

REPUBLIC OF KENYA



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REPORT

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ON

**SIRISIA TECHNICAL AND VOCATIONAL
COLLEGE**

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 17 JUN 2025	DAY: TUESDAY
TABLED BY:	LEADER OF THE MAJORITY PARTY
CLERK-AT THE-TABLE:	WILLY OBIENO



SIRISIA TECHNICAL AND VOCATIONAL COLLEGE

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 & Glossary of Terms.

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	International Public Sector Accounting Standards Board
TVC	Technical and Vocational College
PSC	Public Service Commission
HELB	Higher Education Loans Board
KNEC	Kenya National Examination Council
TVET	Technical and Vocational Education and Training

2. Key Entity Information and Management

1.0 Background information

Sirisia Technical and Vocational Training College was established under the TVET Act/ 2013. The Institute is domiciled in Kenya. The College is under the Ministry of Education.

Sirisia Technical & Vocational College is located in Sirisia Sub-County of Bungoma County, along Chwele- Lwakhakha Road near Sirisia Sub-County Hospital.

The idea to start the institute was mooted by the political, religious and community leadership in 2010. This was in line with the government policy of establishing a technical training institute in every constituency. The political leadership then availed funds to purchase approximately 5.6 hectares of land. It was registered by the then Ministry of Higher Education Science and Technology (MOHEST) in July 2021. The first block which was constructed in 2020, houses the offices and lecture rooms.

The first batch of 155 students was enrolled in Technical and Business courses in eight programs. Currently, the student population is 2,228 in the following programs; Building and Civil Engineering, Electrical and Electronics Engineering, Information Communication Technology and Business Management, Food and Beverage, Hairdressing and Beauty Therapy, Accountancy, Human Resource Management, Supply Chain Management and Social work and Community Development.

The number of staff stands at 70, of which 13 are non-teaching and 57 are teaching staff.

1.1 Physical Assets and Infrastructure

The physical assets of Sirisia TVC comprise fixed assets such as land, buildings and movable assets including office equipment. The current premises where the Institution is situated was built in 2020 is on a 5.6 acres' piece of land in Bungoma County. As the Institution grows, there will be need for additional land in the vicinity for expansion. For this reason, there is need for the Institution to work very closely with the local community and local authorities to identify adequate land for future expansion. The Institution is developing a comprehensive Master Plan that will guide future development.

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1.2 Enrolment and Staffing

The enrolment of the Institute has registered phenomenal growth from 155 at the time of registration to 2228 trainees in June 2024. This is expected to grow due to good-will enjoyed from the community around the institute.

The institute currently has 8 teaching staff members employed by the PSC. The staff is well qualified and up to the task.

1.3 Physical Development

As mentioned earlier there is only one block which houses offices and 8 rooms. Four rooms serve as workshops for Food and Beverage, Hairdressing and Beauty Therapy and ICT, The Institute's lack of accommodation facilities has limited the student catchment area to the immediate community of Sirisia, Bisunu, Namwela and Kimabole Locations. There is also construction of 2 classrooms sourced from internal funds as students' field practice.

Furthermore, the institute has no piped water. Sanitation facilities are inadequate for the growing student population. The physical growth is hindered by insufficient financial resources. The College relies heavily on government grants because fees payment by students is very poor.

1.4 Funding

Sirisia TVC gets its funding from the Government through the Ministry of Education and CDF through bursaries to trainees. The Government funds are in the form of capitation grants and operation grants.

1.5 Human Resource Requirements

Sirisia TVC recognizes the importance of human resource as the driver to the successful implementation of this strategic plan. The STVC has qualified staff to run existing programs. However, to implement the expansion as envisaged in this strategic plan, the institution will *continue to recruit* qualified and competent staff in all relevant areas.

1.6 Training Programs

The Institution has 8 academic departments to facilitate the realization of the strategic objectives spelt out in this plan. They will continue to pursue well defined academic programs and offer certificates and diplomas in respective trades.

The following are the current departments in STVC:

- Food and Beverage (Production and Service)
- Information Communication Technology (ICT)
- Building and Civil Engineering
- Business Studies

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- Electrical and Electronics Engineering
- Applied and Medical sciences
- Hair Dressing and Beauty therapy
- Agriculture
- Automotive Engineering

The proposed CBET courses are:

- Welding and fabrications
- Carpentry and Joinery
- Plumbing
- Solar Installation

(b)Principal Activities

Sirisia TVC draws its core function from the TVET Act N0 29 of 2013 where it shall offer programs up to Diploma level.

The functions of STVC include the following:

- To teach and train in Artisan, Craft and Diploma courses examined by KNEC and other accredited Examining bodies.
- To inculcate and promote micro enterprise activities within the institute and beyond
- To in-service the community in awareness in general issues like prevention of drug and alcohol abuse, etc.
- To implement curricular in response to the demands in the labor market.
- To foster cultural and religious diversity.
- To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- To conduct research and promote innovations.

1.7 Vision, Mission and Motto

Vision

To be an Institution of Choice, in the Provision of Quality and Relevant Technical Skills, Vocational Education and Training in the Region and Beyond.

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Mission

To Provide Quality and Relevant Technical Skills, Vocational Education and Training through Research and innovations in collaboration with Stakeholders to produce highly skilled Human Resource.

Motto

Technology for Better Life

1.8 Core Values

This strategic Plan is built upon a set of interrelated core values that are embedded in beliefs and desired behavior found within Sirisia Technical & Vocational College. The Board of governors, the management and other stake holders embrace the following core values which represent the fundamental beliefs that influence the way the institute relates and deals with its customers and clients:

- Creativity and Innovativeness
- Integrity and Honesty
- Responsiveness and Timeliness
- Transparency and accountability
- Teamwork
- Equity
- Fairness
- Professionalism
- Quality

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(c) Key Management

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

Board of Governors.
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:

No.	Designation	Name
1.	Principal	Herbert Wanyoyi Musuya
2.	Deputy Principal Administration	Joseph Juma Mutali
3.	Deputy Principal Academics	Sally .O. Wafula
4.	Registrar	Fred Barasa Khisa
5.	Dean of students	Hellen Namarome Makulia
6.	Quality Assurance	Godffrey Ndinyo
7.	Head of Finance	Annah Nangila Wanyama
8.	Head of Procurement	Brian Sabiri

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities

The committee will be responsible for monitoring the overall risk management frame work, financial reporting processes, compliance processes, the performance of auditors and overseeing the audit program

Finance and operations committee activities

The committee will provide the financial analysis, advice and oversight of the organizations budget. They will ensure that the organisation is operating with the financial resource that is available.

Academic committee activities

They will oversee the academic affairs of the college and make recommendations to the principal about the academic programmes and strategic programs.

Key Entity Information and Management (Continued)

(f) Sirisia Technical and Vocational College

Registered Office

P.O. Box 77-50208 SIRISIA (KENYA)

Sirisia Market

Along Chwele- Lwakhakha Road

E-mail: enquiries@sirisiavocational@gmail.com or info@sirisiatvc.ac.ke

(g) Sirisia Technical and Vocational College Contacts

Telephone: 0725523839

E-mail: sirisiavocational@gmail.com or info@sirisiatvc.ac.ke

Website: www.sirisiatvc.ac.ke

(h) Sirisia Technical and Vocational College Bankers.

Kenya commercial bank

Moi Avenue

P.O. Box 380-50200

Bungoma, Kenya

(i) Independent Auditors

Auditor General

Office of Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(j) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112



City Square 00200

Nairobi, Kenya

3. The Board of Governors

No.	Member/ Director	Details
1.	 <p>Name: Kukubo Barasa DOB:19/12/1952. Designation: Chairman</p>	<p>Key qualification. Bed-Kenyatta university. Education linguistics and African languages- university of Nairobi. Med (education communication and technology)-Kenyatta university. Med (adult education and Tesol)-Victoria University of Manchester, United Kingdom. 1993-1995-towards.phd-language in education/applied linguistics.</p> <p>Work experience 34 years as University Lecturer. -Action for rights of Children (United Nation, Peace Missions in Sierra Leone and Liberia, save the children Alliance, Teachers and Military in Northern Uganda, various Police and Militaries through International Peace Support Training Centre. (IPSTC) -Minimum Standards for Education in Emergencies, Chronic Crises and Early Reconstruction for Unicef, International Rescue Committee, Norwegian Refugee Council, University of Nairobi, Save the Children Alliance. Teacher Education for World Bank and Government of South Sudan. Supervision of Trainee Teachers in Australia, Uganda and Kenya.</p>

