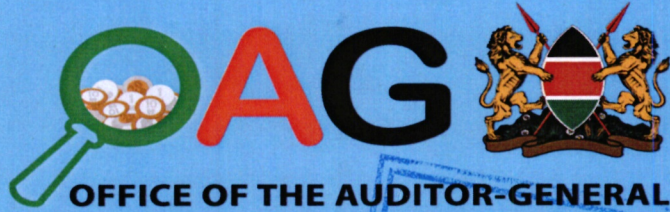
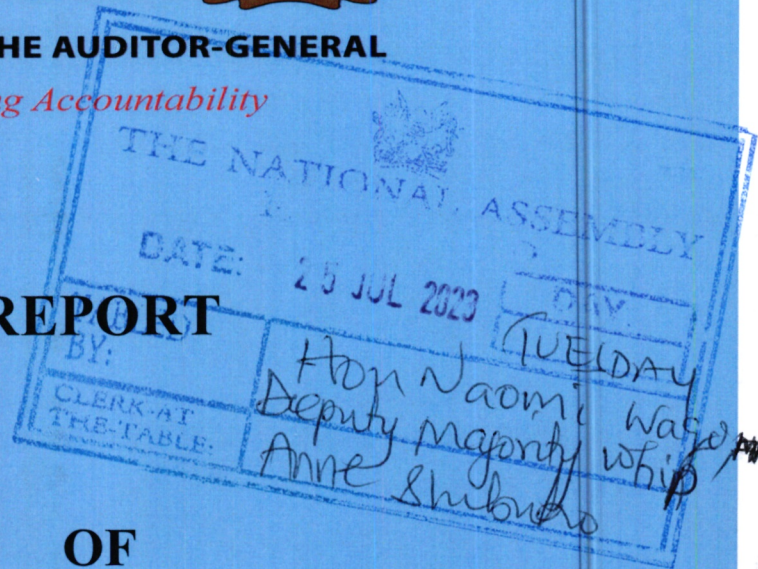


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



OF

THE AUDITOR-GENERAL

ON

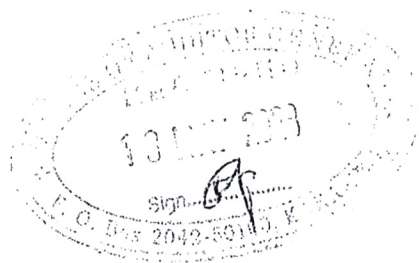
**CHAMASIRI TECHNICAL AND
VOCATIONAL COLLEGE**

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

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE

Annual Report and Financial Statements

For the Year Ended 30th June 2022



MINISTRY OF EDUCATION

STATE DEPARTMENT OF VOCATIONAL & TECHNICAL TRAINING

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE

P. O. BOX 36-50209, MALAKISI

Email: chamasiri.voc@govt.mw

Website: www.chamasiri.mw

TEL: 0780971144

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2022

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

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE
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For the Year Ended 30th June 2022

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KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Chamasiri Technical and Vocational College is a public institution established in 2019. The institute is located at Chamasiri Location, Teso North Sub-County, Teso North constituency. It stands on an 8-acre piece of land. The construction cost of the twin workshop was contributed by Teso North National Government Constituencies Development Fund (KShs 10,000,000) and GOK (KShs 40,000,000) through the Ministry of Education (MOE). Chamasiri TVC is aligned with the Ministry of Education Vision, Mission and Objectives. Its priorities are in line with the National TVET policy, the Big four agenda and Vision 2030.

Chamasiri TVC has seven Academic Departments as listed below:

1. Building & Civil Engineering
2. Business, Liberal and Information Studies
3. Agriculture
4. Electrical & Electronic Engineering
5. Automotive Engineering
6. ICT
7. Institutional Management

(b) Principal Activities

The principal activity of Chamasiri Technical and Vocational College is to provide training in Artisan, Craft and Diploma levels. The mandate of the college is to: -

- Impart skills to learners
- Promote and carryout research relating to its mandate
- Produce skilled Manpower in the three levels mentioned above.
- Provide extension services to the community
- Provide innovation to solve problems in the society

Vision Statement

To be the premier provider of world class education and skills training for success in a global economy.

