs
Finance Income		
Finance Cost		
Working Capital Adjustments		
decrease in Inventory	1,743,747.78	
decrease in Receivables	618,781.22	
Increase in Deferred Income		
Increase in Payables		
Increase in Payments received in advance		
Net Cash Flow from Operating Activities	1,976,676	

16. 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.

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

(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.

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. The entity had no foreign transactions during the year under review.

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Payments for Goods and Services for XX		
Total		
a) Key Management Compensation		
Directors' emoluments	1,903,200	1,115,000
Compensation to Key Management		
Total	1,903,200	1,115,000

17. Segment Information

Contingent Assets and Contingent Liabilities

18. Capital Commitments

Capital Commitments	Current FY2023-2024	FY2022-2023
	Kshs	Kshs
Authorised for	718,734	
Authorised and Contracted for	718,734	
Total	718,734	

19. Events After The Reporting Period

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

20. Ultimate And Holding Entity

The THARAKA TVC is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of state department for technical & vocational Its ultimate parent is the Government of Kenya.

21. Currency

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

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18. **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. Unsupported property plant and equipment	Inclusion of land with value of 25,000,000 with no valuation and two motor vehicles without log book	Land valuation report available	Partially resolved	3 months
2. unsupported balances	Financial position reflects 20,418,700 and 76,16,000 relating to capital fund	Capital fund fully supported	Partially resolved	3 months
3. Current receivables from transaction	Lack of provision on current receivables from exchange transaction	The issue has now been addressed		
4. unsupported revenue from exchange transaction	Financial performance reflect rendering of services amounting to kshs 27,907,320 includes kshs 7,266,650 from nys however details for students not provided	The issue has been addressed		

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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)
5.0 unsupported expenditure of repairs and mentainance	Repairs and mentainance amounting to kshs 2,221,384 in note 15 includes ksh 181,200 paid to casual workers however the authority to hire them was not provided	The documents of engament and master roll available		
6.0	Inaccuracies in the statement of comparision budget and actual amount reflectes kshs.26,768,244 relating to rendering of services but in the financial statement reflects amounts kshs 27,907,320 resulting to unexplained variance of kshs 1,139,076	This was a casting error the issue was addressed.		
KEY AUDIT MATTERS				
1.0 Budgetary control	The comparison of budget and actual reflect a variance of	Issue not addressed		3 months

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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)
	kshs 5,691,874 underperformance			
1. Unresolved prior years matters	Management did not provide for delay in resolving prior audit queries	The management currently has addressed most of prior years' queries raised		
Basis for conclusion				
1.1 irregular payment of board allowance	In the finance performance reflects board expenses amounting to ksh 866,600 disclosed in note 14 however management did not provide approval of cabinet secretary	The circular now addressing the issue of board remuneration has been issued		
1.2 irregular appointment of governors	It was noted that seven board members were appointed by cabinet secretary without staggering the board members	The issue yet to be addressed		
2 Non compliance with law on ethics & composition	Review of records shows 44 employees of the college out of which 26 which represent	Issue partially addressed		

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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)
	59% of the employee are of the same community			

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for the implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.

.....


Name **TIKVA GICHOHI**
 Accounting Officer
 (Enter title of Head of entity)
 Date **05/03/2025**

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity.....

Name of beneficiary entity.....

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June FY2023-2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT23271T8HWB	28/09/2023	2,506,000		2,506,000	All allocated to trainees
FT24018MPLIF	18/01/2024	2,642,500		2,642,500	All allocated to trainees
FT24031RY1JZ	31/01/2024	3,020,000		3,020,000	All allocated to trainees
FT24151G18WV	30/05/2024	1,824,000		1,824,000	All allocated to trainees
FT24040J4MHWW	9/02/2024	3,816,335		3,816,335	All allocated to trainees
FT24058RZ9WR	27/02/2024	201,567		201,576	All allocated to trainees
Total				14,010,402	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name Sign Date.....

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Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Solar project	solar renewable energy	To minimise the effect of climate of non-renewable source of energy	Solar installation				428,000	Resourced allocated to the project from collected revenues by the board	n/a

Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Tree growing		Soil erosion and hazards of heavy rain downfalls	Tree growing and digging of trenches	Environmental conservation	50,000	Program doing better

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