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<p>2.</p>	 <p>Name: Job Rutto Shang'ani DOB:11/11/1989. Designation: Member.</p>	<p>Key qualifications: Bachelor of Commerce(BCOM) Human Resource Option Second Class Honors upper division.</p> <p>Work experience Data Guard Distributors Ltd Nairobi. Assistant Human Resource Officer. Administrative Officer Front Office Executive.</p>
<p>3.</p>	 <p>Name: Vincent Wekesa Kunny DOB:1959. Designation: Member</p>	<p>Key qualification: Bed Arts-TheUniversity of Nairobi.</p> <p>Working experience:36 years 2008-2019: Principal at Ac Butonge Boys High school. 2004-2008: Principal at Mang'ana Friends High School. 1994-2004: Deputy principal at Ac Butonge High School.</p>



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<p>4.</p>	 <p>Name: Miriam Songok DOB:20.2.1987 Designation: Member</p>	<p>Key qualification: Bachelors of Business Administration (Procurement, Logistics and Supplies Management-Bugema University)</p> <p>Work experience:8 years 2016-2020: Semi Africa (Recovery Officer). 2015-2016: Clovers Management) Collection and Recovery Officer 2014-2015: Golden marketing Ltd (Sales Executive) May 2012-August 2012-RiftValley Bottlers (Procurement Intern).</p>
<p>5.</p>	 <p>Name: Inviolata Wacike Siboe DOB:22/01/1959 Designation: Member</p>	<p>Key qualification: May2013-May2016: Master of construction project management- JKUAT. May 2010-April 2012: Bachelor of philosophy in construction management-UON at the Kenya polytechnic university college. Sept 1973- Dec 1985: Higher Diploma in Construction (Structures Option). Mombasa Polytechnic. 1978-1980: Diploma in Building and Civil Engineering-Kenya Polytechnic.</p> <p>Work experience 40 years and above 2016 to present: Part Time Trainer (Railways Institute; 2012-2019:Capital Works Officer (University of Nairobi).</p>



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<p>6.</p>	 <p>Name: Desmond Juma Lusweti DOB:1/1/1980 Designation: Member</p>	<p>Key qualification 2019: Ongoing MSC –Managing innovation Edinburgh Napier university. 2015-2018:MA Christians Education World Bible School. 2017-2018: Cisco Certified System Integrator.</p> <p>Work experience: 17 years of work experience. CEO of optic technologies Ltd and Samcen Industrial Co Ltd.</p>
<p>7.</p>	 <p>Name: Scholastica. N. Masika DOB:11/08/1958 Designation: Member</p>	<p>Key qualification 2012-2015: Bachelor of business Management; second class upper division- MMUST 1998-2000: Diploma in Business Management (Strathmore college) 1977-1978: Diploma in Secretarial Studies (Christian industrial centre Kisumu).</p> <p>Work experience: Aug 2018 to Date: Running Business and Engaged in Community. July 2016- July2018: Nzoia Water Service Company as Regional Commercial Manager.</p> <p>May 2010-July2016: Nzoia water services CO as the Administrator. May 2005-May 2010:Nzoia Water Services CO. as Secretary to the Managing director.</p>

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<p>8.</p>	 <p>Name: Martha Wekesa DOB:3/6/1966 Designation: County Director</p>	<p>Key qualification MSc \$Food Science and Technology</p> <p>Work Experience: 25 Years of work Martha Wekesa is the County Director of TVET.</p>
<p>9.</p>	 <p>Name: Herbert Wanyonyi Musuya DOB:1966 Designation: Secretary</p>	<p>Key Qualification Dip Tech Education Higher Diploma Building Bachelor Tech Education.</p> <p>Work Experience: 31years of work. Currently the Principal Sirisia T.V.C</p>

4.Key Management Team



No.	Member/ Director	Details
1.	 <p>Name: Herbert Wanyonyi Musuya DOB:1966 Designation: Secretary</p>	<p>Key Qualification Dip Tech Education Higher Diploma Building Bachelor Tech Education.</p> <p>Work Experience: 31years of work. Currently the Principal Sirisia T.V.C</p>
2.	 <p>MUTALI JOSEPH JUMA Dob:10/11/1968 Desgination:DeputyPrincipal Administration</p>	<p>Key Qualification Dip Tech Education Dip in Agricultural Engineering Bachelor Tech Education.</p> <p>Work Experience: 32 years of experience Currently the Deputy Principal Administration Sirisia TVC</p>

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<p>3.</p>	 <p>SALLY OSUNDWA WAFULA Dob:23/01/1983 Designation: Deputy Principal Academics</p>	<p>Key Qualification Higher National Diploma in Human Resource Management Bachelor of Education Arts Master's in Education History CHRP(K)</p> <p>Work Exeperience:15 years Currently the Deputy Principal Academics Sirisia TVC</p>
<p>4.</p>	 <p>Name: Godfrey Wakasala DOB:12/12/1974 Designation: Quality Assurance</p>	<p>Key Qualification M.E.D Education B.E.D Science Diploma Technical education. Diploma electronics engineering</p> <p>Working experience 20 years of working</p>
<p>5.</p>	 <p>Name: Fred Khisa Barasa DOB:23/09/1989 Designation: Registrar</p>	<p>Key Qualification BSc (Electrical and Electronic Engineering)- Technical University of Mombasa. EBK Member IETT Member</p> <p>Work Experience: 5yrs of working</p>

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6.	 <p>Name:Hellen Namarome Makulia DOB:24/06/1976 Designation:Dean of students</p>	<p>Key Qualification BSc (Biomedical Science and Technology) University of Egerton</p> <p>Work Experience: 17years of working.</p>
7.	 <p>Name: Annah Wanyama DOB:14/04/1988 Designation: Finance Officer</p>	<p>Key qualification 2022: Undertaking A Bachelors of Commerce Degree (Accounting Option), Kibabii University Certified Public Accountant of Kenya (CPAK) Accounting Technician Certificate (ATC)</p> <p>Work Experience: 9 years of working 2013:2017-St Thaddeus Ndengelwa Sec School(Bursar) April 2017-May2021: Musakasa Technical Training Institute(Accountant) June 2021: To Date:(Sirisia Tvc Finance Officer)</p>
8.	 <p>Name:Brian Sabiri DOB:05/03/1990 Designation: Procurement Officer</p>	<p>Key qualification Bachelor of procurement and supplies management. 2022 Kenya institute of supplies management</p> <p>Work experience: 2022-2023 Worked as the store's manager county assembly. June 2023: Sirisia TVC Procurement Officer.</p>

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5.Chairman’s Statement

On behalf of the Sirisia Technical & Vocational College Board, I am pleased to present the Annual Report for the 2023/2024 Financial Year. It was a productive financial year and I have enjoyed being part of the dynamic team at Sirisia Technical & Vocational College. The education sector is currently facing reforms with the focus area being quality over quantity as the strategic driving force to the Ministry of Education.

Sirisia Technical & Vocational College remains committed to all its stakeholders in executing its mandate as outlined in the 2021-2026 strategic Plan whose overall theme is to achieve Global excellence in Technical Training Institute Education. The Technical & Vocational College is mandated to execute the various strategic directions as set out in the Plan, marking its third year of execution.

During FY 2023/2024, Sirisia Technical & Vocational College received a good number of students reporting to the Institute enhancing its viability and future growth.

Training Programmes

The Institution has 8 academic departments to facilitate the realization of the strategic objectives spelt out in this plan. They will continue to pursue well defined academic programmes and offer certificates and diplomas in respective trades.

The following are the current departments in STVC:

- Food and Beverage (Production and Service)
- Information Communication Technology (ICT)
- Building and Civil Engineering
- Business Studies
- Electrical and Electronics Engineering
- Hair Dressing and Beauty therapy
- Agriculture
- Automotive Engineering

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The proposed CBET courses are:

- Welding and fabrications
- Carpentry and Joinery
- Plumbing
- Solar Installation
- Food and beverage production

Financial Performance

In the financial year that ended June 2024 Sirisia Technical & Vocational College recorded a better financial performance. This attributed to stringent financial management measures. We recorded a good increase in trainees' enrolment as from 827-2228 thus 169.41% increase as at 30th June 2024.

To improve the Institute's infrastructure and enhance students' experience an ongoing building (Tuition/Administration block.) was completed to provide more space to students and staff.

As I conclude, I would like to extend my sincere gratitude to Sirisia Technical & Vocational College Board, our Principal and his entire Management Board, our staff members, students, partners and donors, for their commitment and collaboration towards the Technical & Vocational College. I am optimistic that the Technical Training Institute is headed to a prosperous future that can only bode well for this great Institution.