Mission Statement

To provide training, research and outreach programs that impart skills and utilize applied knowledge to spur economic growth and respond to the changing needs of Industry and society.

Strategic Objectives

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1. To enhance Access to TVET training by providing opportunities for all eligible trainees.
2. Promote Equity in education and training by providing opportunities for life-long learning.
3. Provide quality and relevance in training by developing and encouraging a culture of research, creativity and innovation among trainees and staff.
4. Establish good governance for operational efficiency and effectiveness.
5. Enhance attractiveness through strategic collaboration and linkages with research Institutions, industry and professional bodies both nationally and internationally
6. To enhance ICT infrastructure and equipment to bridge the digital divide.

(c) Key Management

Chamasiri TVC's day-to-day management is under the following key organs:

- Board of Governors
- The Principal
- The top Management

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Joseph Okumu Ogot
2.	Deputy Principal	Lawrence Kebaso Ongati
3	Registrar	Timothy Olindi Ombevah
4	Dean of students	Erick Magena Migiro Nyamao
5	Finance Officer	Carolyne Akinyi Madowo
6	Procurement Officer	Rachel Mamkiror Etyang'a

(e) Fiduciary Oversight Arrangements

Risk and Audit Committee Activities

The college Board of Governors has established a committee of the board which provides oversight on the institute financial and other management matters.

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Entity Headquarters

Chamasiri Technical & Vocational College
P.O. Box 36-50209
Malakisi, Kenya

(f) Entity Contacts

Telephone: 0780971144
E-mail: chamasiritvc@gmail.com
Website: www.chamasiritvc.ac.ke

(g) Entity Bankers

1. Equity Bank
Malaba branch
P.O. Box 98
Kamuriai, Kenya
2. Kenya Commercial Bank
Malaba Branch
P.O. Box 380
Bungoma, Kenya
3. National Bank of Kenya

Bungoma Branch
P.O. Box 25
Bungoma, Kenya.




(h) Independent Auditors

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

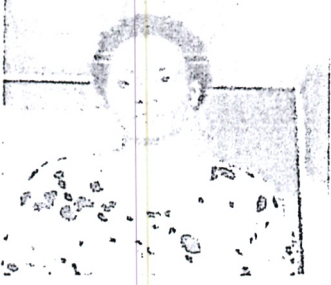

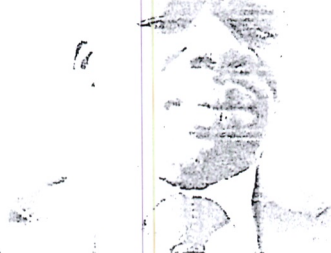
(i) Principal Legal Adviser

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




I. THE BOARD OF GOVERNORS

No.	Member/ Director	Details
1.		<p>Name: Akwara Elung'ata Ben</p> <p>Key Qualifications: Master of Art Government, Bachelors of Arts in Government and sociology</p> <p>Work Experience:30yrs</p> <p>Mr. Akwara is the Chairman of the Board of Governors</p>
2.	 David Nganga	<p>Name: David Nganga</p> <p>Qualifications: Bed</p> <p>Work Experience: 27yrs</p> <p>PS representative</p>
3.		<p>Name: Charles Lagat</p> <p>Key Qualifications: Bachelor of Technology Textile Engineering.</p> <p>Work Experience:15yrs</p> <p>Mr. Lagat is member of Education and HR Committee, member of the Finance and Development Committe</p>