Thank you



Kucubo Barasa

Chairman of Board

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6. Report of the Chief/Senior Principal

Dear stakeholders, the college started on 6/01/2020 with trainees' population of 155, with one PSC trainer as the Principal Madam Monica Okumu and 10 BOG employed trainers with the following departments: -

1. Food & Beverage
2. Hair Dressing and Beauty Therapy
3. Building and Civil Engineering Department.
4. Electrical Engineering Department.
5. General Agriculture Department
6. Business Department

The college had received training equipment under the Avic China support through State Department of Technical and Vocational in: - Food and Beverage and Hair Dressing and Beauty Therapy.

The Board of Governors was inaugurated on 01/02/2021 and expired on 31/12/2023. Currently the college has a trainees' population of 2228 trainees and 24 trainers under PSC and 33 Trainers employed by BOG.

Challenges

- i. During the period we have purchased assortment of tools and equipment's in all departments however we still have a shortage in Fashion and Design.
- ii. There is inadequate and unreliable supply of water.
- iii. Inadequate number of workshops, classrooms etc.
- iv. At the beginning doors were not opened by the contractor so learning was taking place under trees and some corridors due to incomplete payment by the Ministry. However, the doors were later opened.
- v. We are indebted to the government for supporting our operations through funding from capitation, HELB and Scholarship. However, the majority of our trainees are class 8 leavers who do not qualify for funding from capitation at the same time most of the trainees shy away from applying for HELB loans for the reasons we are not well aware.
- vi. Lack of hostels for trainees' accommodation.
- vii. High wage bill for BOG Trainers that drains into the institutes finances which leaves no finances for the institutes capital development project.

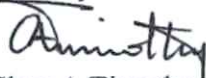
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- viii. Lack of funds for capacity building workshops/trainees participation in all extra-curricular activities.
- ix. Lack of school bus for marketing and trainees transport

Achievements

- i. The college has been accredited by TVETA to offer 20 different courses at Diploma, Craft and Artisan Levels and has applied for CBET accreditation courses by TVETA.
- ii. We purchased and installed a 10,000 litre water tank for harvesting rain water to be used by students, student chairs and we also purchased a stand by generator.
- iii. We have the potential for growth as we have been receiving enquiries Admission into our various courses and admissions are at 2,228.
- iv. Since we started our performance in KNEC has been growing standing at 78% for June/July 2023 series.
- v. We also participated in drama and athletics and we managed to compete up to the national level.
- vi. Our collective effort will make us and our actions will help actualize this dream of a Technical & Vocational Training in serving society and the world.
- vii. Implementation of MIS and Fibre Optic for WIFI.
- viii. The college has worked in partnership with the CDF to construct the fence and gate.
- ix. I wish to convey my gratitude to all staff, both academic and administrative and the students who together, are lending to form our collective dream. Together we shall deliver.

Thank you


Clara A Timothy

Principal/ Board Secretary



7. Statement of Performance Against Predetermined Objectives

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

SIRISIA TVC has 6 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2022- FY 2023. These strategic pillars are as follows:

Strategic Pillars

- i. To provide quality, relevant, technical skills, vocational education and training.
- ii. To acquire competent and adequate staffing levels.
- iii. To establish an effective and efficient performance management system.
- iv. To establish relevant and quality community and industry linkages.
- v. To institutionalize and implement an efficient service delivery system.
- vi. To build and improve adequate infrastructural capacity.

Key Result Areas	Strategic Objective	Key Performance Indicators	Activities	Achievements
1. To provide quality, relevant, technical skills, vocational education and training.	Initiate market-driven and relevant training programs	MOUNT CBET courses in artisan level4	-apply to CBET for accreditation	Awaiting response.
	Develop an internal quality assurance system	Establish quality assurance office	Appoint quality assurance officer	Internal quality assurance office established
	Develop partnership and exchange programs	Provision of health services to staff and students	Sign M.O.U with Sirisia Sub county hospital	Linkage signed
	Provide adequate training materials	Procure teaching and learning materials	Tender advertised	L.P.O
	To initiate courses that enhances the implementation of the Big 4 Agenda.	Mount CBET courses	Apply for inspection	Applications made

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Key Result Areas	Strategic Objective	Key Performance Indicators	Activities	Achievements
2.To build a sustainable institutional capacity	Develop strategic and operational plans	Develop strategic plan	Consultative meeting with stakeholders	Strategic plan complete.
	Diversify sources of income and funding	Increase area under crop farming	Hire 2 acres of land for farming.	Farming done
	Develop and implement study and work environment policy	Develop policies related to working environment e.g. safety and security measures	Appoint committees to develop policies	In progress
3.To establish and improve adequate infrastructural capability	Develop and implement infrastructural development plan	Develop STVC development plan	Tender advertisement	In progress
	Acquire modern and relevant training equipment	Procure training equipment	Tender advertisement	In progress
	Develop and implement maintenance policy for infrastructural facilities	Develop maintenance policies	Appoint of committee members	In progress
	Construct two sanitary blocks	Enhanced sanitary facilities	Solicit for funds	In progress
4.To acquire competent and adequate staffing levels	Establish and implement an effective performance management system	Develop quality management systems and policies	Establish committee to establish develop Q.M.S	Q.M.S developed.
5. To establish an effective and efficient	Develop and document customer service standards	Develop citizens service delivery charter	Display service delivery charter	Service delivery charter displayed

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Key Result Areas	Strategic Objective	Key Performance Indicators	Activities	Achievements
performance management system.	Establish and implement relevant and appropriate management information systems	Establish complaints/compliments box	Display the complaints and compliments box at appropriate place	Designing of the box in progress
	Establish and implement a risk and disaster management policy	Establishing safety and security measures	Constitute a committee to develop a disaster management policy	Meetings in progress
6.To develop and extend quality and relevant community outreach services and programs	Participate in public fora and exhibitions	Undertake research and innovations	Participate in trade Tvet Fairs and Research Paper Seminars	Participated in Evet Fair
	Develop and implement a community outreach policy	Conduct environmental clean-up in Sirisia market	Create awareness	Done
	Create brand identity and public relations system	Provide staff identification cards	Tender advertisement	In progress

8. CORPORATE GOVERNANCE STATEMENT

Sirisia TVC is governed by the Board of Governors. The Board provides strategic direction, exercises control and remains accountable through effective leadership, enterprise, integrity and good judgment. It is diverse in its composition, independent but flexible, pragmatic, objective and focused on balanced and sustainable performance of the Institute.

Appointment of Board Members

- i. Every appointment is by name and by notice in the Kenya Gazette but ceases if the Council member:
 - a) Serves the appointing authority with a written notice of resignation; or
 - b) Is absent, without the permission of the Chairperson, from the three consecutive meetings; or
 - c) Is convicted of an offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding twenty thousand shillings; or
 - d) Is incapacitated by prolonged physical or mental illness from performing his duties as a member of the Board; or
 - e) Conducts himself in a manner deemed by the appointing authority to be inconsistent with membership of the Board.
- ii. Any removal of a Board member under (i) above, shall be through formal revocation.

Ethics and Conduct

The Board adheres to the Code of Conduct and Ethics for State Corporations (SCs) which focuses on ethical conduct and integrity at the workplace. It defines the Board's commitment to the highest standards of behaviour so as to contribute to the achievement of the national development goals. The Code sets out expectations for individual behaviour necessary to meet these standards and includes requirements and guidance to help carry out their roles with integrity and in compliance with the law. By exemplifying the ethical behaviours and corporate values described in the Code, the Board is expected to uphold Article 10 of the Constitution of Kenya, 2010 on National Values and Principles of Governance and Chapter 6 on Leadership and Integrity.

Conflict of Interest Policy & Disclosures

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

Board members are required to avoid conflict of interest and deal at arm's-length in any matter that relates to the organization. However, a Board member who identifies an area of conflict shall be required to disclose any actual or potential conflict of interest to the Board. In so

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reporting, the Board member is required to provide all relevant information, including information which relates to their immediate family members by blood or marriage which is related to the area of conflict. When declared, the Board member shall abstain from decisions where the conflict exists.

The Secretary keeps a record of conflicts of interest declared, for accountability purposes, and as a rule of good practice on appointment and on regular intervals or at any time when circumstances change, all members shall in good faith disclose to the Board for recording, any other business or interest likely to create a potential conflict of interest.

Board Remuneration

Board members are remunerated for their services in accordance with State Corporations Act provisions and/or guidance from the State Corporations Advisory Committee. In line with best practice, the remuneration includes Honoraria for the Chair of Board and allowances for all members on attendance of Board meetings.

Board Induction and Training When New Board members are appointed, the Institute organizes for induction of new Board members in order to familiarize themselves with their responsibilities as Members of Board, general principles of corporate governance and Council practices. The induction programme provides the Board members with an orientation of the organization, strategic plans, financial status and policies, risk management, compliance programmes and the Code of Conduct and Ethics. The current Council members were inducted in the year under review.

Board Responsibilities

Board of Governors, during the inauguration on 1/02/2021, was sensitized on their roles and responsibilities according to the TVET Act which were.

- a) Overseeing the conduct of education and training in the Institute in accordance with the provisions of TVET Act 2013 and any other written law.
- b) Promoting and maintaining standards, quality and relevance in education and training in the Institute in accordance with the TVET Act 2013 and any other written law.
- c) Administering and managing the property of the Institute
- d) Developing and implementing the Institute's Strategic Plan – STVC Strategic Plan 2021 – 2026 was developed by the Board.
- e) Preparing annual estimates of revenue and expenditure for the Institute and incurring expenditure on behalf of the Institute
- f) Receiving, on behalf of the Institute, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons.

**Sirisia Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30 June 2024.**

- 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 TVET Act 2013
- h) Mobilizing resources for the Institute
- i) Developing and reviewing programmes for training and to make recommendation to TVETA – *the Board is in the process of launching CBET Curriculum*
- j) Regulating the admission and exclusion of students from the Institute, subject to a qualifications framework and the provisions of TVET Act 2013
- k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Ministry.
- 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 Institute in consultation with the Authority
- n) Making regulations governing organization, conduct and discipline of the staff and students
- o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Board.
- p) Providing for the welfare of the students and staff of the Institute
Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the Institute
- r) Discharging all other functions conferred upon it by TVET Act 2013 or any other written law

The meeting attendance of the Board members during the Full Board meeting is shown below:

S/No	Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.	KUKUBO BARASA	✓	✓	✓	✓
2.	SHANG'ANI RUTO	✓	✓	✓	✓
3.	MIRIAM SONGOK	✓	✓	✓	✓
4.	INVIOLETE SIBOE	✓	✓	✓	✓
5.	VINCENT KUNNY	✓	✓	✓	✓
6.	SCHOLASTICA MASIKA	✓	✓	✓	✓
7.	MARTHA WEKESA	✓	✓	✓	✓
8.	DESMOND JUMA	✓	✓	✓	✓
9	HERBERT MUSUYA	✓	✓	✓	✓

9. MANAGEMENT DISCUSSION AND ANALYSIS

The college operational and Financial Performance.

Generally, the Institute operated at a net surplus of Kshs. 35,904,126 during the financial year. This was majorly due to the factors below;

- Reduction on expenditure as a result of COVID-19.
- Increase in students' population.

This is an indication that the college is growing well and the going concern is guaranteed.

Compliance with Statutory Requirements

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

- The Constitution of Kenya, 2010
- TVET Act, 2013
- PFM Act, 2012
- Procurement and Assets Disposal act, 2015
- IPSAS standards.
- All other relevant laws in its operation (regular circulars from treasury and ministry of education)

Key Projects the Institute Implemented

The college has the following projects:

i) Tuition Block

The project is expected to promote practical learning and research in the Institute. The project will be sustainable since it will be used to promote research, innovation and entrepreneurship. This will contribute to reduction of poverty in the society. This project is financed by Government of Kenya through the Mentor institution (KISIWA T.T.I). The contract sum of the project was Ksh 55,911,022

Major risks the Institute is facing;

Operational Risks

The Institute faces competition for resources including; students, staff and financial resources.

The Institute's financial assets are trade receivables as well as cash and short-term deposits which arise directly from its operations. The Institute has financial liabilities comprising trade and other payables which are all current. The management has ensured timely payment to suppliers and other service providers, hence no historic debt.

The Institute has exposure to the following risks:

- i) Liquidity risks
- ii) Credit risks

The Council has overall responsibility for the establishment and oversight of the Institute's risk management framework.

Liquidity Risk

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

Credit Risk

Credit risk is the risk of financial loss to the Polytechnic if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. The Institute receives fees from students as well as capitation from the Government which minimizes the credit risk exposure.

Material Arrears and Financial Obligations

The Institute had substantial fees arrears totalling to Ksh 49,275,333 which had not been received by the year end.

10.Environmental and Sustainability Reporting

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

Sustainability strategy and profile

The BOG will provide the overall policy directions and guidelines, sanctioning, authorization as well as resource allocation for the realization of planned objectives. The BOG will also cause the undertaking of mid-term Strategic Plan review and realignment as appropriate. The Principal will guide the creation and implementation of the balanced scorecard that has been adopted as the main Strategic Plan implementation and performance measurement tool. The Principal will also cause periodic strategy and performance audits and reviews to be undertaken in order to keep the Plan synchronized with emerging needs.

Environmental performance

Just as important, the frugal use of resources will be an integral part of resource utilization and management. The Institution is committed to optimal resource utilization including human resource allocation and management. It is expected that for the envisaged comprehensive performance management to be developed and implemented, the output will be measurable and manpower productivity will be enhanced and sustained. Financial resources will be used according to plans and accounts reported in line with the government guidelines.

Employee welfare

Human Resource is critical to the successful implementation of this strategic plan. This will require the development of human resource strategy that targets sourcing (recruitment and selection), performance management system, reward management, training and development as well as the provision of personnel welfare services.

The Human Resources projection is estimated to grow at a rate of 10% per annum. The strategic Human Resources approach will also focus on satisfying the intellectual capital requirements of STVC. Human Resource Management will be concerned with developing resource capability

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and achieving “strategic fit” by building on and providing a unifying framework for human resource management through a “best fit” and “best practice” approach for strategic integration.

The Human Resources projection is estimated to grow at a rate of 10% per annum. The strategic Human Resources approach will also focus on satisfying the intellectual capital requirements of STVC. Human Resource Management will be concerned with developing resource capability and achieving “strategic fit” by building on and providing a unifying framework for human resource management through a “best fit” and “best practice” approach for strategic integration.

Sirisia Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30 June 2024.

11. Report of the Board of Governors

The Board submits the report together with the financial statements for the year ended June 30, 2024 which shows the state of Sirisia TVC'S affairs.

Principal activities

The principal activities of the Sirisia TVC continues to be provision of training to **artisans**, craftswomen and men, technicians, technologists, business women and men at artisan, **craft and** diploma certificate levels.

Results

The results of the entity for the year ended June 30, 2024 are set out from page 1

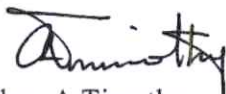
Board of Governors

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

Auditors

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

By Order of the Board



Clara A Timothy.

Principal / B.O.G Secretary

Bungoma

Date... 6/5/2025



12. Statement of the Board of Governors Members' Responsibilities

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

The board members are responsible for the preparation and presentation of Sirisia Tvc's financial statements, which give a true and fair view of the state of affairs of the Institute 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 Institution; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The board members accept responsibility for Sirisia Tvc'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. The board members are of the opinion that Sirisia Tvc's financial statements give a true and fair view of the state of the Institution's transactions during the Annual year ended June 30, 2024, and of the Institution's financial position as at that date. The board members further confirm the completeness of the accounting records maintained for the Institution, which have been relied upon in the preparation of the Institution's financial statements as well as the adequacy of the systems of internal financial control.

Sirisia Technical and Vocational College.

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

Approval of the financial statements

Sirisia Tvc's financial statements were approved by the Board on 25 September 2024 and signed on its behalf by

Name... *Kunugo BARASA*

Signature... *[Handwritten Signature]*

Chairperson of the Board/Council

Name... *CLARA A. TIMOTHY*

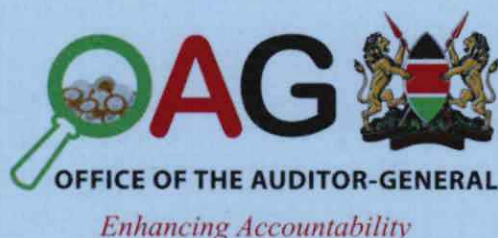
Signature... *[Handwritten Signature]*

Accounting Officer/Principal



REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SIRISIA 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Sirisia Technical and Vocational College set out on pages 1 to 41, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes net

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Sirisia 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, Vocational and Educational Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracy of Statement of Cash Flows

The statement of cash flows reflects rendering of services and rental of facilities income amounting Kshs.30,316,642 and Kshs.944,400, respectively. The amounts differ with amounts of Kshs.58,178,615 and Kshs.1,160,000 disclosed in the statement of financial performance resulting to unexplained and unreconciled variances of Kshs.27,861,973 and Kshs.215,600, respectively. The Management did not provide a reconciliation to explain the variances.