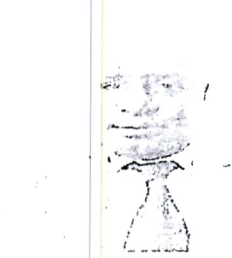

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4.		<p>Name: Gracc Nyagaya</p> <p>Key Qualifications: BBC in Computer Science UNISA (University of South Africa)</p> <p>Work Experience: 10yrs</p> <p>Ms Grace chairs the Risk and Audit Committee of the Board</p>
5.		<p>Name: Joseph Okumu Ogot</p> <p>Key Qualifications: B.Ed, M.Ed PPM</p> <p>Work Experience:27yrs</p> <p>Mr. Okumu is the Principal and the Secretary of the Board of Governors</p>
6.		<p>Name: Dr. John Achuora</p> <p>Key Qualifications: PHD Supply Chain Management (SCM), MSc Product Lifecycle Management (PLM), B.COM, Certified Information Privacy Professional (CIPP), Member Kenya Institute of Supplies Management (MKISM), LSP</p> <p>Work Experience:20yrs</p> <p>Dr.Achuora is the chairman of Education, Training & Human Resource Committee, member of Finance & Development Committee</p>

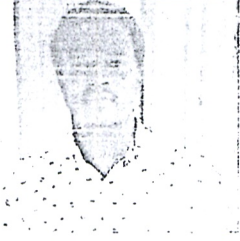


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7.		<p>Name: Hillary Mbur</p> <p>Key Qualifications: CPA 2, Diploma in Co-operative Management and Administration</p> <p>Work Experience:32yrs</p> <p>Mr, Mbur is a member of the Risk and Audit Committee</p>
8.		<p>Name: Emily Mweche Simiyu</p> <p>Key Qualifications: PHD Finance ongoing MMUST, Masters in Accounting Kibabii University, BCOM Finance MMUST, Certified Public Accountants of Kenya (CPAK), and CIFA Part 2.</p> <p>Work Experience:20yrs</p> <p>Ms. Mweche chairs the Finance and Development Committee</p>
9.		<p>Name: Esther Anya Ivan</p> <p>Key Qualifications: Bachelor of Laws</p> <p>Work Experience:25yrs</p> <p>Ms Esther is a member of Risk and Audit Committee, HR Education and Research Committee</p>

II. MANAGEMENT TEAM

No.	Member	Details
1.	 Joseph Okumu Ogot B.Ed, M.Ed, ppm	<p>Principal</p> <p>Provides innovative and visionary leadership, creates and sustains highly motivated, participatory management team, coordinated the implementation of BOG strategies, promotes academic excellence and efficient administrative and governance practices, maintains public relations as well as linkages among other</p>
2.	 Lawrence Kebaso Ongati M.Com Business Administration, Postgraduate Diploma in Education (PDGE)	<p>Deputy Principal</p> <p>Principal Assistant to the Principal, in charge of curriculum implementation and chairs Tender committee.</p>
3.	 Timothy Olindi Ombevah Bed Technology Electrical (Telecommunication)	<p>Registrar</p> <p>In-charge of Academic and Enrolment of students and student's records.</p>

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4.	 Erick Magena Migiro Nyamao BSC. Business information Technology, PGDE	<p>Dean of Students</p> <p>In-charge of student affairs</p>
5.	 Carolyn Akinyi Madowo BCOM (Finance) and Certified Accountants of Kenya (CPAK)	<p>Finance Officer</p> <p>In-charge of all accounting duties including financial statements and financial records of the Institution.</p>
6.	 Racheal Mamkiror Etyang'a Bachelor of Commerce Procurement	<p>Supply Chain Officer</p> <p>In-charge of all procurement duties, and maintaining an inventory records of the college</p>

III. CHAIRMAN'S STATEMENT

It is with great pleasure that I present this Annual Report and Financial Statements of Chamasiri Technical and Vocational College for the year ended 30th June 2022. I am proud of the achievements that the cooperation within and between the various teams at Chamasiri Technical and Vocational College produced – especially the Board of Governors and the Management Team led by the Principal. The college remains committed to all our stakeholders in delivering our set objectives and goals as enshrined in the college's vision and mission as well outlined in our strategic plan.