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

2. Unexplained Variances between Financial Statements and Approved Budget Amounts

The statement of comparison of budget and actual amounts reflects budgeted amounts which have variances with amounts reflected in the approved budget as shown below; -

	Financial Statement Amount - Kshs.	Approved Budget Amount - Kshs.	Variance- Kshs.
Use of goods and services	35,210,000	41,400,000	6,190,000
Employee costs	6,150,000	9,750,000	3,600,000
Repairs and maintenance	250,000	3,500,000	3,250,000
Capital expenditure	0	1,944,360	1,944,360

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

3. Unconfirmed Receivables from Exchange Transactions Balance

The statement of financial position reflects receivables from exchange transactions balance of Kshs.49,275,333 as disclosed in Note 18 to the financial statements. This balance includes an amount of Kshs.49,255,333 in respect to student debtors. However,

supporting schedule provided for audit review reflects student debtors balance of Kshs.50,106,795 resulting to unexplained and unreconciled variance of Kshs.851,462.

Further, during the year under review, the student debtors increased by Kshs.26,651,166 or 118% in comparison to an increase of Kshs.11,219,995 reported in the previous financial year ended 30 June, 2023. No explanation was given for this high increase of students debtors. In addition, Note 18 to the financial statements indicates that receivables balance of Kshs.22,604,167 had been outstanding for more than one (1) year and mechanisms put in place for collecting the outstanding debts were not provided for audit review.

Additionally, Management did not provide detailed ageing analysis of the receivables and no provision for bad and doubtful debts was made.

In the circumstances, the accuracy and completeness of receivables from exchange transactions balance of Kshs.49,275,333 could not be confirmed.

4. Unconfirmed Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.79,683,237 as disclosed in Note 21 to the financial statements. Included in the balance are additions to furniture and fittings of Kshs.6,794,400, computers of Kshs.707,430, plant and equipment of Kshs.910,120, and work in progress of Kshs.2,683,525 which were not supported by general ledgers, invoices and payment certificates.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.79,683,237 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total actual revenue of Kshs.84,937,796 and total actual expenditure of Kshs.49,033,671 resulting to under-spending by Kshs.35,904,126 or 42% of the receipts. No explanation was given for failure to absorb the funds as planned.

The under-spending 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 matters described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the previous year audit, several issues were raised under Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. The Management has indicated under the implementation status of Auditor-General's recommendations section of the financial statements, that some issues have been resolved while others have not been resolved. However, no documentary evidence was provided for audit confirming the implementation of the recommendations.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Law on Staff Ethnic Diversity

Review of payroll for the month of June, 2024 and the Board members records revealed that out of the total forty-five (45) employees and seven (7) Board members, thirty-nine (39) employees and six (6) Board members which is 87% of total number of employees and Board members of fifty-two (52) were from the dominant community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which states that no public establishment shall have more than one third of its staff from the same ethnic community.

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

2. Lack of Approved Staff Establishment

The statement of financial performance reflects employee costs amount of Kshs.7,107,961 as disclosed in Note 13 to the financial statements. However, the staff establishment of the College provided for audit had not been approved and it indicates an in-post of thirteen (13) staff against available positions of seventy-seven (77) resulting in a shortage of sixty-four (64) employees. However, the list of staff provided for audit indicate a total of forty-five (45) number of staff and therefore the two records do not match.

In the circumstances, the college is in breach of the Ministry of Education: State Department of Vocational and Technical Education Circular Ref No: MST/DTE/1/1 dated 12 July, 2019 which requires Technical and Vocational Education and Training (TVET) institutions to develop a staff establishment with clear justifications for consideration and approval by the Public Service Commission.

3. Lack of Annual Recruitment Plans

The statement of financial performance reflects employee costs amounting to Kshs.7,107,961 and as disclosed in Note 13 to the financial statements. During the year under review, the College employed five (5) trainers. However, there was no evidence provided for audit re view to show that recruitments were based on an annual recruitment plan in compliance with Section B.2(2) of Human Resource Policies and Procedures Manual for the Public Service of May, 2016 which states that on the basis of these Human Resource plans, Ministries/State Departments shall be required to develop annual recruitment plans which will be forwarded to the Public Service Commission at the beginning of each financial year to enable it plan to fill the vacancies.

In the circumstances, the college Management did not comply with the Government directives.

4. Unexplained Remuneration of Directors

The statement of financial performance and Note 14 to the financial statements reflect remuneration of directors' costs of Kshs.1,239,000. However, no documentary evidence was provided to confirm that the Board sitting allowances were approved by the Cabinet

Secretary in accordance with Section 17 of Technical and Vocational Education and Training Act, 2013 which states that Members of a Board of Governors shall be paid in respect of their services such remuneration or allowances as the Board of Governors shall, with the approval of the Cabinet Secretary, determine.

Further, the College did not carry out an annual Board evaluation of its performance at the end of the period as required by the Mwongozo guidelines.

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

5. Frequency of Board Meetings Held in the Year

During the year under review, the College the Board held two Board meetings on 28 March, 2024 and 22 December, 2023. This is contrary to the Government circular No. OP/CAB.9/1A of 11th March, 2020 on Management of State Corporations that states that board meetings shall be restricted to a minimum of four (4) as provided for in the state Corporations Act and capped to a maximum of six for each financial year or as may be specified in the respective enabling legal instrument.

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

6. Failure to Maintain a Non-Current Assets Register

During the year under review, Management did not maintain a detailed non-current asset register to record all the assets and the various details such as date of acquisition, supplier, asset description, cost amount, accumulated depreciation/amortization, depreciation/amortization for the year, net book value, location and condition of the assets. This is contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

7. Unbalanced Budget

The statement of comparison of budget and actual amounts reflects final revenue budget of Kshs.77,884,360 and the final expenditure budget of Kshs.48,755,360 resulting to budget surplus of Kshs.29,129,000. This is contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations, amongst other guidelines issued to be observed at all times during budget formulation and approval, the budget shall be balanced.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the

audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

During the year under review, the College did not have an internal audit function to perform risk assessment audits, processes and evaluation of operational effectiveness through reviews of the internal controls, thus risks may not have been identified and mitigated.

In the circumstances, the effectiveness of the College's internal controls and governance could not be confirmed.

2. Lack of Risk Management Policy

During the financial year under review, the College did not have a risk management policy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. In addition, the Management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. This is contrary to Regulation 165 (1) (a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which state that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

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

3. Lack of Information and Communication Technology Internal Controls

During the year under review, the College did not have an approved policy on Information and Communication Technology (ICT) and disaster recovery plan. Further, there was no ICT strategic or steering committees for implementation of ICT governance to safeguard its assets and there was no ICT strategic plan. In addition, the College has a system by the name INTELLIMIS which was procured from a firm at an initial onboarding fee of Kshs.348,000 and a monthly subscription of Kshs.29,000. However, the staff have not been able to utilize the system optimally especially on the procurement and stores module, the finance management module and assets management module.

In the circumstances, the College is prone to possible loss of critical data and information in case of a disaster.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The Standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 Governors

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 sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or to cease its 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 Governors is responsible for overseeing the College's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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 also 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

29 May, 2025

Sirisia Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30 June 2024.

14. Statement of Financial Performance for The Year Ended 30 June 2024

	Notes	Jun-24 Kshs	Jun-23 Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants/ gifts in kind	6	25,232,786	9,661,000
Public contributions and donations	7	-	-
Total Revenue from non-exchange transactions		25,232,786	9,661,000
Revenue from exchange transactions			
Rendering of services- Fees from students	8	58,178,615	23,600,270
Sale of goods	9	366,395	397,956
Rental revenue from facilities and equipment	10	1,160,000	-
Other income	11	-	-
Revenue from exchange transactions		59,705,010	23,998,226
Total revenue		84,937,796	33,659,226
Expenses			
Use of goods and services	12	34,587,129	15,609,915
Employee costs	13	7,107,961	5,335,214
Remuneration of directors	14	1,239,000	619,000
Depreciation and amortization expense	15	5,895,998	4,698,016
Repairs and maintenance	16	203,582	319,506
Total expenses		49,033,671	26,581,651
Net Surplus for the year		35,904,126	7,077,575

The notes set out on pages 7 to 35 form an integral part of the Annual Financial Statements.

Accounting Officer
 Name: CLARA A. TIMOTHY
 Date: 6/5/2025

Head of finance
 Name: Annah Wanyama
 Icpak Member Number: 26033
 Date: 6/5/2025

Chairman of the Board
 Name: Kucubo BARASA
 Date: 7 May 2025



Sirisia Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30 June 2024.