Financial Performance

The college received government capitation amounting Kshs 17,727,500.00 during the 2021/2022 financial year. An additional Kshs 5,145,861.00 and Kshs 40,250 was earned as tuition fees and income generating activities respectively, making our total revenues to Kshs 22,913,611.00

Challenges

The college experienced a myriad of challenges during the 2021/2022 financial year. To begin with, lack of adequate funding to support the programs hindered the ability of the college to advance its goals and objectives. The institute seeks to continually enroll more students to bridge the funding gap. Secondly, the college lacked adequate skilled manpower to drive and develop policies. Moreover, the college faced competition from other institutions of higher learning such as universities and national polytechnics who offer similar programs. Finally, negative attitude towards technical education has discouraged potential students from joining the college.

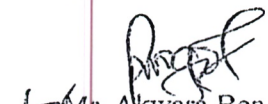
Success; Linkages with industries mounting industry driven courses,

- ❖ government policies strategies and commitments in sponsoring of trainees through KUCCPS and HELB,
- ❖ a large population of high school leavers,
- ❖ development partner's willingness to support TVET sector, employment opportunities in the private sector

Appreciation

Last but not least, I extend my sincere gratitude to Chamasiri Technical and Vocational College Board of Governors, our Principal and the entire Management Team, staff members, students and all stakeholders for their commitment and support to the college. We greatly appreciate the role played by the Government of Kenya in the sustenance and growth of the college. I am very optimistic that Chamasiri Technical and Vocational College is set for a prosperous future. Thank you for your support.

God bless Chamasiri Technical and Vocational College


Mr. Akwara Ben
Chairman B.O.G

IV. REPORT FROM THE PRINCIPAL

V. Financial Performance

Chamasiri Technical and Vocational College (CTVC) is a Technical Training Institution that operates under the Ministry of Education. It is charged with the mandate to offer various courses at various levels or stages. Some courses are examined by Kenya National Examinations Council (KNEC); others by National Industrial Training Authority (NITA) while the rest by Kenya Accountants and Secretaries National Examination Board (KASNEB)

Courses examined by KNEC are at three levels namely Artisan, Craft and Diploma while those examined by KASNEB are also at three levels, Certificate in Accountancy and Management Skills (CAMS), Accounting Technician Diploma (ATD), and Certified Public Accountants (CPA). The ones examined by NITA are done at three levels as well namely Trade Test Three, Trade Test Two and Trade Test One in that order.

Besides, the college also offers students computer literacy skills to bridge the digital literacy gap.

The college opened its doors in September 2019 when 305 students were enrolled. At that time it operated under mentorship of Bumbere Technical Training Institute.

At the time of inception all activities were accommodated under a twin workshop building that also has eight classrooms besides the two workshops, library room, Information Communication Technology room, Administrative offices and toilets. Also two trainers were posted by the Public Service Commission (PSC) hence BOG staffs were hired for training and support staff all paid by the college.

Fifteen courses were initiated and later approved by the Technical and Vocational Education and Training Authority (TVETA) as per the TVET Act of 2013.

The Kenya government supplied 80 students/ lecture chairs, office furniture and cash safe with the undertaking that tools and equipment were to be supplied but up to date none has been delivered.