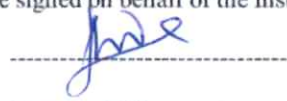
15. Statement of Financial Position as at 30 June 2024

Description	Notes	Jun-24 Kshs	Jun-23 Kshs
Assets			
Current assets			
Cash and cash equivalents	17	5,298,084	2,671,008
Receivables from exchange transactions	18	49,275,333	22,604,167
Receivables from non-exchange transactions	19	-	-
Inventories	20	627,782	112,560
Total Current Assets		55,201,199	25,387,735
Non-current assets			
Property, plant and equipment	21	79,683,237	74,329,260
Intangible assets	22	309,000	463,500
Total Non-current Assets		79,992,237	74,792,760
Total assets(A)		135,193,436	100,180,495
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	23	714,648	3,209,446
Payments received in advance	24	312,254	1,392,166
Total Current Liabilities		1,026,902	4,601,612
Non-current liabilities			
Borrowings	25	-	-
Total Non-current liabilities		-	-
Total liabilities(B)		1,026,902	4,601,612
NET ASSET(A-B)		134,166,534	
Reserves			
Accumulated surplus		47,771,287	11,867,161
Capital Fund		86,395,247	83,711,722
Total Capital and Reserves		134,166,534	95,578,883

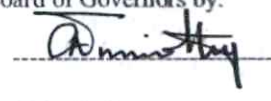
The Financial Statements set out on pages 1 to 6 were signed on behalf of the Institute Board of Governors by:



Chairman of Council/Board of Governors



Finance Officer
ICPAK No 26033



Principal



16. Statement of Changes in Net Asset for the Year Ended 30 June 2024

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/ Development Grants/Fund	Total
Balance b/f as at July 1, 2022	0	0	4,789,586	83,711,722	88,501,308
Revaluation gain					0
Fair value adjustment on quoted investments					0
Total comprehensive income			7,077,575		7,077,575
Capital/Development grants received during the year					0
Transfer of depreciation/amortisation from capital fund to retained earnings					0
Balance c/d as at June 30, 2023	0	0	11,867,161	83,711,722	95,578,883
Balance b/f as at July 1, 2023	0	0	11,867,161	83,711,722	95,578,883
Revaluation gain					0
Fair value adjustment on quoted investments					0
Total comprehensive income			35,904,126		35,904,126
Capital/Development grants received during the year				2,683,525	2,683,525
Transfer of depreciation/amortisation from capital fund to retained earnings					0
Balance c/d as at June 30, 2024		0	47,771,287	86,395,247	134,166,534

NOTE:Kshs.83,711,722 is the initial capital which comprises the value of assets when the college begun.

Sirisia Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30 June 2024.

17. Statement of Cash Flows for The Year Ended 30 June 2024

		Jun-24	Jun-23
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6	25,232,786	9,661,000
Rendering of services- Fees from students	8	30,316,642	11,443,027
Sale of goods	9	366,395	397,956
Rental revenue from facilities and equipment	10	944,400	-
Total Receipts		56,860,223	21,501,983
Payments			
Compensation of employees	13	7,107,961	5,335,214
Use of goods and services	12	34,587,129	12,570,469
Directors Remuneration	14	1,239,000	619,000
Repair & Maintenance	16	203,582	149,506
Total Payments		43,137,672	18,674,189
Net cash flows from operating activities		13,722,551	2,827,794
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	21	-11,095,475	- 1,171,280
Proceeds from sale of property, plant and Equipment			
Increase in investments			
Net cash flows used in investing activities		-11,095,475	-1,171,280
Cash flows from financing activities			
Proceeds from borrowings			
Net cash flows used in financing activities		0	-
Net increase/(decrease) in cash and cash equivalents		2,627,076	1,656,514
Cash and cash equivalents at 1 July 2023		2,671,008	1,014,494
Cash and cash equivalents at 30st June 2024	17	5,298,084	2,671,008

Accounting Officer

Name: CLARA A. TIMOTHY

Date: 6/5/2025

Head of finance

Name: Annah Nanyama

Icpak Number: 26033

Date: 6/5/2025

Chairman of the Board

Name: KUKUBO BARASA

Date: 7 May 2025



Sirisia Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30 June 2024.

18. Statement of Comparison of Budget and Actual Amounts for The Year Ended 30 June 2024

BUDGET LINE	Annual Budget	Adjustments	Final	Actual	Performance difference	VARIANCE (%)	Remarks
	Shs 2023/2024	2023/2024	2023/2024	Shs 2023/2024	Shs 2023/2024	2023/2024	
Revenue							
Revenue from non-exchange transactions	30,000,000	- 2,500,000	27,500,000	25,232,786	2,267,214	8%	(a)
Rendering of services- Fees from students	30,094,360	18,740,000	48,834,360	58,178,615	- 9,344,255	-19%	(b)
Sale of goods	250,000	140,000	390,000	366,395	23,605	6%	(c)
Rental Income	-	1,160,000	1,160,000	1,160,000	-	0%	
Total income	60,344,360	17,540,000	77,884,360	84,937,796	- 7,053,436		
	60,344,360						
Expenses							
Use of goods and services	39,210,000	- 4,000,000	35,210,000	34,587,129	622,871	2%	(d)
Employee costs	9,150,000	- 3,000,000	6,150,000	7,107,961	- 957,961	-16%	(e)
Remuneration of directors	3,500,000	- 2,239,000	1,261,000	1,239,000	22,000	2%	(f)
Depreciation and amortization expense	5,734,360	150,000	5,884,360	5,895,998	- 11,638	0%	
Repairs and maintenance	2,750,000	- 2,500,000	250,000	203,582	46,418	19%	(i)
Total Expenditure	60,344,360	- 11,589,000	48,755,360	49,033,671	- 278,311		
Surplus for the Period				35,904,126	- 6,775,126		

Budget notes.

i)Rendering of services- Fees from students

The increase is at a result of increased enrolment than anticipated

ii)Employee Costs

Increase in enrolment led to employment of more Bog trainers on Bog terms.

19. Notes to The Financial Statements

1. General Information

Sirisia Technical and Vocational College is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. Sirisia Technical and Vocational College principal activity is to teach and train in Artisan, Craft and Diploma Courses Examined by KNEC and other accredited Examining bodies.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Sirisia Technical and Vocational College 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 Sirisia Technical and Vocational College.

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

3. Adoption of New and Revised Standards

i. *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 cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<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.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> 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>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i> 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>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i> 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>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i> 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>

iii. Early adoption of standards

Sirisia Technical And Vocational College did not early adopt any new or amended standards in year 2024.

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.

b) Budget information

The original budget for FY 2023/2024 was approved by the Council or Board on 7/02/2023. 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 recorded additional appropriations of ~~xxx~~ on the FY 2023/2024 budget following the Council/ Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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 5 under section of comparison of budget and actual amounts of these financial statements.

c) Taxes

Current income tax

Sirisia technical and vocational college is exempt from paying taxes as per public finance management Act 2012 and TVET Act 2013.

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 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

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

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

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

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

k)Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

Sirisia Tvc 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

Sirisia Tvc 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

Sirisia Tvc creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

Sirisia Tvc 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

Sirisia Tvc 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. 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

Sirisia Tvc 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

Sirisia Tvc 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, Sirisia Tvc 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, also Sirisia Tvc 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.

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 Sirisia Tvc'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. Sirisia Tvc based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

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

6. Transfers from National Government Ministries

Description	Jun-24	Jun-23
	kshs	kshs
Unconditional grants		
Operational grant	-	1,500,000
Other grants		
Conditional grants		
Capitation grant	23,042,425	8,161,000
Scholarship	2,190,361	
Administration block grant		
Laboratory grant		
Total Government grants and subsidies	25,232,786	9,661,000

7. Public Contributions and Donations

Description	Jun-24	Jun-23
	kshs	kshs
Public donations		
Donations from local leadership		
Donations from religious institutions		
Donations from alumni		
Other donations		
Total Public Contributions and Donations	-	-

8. Rendering of Services

Description	Jun-24	Jun-23
	kshs	kshs
Tuition fees	27,714,525	7,525,700
Activity fees	3,995,630	1,835,940
Personal Emoluments	10,429,875	3,721,500
Electricity, Water & Conservancy	3,737,725	1,984,800
LT& T	4,160,925	2,646,400
RMI	3,093,625	1,654,000
Attachment fees	2,837,000	2,481,000
Registration Fees	312,500	200,000
Student union	156,250	0
Student ID	156,250	0
Examination fee	1,584,310	1,550,930
Total Rendering of Services	58,178,615	23,600,270

Note: Actual amount received from fees collection is Ksh 30,316,642.

9. Sale of Goods

Description	Jun-24	Jun-23
	kshs	kshs
Sale of books	-	-
Catering/Production Units	274,395	385,356
Sale of farm produce	92,000	12,600
Total Sale of goods	366,395	397,956

10. Rental Revenue from Facilities and Equipment

Description	Jun-24	Jun-23
	kshs	kshs
Straight-lined operating lease receipts		
Boarding Fees	1,160,000	-
Total rentals	1,160,000	-

11. Other income

Description	Jun-24	Jun-23
	kshs	kshs
Income from sale of tender		
Deffered Income(Depreciation on Buildings)	-	-
Total other income	-	-

12. Use of Goods and Services

Description	Jun-24	Jun-23
	kshs	kshs
Electricity, Water & Conservancy	844,269	946,787
Tuition	22,595,964	8,041,635
Security	564,000	312,000
Activity	3,376,012	1,627,276
Bank Charges	31,013.35	20,695
LTT	4,395,452	2,270,450
Attachment	399,596	212,798
Catering	343,033	381,614
Farm	123,780.00	75,850
Helb Refund	-	26,400
Administration Costs	-	213,880
Examination	1,584,310	1,340,330
Student Union	329,700	140,200
Total good and services	34,587,129	15,609,915

13. Employee Costs

Description	Jun-24	Jun-23
	kshs	kshs
Salaries and wages	6,387,976	4,762,870
Overtime payments		
Performance and other bonuses		
Social contributions	719,985	572,344
Total Employee costs	7,107,961	5,335,214

14. Remuneration of Directors

Description	Jun-24	Jun-23
	kshs	kshs
Chairman's Honoraria	210,000	69,000
Directors emoluments	1,029,000	550,000
Other allowances		
Total director emoluments	1,239,000	619,000

15. Depreciation and Amortization Expense

Description	Jun-24	Jun-23
	kshs	kshs
Property, plant and equipment	5,741,498	4,543,516
Intangible assets	154,500	154,500
Investment property carried at cost		
Total depreciation and amortization	5,895,998	4,698,016

16. Repairs and Maintenance

Description	Jun-24	Jun-23
	kshs	kshs
RMI	203,582	319,506
Computers and accessories		
Other		
Total Repairs and Maintenance	203,582	319,506

Notes to the Financial Statements (Continued)

17. Cash and Cash Equivalents

Description	Jun-24	Jun-23
	kshs	kshs
Current account	5,297,824	2,653,008
Cash in hand	260	18,000
Total cash and cash equivalents	5,298,084	2,671,008

17 (a). Detailed Analysis of Cash and Cash Equivalents

Financial institution	Account number	KShs	2023-2024	2022-2023	KShs
a) Current account					
Kenya Commercial bank	1281480851	5,297,824	2,653,008		
b) Others(specify)					
Cash in transit		-	-		
cash in hand		260	18,000		
Mobile Money account		-	-		
Sub-total					
Grand total			5,298,084		2,671,008

18. a) Receivables from exchange transactions

Description	Jun-24 kshs	Jun-23 kshs
Current receivables		
Student debtors in the year 2023/2024 only	49,255,333	22,604,167
Staff debtors	0	
Consultancy debtors		
Other exchange debtors		
Less: impairment allowance		
Total current receivables	49,255,333	22,604,167
Non-current receivables		
Refundable deposits		
Advances to staff	20,000	
Public organizations	0	
Less: impairment allowance	0	
Total non-current receivables	20,000	
Total receivables	49,275,333	22,604,167

18.b) Ageing Analysis from Exchange Transactions.

Description	2023-2024		2022-2023	
	Current FY	% of the total kshs	Comparative FY	% of the total kshs
Current receivables				
Less than 1 year	26,671,166	54.13	22,371,047	98.97
Between 1-2 years	22,604,167	45.87	221,820	0.98
Between 2-3 years	0	0	11,300	0.05
Over 3 years	0	0	0	0
Total current receivables	49,275,333	100	22,604,167	100

19. Receivables from Non-Exchange Transactions

Description	Jun-24	Jun-23
	kshs	kshs
Current receivables		
Transfers from other govt. entities	-	0
Undisbursed donor funds		
Other debtors (non-exchange transactions)		
Less: impairment allowance		
Total current receivables	-	-

20. Inventories

Description	Jun-24	Jun-23
	kshs	kshs
Consumable stores	627,782	112,560
Maintenance stores		
Health Unit stores		
Electrical stores	-	
Cleaning materials stores		
Catering stores	-	
Total Inventories	627,782	112,560

Notes to the Financial Statements (Continued)
21. Property, Plant and Equipment

Cost	Land		Buildings		Motor vehicles		Furniture and fittings		Computers		Library books		Plant and equipment		Work in progress		Total	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
IST JULY 2022	5,600,000	55,911,022	0	2,682,400	1,727,500	0	18,173,800	0	0	0	0	0	0	0	0	0	0	84,094,722
Additions				710,000	461,280													1,171,280
Disposals																		0
Transfers/adjustments																		0
AT 30TH JUNE 2023	5,600,000	55,911,022	0	3,392,400	2,188,780	0	18,173,800	0	0	0	0	0	0	0	0	0	0	85,266,002
IST JULY 2023	5,600,000	55,911,022	0	3,392,400	2,188,780	0	18,173,800	0	0	0	0	0	0	0	0	0	0	85,266,002
Additions				6,794,400	707,430		910,120	2,683,525										11,095,475
Disposals																		0
Transfers/adjustments																		0
AT 30TH JUNE 2024	5,600,000	55,911,022	0	10,186,800	2,896,210	0	19,083,920	2,683,525	0	0	0	0	0	0	0	0	0	96,361,477
Depreciation and impairment																		0
At 1ST JULY 2022	0	1,677,331	0	499,638	808,669	0	3,407,588	0	0	0	0	0	0	0	0	0	0	6,393,225
Depreciation	0	1,118,220	0	424,050	729,520	0	2,271,725	0	0	0	0	0	0	0	0	0	0	4,543,516
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer/adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AT 30TH JUNE 2023	0	2,795,551	0	923,688	1,538,189	0	5,679,313	0	0	0	0	0	0	0	0	0	0	10,936,742
At 1ST JULY 2023	0	2,795,551	0	923,688	1,538,189	0	5,679,313	0	0	0	0	0	0	0	0	0	0	10,936,741
Depreciation	0	1,118,220	0	1,273,350	964,438	0	2,385,490	0	0	0	0	0	0	0	0	0	0	5,741,498
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AT 30TH JUNE 2024	0	3,913,771	0	2,197,038	2,502,627	0	8,064,803	0	0	0	0	0	0	0	0	0	0	16,678,240
Net book values																		0
AT 30TH JUNE 2024	5,600,000	51,997,251	0	7,989,762	393,583	0	11,019,117	2,683,525	0	0	0	0	0	0	0	0	0	79,683,237
30TH JUNE 2023	5,600,000	53,115,471	0	2,468,712	650,591	0	12,494,487	0	0	0	0	0	0	0	0	0	0	74,329,261

22. Intangible Assets Software

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost		
At beginning of the year	618,000	618,000
Additions	-	-
Cost end of the year	618,000	618,000
Amortization and impairment		
At beginning of the year	154,500	-
Amortization	154,500	154,500
Amortization at end of the year	309,000	154,500
Less :Impairment loss		
At end of the year	-	-
NBV	309,000	463,500

23. Trade and Other Payables from Exchange Transactions

Description	Jun-24	Jun-23
	kshs	kshs
Trade payables	714,648	3,209,446
Fees paid in advance		
Third party payments(Contractors Retention)	-	
Other payables		
Total trade and other payables	714,648	3,209,446

23 b) Ageing Analysis of Trade and other payables.

Ageing analysis	2023-2024		2022-2023	
	Current FY ksh.	% of the total	Comparative FY ksh.	% of the total
Under one year	714,648	100	2,068,991	64,5
1-2 years	0	0	1,140,455	36.5
2-3 years	0	0	0	0
Over 3 years	0	0	-	-
Total trade and other payables	714,648	100	3,209,446	100

24. Refundable Deposits from Customers/Students

Description	Jun-24	Jun-23
	kshs	kshs
Student Fees	312,254	1,392,166
Others		
	312,254	1,392,166

24.b) Ageing Analysis of Refundable Deposits from Customers/Students

Ageing Analysis	2023-2024		2022-2023	
	Current FY KSH	% of the total	Comparative FY KSH	% Of the total
Under one year	312,254	100	1,392,166	
1-2 Years	0	0	0	
2-3 Years	0	0	0	
Over 3 Years	0	0	0	
	312,254	100	1,392,166	

25. 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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables from exchange transactions	22,371,047	11,384,172	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	2,671,008	1,014,494	0	0
Total	25,042,055	12,398,666	0	0
At 30 June 2024				
Receivables from exchange transactions	49,295,333	22,371,047	0	0
Receivables from non-exchange transactions	0		0	0
Bank balances	5,298,084	2,671,008	0	0
Total	54,593,417	25,042,055	0	0

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

The entity has significant concentration of credit risk on amounts due from Sirisia Technical and Vocational College

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements.