The college sits on an 8 acre piece of land that's consolidated into one with a title deed. To date more developments have been witnessed in the college. Below are some of the landmark achievements so far:

- 1) Perimeter fence completed with concrete poles and chain link.
- 2) Main gate with pedestrian exit and entry points.
- 3) Ten doors pit latrines
- 4) 9 (5000litre) tanks for harvesting rain water.
- 5) 120 meters deal borehole for water supply.
- 6) Three phase electricity power transformer
- 7) Power /generator house
- 8) Eight doors office block

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- 9) Building and construction shade for practical lessons
- 10) Fabricated iron sheet kitchen
- 11) Cow shade
- 12) Incomplete four classroom block (65%complete)
- 13) Incomplete two workshops block
- 14) 32 computers for training /learning
- 15) Hairdressing and beauty workshop with tools and equipment
- 16) Additional lecture chairs
- 17) 29 sewing machines for tailoring and dressmaking
- 18) Welding and fabrication machines
- 19) Tools for automotive training
- 20) CNC modern lathe machine.
- 21) 6500 trees planted
- 22) 2 cows for training/ agriculture
- 23) 9 tents(100seater) and 350 plastic chairs complementing as classrooms

Most of these projects are a result of the cooperation and support by the NG-CDF North Teso.

The college received 8 public service commission trainers in January 2021.

The college got Board of Governors in 2020 August and they have been very supportive, focused and development oriented .They have been very instrumental in our development goals. As a result the college has seen various milestones in student enrolment, staff capacity building, expansion of training programmes, participation of sporting activities, Research and innovation endeavors as well as community outreach programmes.

However the college is considered in some areas like land for expansion, college bus and low fee payments, delay in capitation disbursements, shortage of staff both teaching and support, inadequate water supply.

In view of all the above the administration is forecast in implementing the government agenda as outlined in the TVET act of 2013. Specifically in promoting **Access, Equity, Quality and Relevance, Collaboration and Linkages, Good Governance, Efficiency and Effectiveness enhancement of ICT, Youth empowerment, self-employment and Entrepreneurship, skills enhancement to youth** among other vision 2030 and sustainable development goals, greening the economy through sustainable environmental goals.



Principal

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE
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VI. CORPORATE GOVERNANCE STATEMENT

The members of board have committed themselves to the service of Chamasiri Technical and Vocational College and to uphold the tenets of good corporate governance by being innovative, transparent, accountable, persons of integrity, socially responsive, as well as promote excellence and exercise fairness in all their dealings.

The Board of Governors

The Board of Governance consists of 9 members inclusive of the Principal as its secretary. The Board of Governance members and their meeting attendance are indicated below;

	NAME	FULL BOARD MEETING				
		DATE	DATE	DATE (special)	DATE	DATE
		23/7/2021	29/9/2021	08/10/2021	20/9/2021	8/4/2022
1.	Akwara Elung'ata Ben	—	©	©	©	©
2.	Charles Lagat	√	√	√	√	√
3.	Grace Nyagaya	√	—	—	√	√
4.	Joseph Okumu Ogot	√	√	√	√	√
5.	John Achuora		√	—	©	©
6.	Hillary Mebur	√	√	©	√	√
7.	CPA Emily Mweche	√	√	√	©	√
8.	David Nganga	—	—	—	√	√
9.	Martha Wekesa	√	√	√	—	—
10.	Esther Anya Ivan	√	©	—	©	√

The biographies of the Board Members are published on page vi-vii. These Board Members possess abroad range of skills, qualifications and experiences required to direct the affairs of the college.

Board Responsibilities

The board undertakes the following responsibilities;

1. The BOG is the governing body of the college through which the college acts and undertakes the following;
 - a) Administers the property and funds of the college in a manner and for the purposes which promotes the interest of the college; but the Board of Governance does not charge or dispose of

immovable property of the college except in accordance with the procedures laid down by the Government of Kenya;