The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

Foreign currency sensitivity analysis

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

a) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

iv) Capital Risk Management

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

	2023-2024	2022-2023
	Kshs	Kshs
Revaluation reserve	0	0
Retained earnings	50,454,812	11,867,161
Capital reserve	83,711,722	83,711,722
Total funds	134,166,534	95,578,883
Total borrowings		0
Less: cash and bank balances	5,298,083.60	2,671,008
Net debt/(excess cash and cash equivalents)	2,671,008	1,014,494
Gearing	0%	0%

24 Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

26. Capital Commitments

Capital commitments	2020-2021	2019-2020
	Kshs	Kshs
Authorised for	-	-
Authorised and contracted for	55,911,022	-
Total	55,911,022	-

27. Events After the Reporting Period

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

28. Ultimate and Holding Entity

The Sirisia Technical College is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

29. Currency

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

20. APPENDICES

Appendix 1: Implementation Status of Auditor-General Recommendations

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

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	Undisclosed Expenditure. The statement of financial performance total expenses amount of ksh 26,581,651. review of documents provided for audit revealed that the expenditure amounting to ksh 518,602 was incurred during the year under review. However, the expenditure, was not disclosed in the Financial Statements. In the circumstance, the accuracy and completeness of total expenses amount of ksh 26,581,602 could not be confirmed.	The Financial Statement was revised to correct the anomaly	Resolved	
2	Unconfirmed Property, Plant and Equipment Balance. The statement of financial position reflects Property, Plant and Equipment balance of ksh 74,329,260 and as disclosed in note 19 to the Financial Statements .Included in the balance is a balance of kshs 5,600,000 relating to the value of college's land whose ownership documents and valuation report were not provided for audit review. Further note 19 to the Financial statements reflects kshs 55,911,022 relating to the costs	The financial statement was revised to correct the anomaly In the process of valuing the college's Assets and also the college is in the process of acquiring land title deed.	Not Resolved	30 September 2026

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	<p>incurred in the construction of College's Buildings whose supporting documents including invoices, payment certificates or valuation report were not provided for audit review. in addition, the value of laptops acquired during the year under review at a cost of kshs 155,680 was not disclosed in the financial statements. In the circumstance the accuracy and completeness of property, plant and equipment balance of kshs 74,329,260 could not be confirmed.</p>			
3	<p>Unexplained variances between Financial statements and supporting schedules. The Statement of Financial performance reflects rendering of services revenue amount of kshs. 23,600,270, which as disclosed in note 7 to the financial Statements includes tuition fees amounting of kshs. 7,525,700. However supporting schedules indicate tuition fees amount of kshs. 5,305,091, resulting to unexplained variance of kshs. 2,220,609. Further, the statement of Financial Position reflects inventories balance of kshs. 112,560 while supporting schedules reflect a balance of kshs. 196,259 resulting to unexplained variance of kshs. 83,699. In the circumstances, the accuracy and completeness of the respective financial statements' balances could not be confirmed.</p>	<p>The financial statement was revised to correct the anomaly and also the schedules provided.</p>	resolved	
4.	<p>Unconfirmed Intangible Assets Balance. the statement of</p>	<p>The Financial Statement was</p>	Resolved	

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	Financial position reflects intangible assets balance of ksh.463,500.information available indicate that the College incurred an expenditure of ksh.348,000 in relation to installation of a Management Information System on 8 June,2023.However,the amount has been excluded from the intangible assets balance.In the circumstances,the accuracy and completeness of the Intangible assets balance of kshs 463,500 could not be confirmed.	revised to correct the anomaly		
	Other Matter			
	Unresolved prior year matters. In the audit report of the previous year,several issues were raised,under the report on Financial Statements and the report on effectiveness of Internal controls,risk management and Governance.However,although Management has indicated that all the issues have been resolved under progress on follow up of Auditor Recommendations section of the financial statements,no evidence was provided for audit review indicating wether or not the issues were resolved.In the circumstances,the issues remained unresolved.	The college is in the process of implimenting the unresolved issues.	Partially resolved	30 th june 2026.
	Non-compliance with law on staff ethnic diversity.Analysis of the payroll and staff list provided for audit review,revealed that during the year under review ,the college had (46)employees,both teaching and non-teaching and on permanent and pensionable and contractual terms.however	The college commits to observe one third rule on employment.	resolved	

	<p>out of the total number,forty-three(43)employees or 93% from one ethnic community.This was contrary to section 7(2) of the National Cohesion and Intergration Act,2008,which provides that no public establishment shall have more than one third of its staff from one ethnic community.In the circumstances,Management was in breach of the law.</p>			
	<p>REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS</p>			
1.	<p>Internal controls weaknesses in data management.review of the college's operations revealed management's involvement in processing and storage of personal identifiable information(PII)including onformation of employees during payroll processing and information of students during admission and funding purposes.however the college is not registered as a data controller or a data processor contrary to section 18(1) of the data protection act 2019, which states that no person shall act as a data controller or data processor unless registered with the data commissioner. further,the college had not developed a data protection and privacy policy as at the time of the audit in December,2024.in addition,the college had not carried out data protection impact asssement to identify and mitigate privacy risks before they occur and ensure that data protection and privacy principles are effectively incorporated in the operations</p>	<p>The college is in the process of registering with the data commissioner.</p>	<p>Resolved</p>	<p>31st march 2026</p>

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	of the College in line with Section 31 of the Act.in the circumstances,the college risks potential fines and penalties incase of data management breach to the espective individuals or suppliers.			
2.	Lack of Risk Management Policy. During the year under review,the college operated,without a risk Management policy that would provide the guidelines on how to identify and mitigate operational and other risks the college faces.Further no evidence was provided for audit review indicating that the college performed risk assessment during the year under review,this was contrary to regulation 165(1) (a) and (b) of the Public Finance Management(National Government)regulations,2015 which state that the accounting Officer shall ensure that the National Government entity develops risk management strategies which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.	In the process of developing a Risk management policy and recovery plan	Not Resolved	30 September 2025

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;

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- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

Accounting Officer

Name: Clara A Timothy

Principal/Bog Secretary.

Signature... *Clara A Timothy*
Date... *6/5/2025*

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Appendix II: Projects Implemented by The Entity

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Note: The institution did not have any projects funded by development partners

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1				0			
2							
3							

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Appendix III: Inter-Entity Confirmation Letter

MINISTRY OF EDUCATION
STATE DEPARTMENT FOR VOCATIONAL AND TECHNICAL TRAINING
SIRISIA TECHNICAL & VOCATIONAL COLLEGE



Technology for better life
 P. O. BOX 77-50208 SIRISIA (KENYA)
 Cell Phone: 0722-881543
 Email: sirisiavocational@gmail.com
 www.sirisiatvc.ac.ke



Confirmation of amounts received by Sirisia Technical and Vocational College as at 30th June 2024.

Reference Number	Amounts disbursed by [SC/SAGA/Fund] (ksh) as at 30 th June 2024.						
	Date Disbursed	Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)	Amount Received (Ksh) As at 30th June 2024 (E)	Differences (F)=(D-E)
DTE/CAP 9/38(138)	02/10/2023	3,216,500	0	0	3,216,500	3,216,500	0
DTE/CAP 9/39(96)	18/01/2024	4,697,500	0	0	4,697,500	4,697,500	0
DTE/CAP 9/41(96)	06/02/2024	5,368,000	0	0	5,368,000	5,368,000	0
MOE/DTE/S CHO/VOL.II(39)	14/03/2024	2,190,361.40	0	0	2,190,361.40	2,190,361.40	0
	30/04/2024	5,000,000	0	0	5,000,000	5,000,000	0
DTE/CAP 9/42 (96)	11/06/2024	4,760,425	0	0	4,760,425	4,760,425	0
	Total	25,232,786.40	0	0	25,232,786.4	25,232,786.4	0

The above amounts have been communicated to and reconciled with the parent Ministry

Head of Accountants Department

Annah Wanyama

Sign.....

Date.....6/5/2025