- b) Receives, on behalf of the Institute, donations, endowments, gifts, grants or other moneys and make disbursements there from to the Institute or other bodies or persons;
 - c) Provides for the welfare of the staff and students of the Institute;
 - d) May enter into association with other universities, Institute's or other institutions of learning, whether within Kenya or otherwise, as the Board of Governance may deem necessary and appropriate; and
 - e) May, after consultation with the Academic Board, make regulations governing the conduct and discipline of the students of the Institute.
2. All documents, other than those required by law to be under seal, made on behalf of the Board of Governance, and all decisions of the Board of Governance may be signed under the hand of the Chairman, the Principal or any other members of the Board of Governance generally or specifically authorized by the Board of Governance in that behalf.
 3. Ensures that a proper management structure is in place and that the structure functions to maintain corporate integrity, reputation and responsibility.
 4. Monitors and evaluates the implementation of strategies, policies, and management criteria and plans of the Institute.
 5. Constantly reviews the viability and financial sustainability of the Institute, and does so once every year.
 6. Ensures that the Institute complies with all the relevant laws, regulations, governance practices, accounting and auditing standards.

Board of Governors Committees

The Board of Governors Committees facilitate decision-making to assist the Board of Governors in the execution of its duties, powers and authority, however delegation of authority to the Committees does not in any way mitigate or dissipate the discharge by the Board of Governors of its duties and responsibilities. Board of Governors Committees have been established with formal written terms of reference and observe the same rules of conduct and procedures as the Board of Governors.

In the financial year 2021/2022 the Board of Governors approved the following committees;

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE
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For the Year Ended 30th June 2022

1. FINANCE AND DEVELOPMENT COMMITTEE

Members are listed below;

NO.	NAME	DATE	DATE
		24/9/2021	25/3/2022
		√	√
1.	CPA Emily Mweche Simiyu	√	√
2.	Charles Lagat	√	√
3.	Joseph Ogot	√	—
4.	Martha Wekesa	√	√
5.	John Achuora		

2. RISK AND AUDIT COMMITTEE

Members are listed below;

NO.	NAME	ANNUAL
		DATE
		1/04/2022
1.	Grace Nyagaya	√
2.	Hillary Mebur	√
3.	Esther Anya Ivan	©
4.	Edward Wekesi	√

3. HR, EDUCATION AND RESEARCH COMMITTEE

Members are listed below;

NO.	NAME	DATE	DATE	DATE
		19/1/2022	18/3/2022	21/6/2022

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE
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1.	John Achuora	√	√	©
2	Joseph Ogot	√	√	√
3	Grace Nyagaya	√	√	√
4	Charles Lagat	√	©	√
5.	Esther Anya Ivan	—	—	√

REPORT OF BOARD OF GOVERNORS

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

The board members are responsible for the preparation and presentation of the *CTVC*'s financial statements, which give a true and fair view of the state of affairs of the *CTVC* for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *CTVC*; (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 *CTVC*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The board members accept responsibility for the *CTVC*'s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*the State Corporations Act, and the TVET Act*) – *entities should quote applicable legislation as indicated under*). The board members are of the opinion that the *CTVC*'s financial statements give a true and fair view of the state of *CTVC*'s transactions during the financial year ended June 30, 2022, and of the *CTVC*'s financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the *CTVC*, which have been relied upon in the preparation of the *CTVC*'s financial statements as well as the adequacy of the systems of internal financial control.

I. MANAGEMENT DISCUSSION AND ANALYSIS

Chamasiri Technical and Vocational College is an institution under the Ministry of Education Directorate of TVET. The institution was established by the government to foster in Building and Technical Engineering. Over times the College has been embracing government policies and strategies as stipulated in the parent ministries policy paper and strategies.

The G.O.K under vision 2030 has come up with vibrant strategies to achieve Vision 2030 M.D.G's and achieve the Big 4 Agenda of the government. This government development strategy has been castigated to ministries, government agencies. The institution as a government agency has adopted the ministry policies and strategies as follows; The institution has developed a strategic plan incorporating the government agenda, the College has numerous courses and training programmes that are industry driven and oriented, the institute has vibrantly marketed itself and increased the student population taking various courses to help industrialize Kenya, the institute has implemented the National Cohesion Policy in employment and administration and In implementing the above strategies,

The institute has experienced the following challenges:

- ❖ Lack of adequate funding to support the programmes,
- ❖ Lack of adequate skilled manpower to drive the strategies and policies,
- ❖ Strain on limited resources that exist within it's environment
- ❖ Competition from higher learning institution e.g. universities and national polytechnics,
- ❖ Drugs and substance abuse by youths that form a larger population of the largest group,
- ❖ Negative attitude towards technical education

Opportunities included:

- ❖ Linkages with industries mounting industry driven courses,
- ❖ government policies strategies and commitments in sponsoring of trainees through KUCCPS and HELB,
- ❖ a large population of high school leavers,
- ❖ development partner's willingness to support TVET sector, employment opportunities in the private sector

II. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Chamasiri 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

Chamasiri Technical and Vocational College (CTVC) exist to produce competent human resource for sustainable development. The mandate of CTVC is derived from TVET act 2013 which include to offer and sustain innovate quality and technical training that will enhance industry opportunities and self-reliance for the institute graduates; continually monitor and review performance of the College system for sustained improvement of service delivery and advanced knowledge and its practical applications through research innovation and outreach programs. It is what guides us to deliver our strategy, which is founded on four pillars; quality training for sustainable development, resource mobilisation and financial sustainability, research, innovation and technology, corporate governance, partnerships and linkages for effective service delivery, putting the customer first delivering relevant goods and services and improving operational excellence.

Below is a brief highlight of our achievement in each pillar

Strategic Pillar	Categories	Description/ Achievements	Failures
Pillar I: Quality training for sustainable development	Sustainability strategy and profile	<p>Existence of The TVET Act 2013.</p> <p>In order to fulfil its mandate under TVET act, the Institute has implemented continual networking and linkages with national and county government to enhance accessibility and equity in training.</p> <p>The Institute subscribes to national and international organizations such as TVETA, KATTI, KNEC, CAPA, KASNEB, HELB, KUCCPS etc. these organizations provide opportunities of growth in science, technology, innovation and technical education in Kenya</p>	
	Environmental	The NEMA Act 2015 provides that all learning	Develop and operationaliz

	performance	<p>institutions in Kenya are entitled to a healthy environment which they are required to safeguard and enhance.</p> <ul style="list-style-type: none"> • CTVC has always installed and serviced fire 	safety management policy
	Employee welfare	<p>Human Resource Policies and Procedures Manual for BOG staff,</p> <p>CTVC has Gender mainstreaming and disability mainstreaming committees as per the guidelines issues by NCPWDs.</p> <p>CTVC conduct annual Performance appraisal.</p> <p>A career progression guideline is in place for employees that determines and outlines the route to follow for career development, gaining a broader skill base. This helps enhance decision making and provide job satisfaction.</p> <p>In order to fulfil requirements of the (OSHA) Occupational Safety and health act of 2007, (OSHA). The Institute has a Health and Safety committee in place.</p> <p>Routine inspection by county health officials for compliance with their guidelines.</p>	Gender parity among the teaching staff is yet to be achieved
	Market place practices	<p>CTVC has a Corruption Risk Mitigation Plan & Submit quarterly and annual performance reports to EACC.</p> <p>CTVC adheres to Access to Government Procurement Opportunities and promotion of local content.</p>	
	Community engagement	CTVC network with the community by training of local farmers on production of early	

		maturing food crops and train local artisans on low cost building technologies	
Pillar II: Resource mobilization and financial sustainability	Sustainability strategy	CTVC will rely more on student fee collection that majorly depends on Government capitation, HELB and CDF. The institution has also initiated vibrant Production Union activities	Resources are inadequate to achieve the various agreed strategic objectives as planned
Pillar III: Research, Innovation and Technology	Sustainability strategy	CTVC has developed innovations for commercialization to the community CTVC has developed an Intellectual Property Policy	
	Community engagement	Community have been invited to Annual open day in the institute to view the exhibits and also showcase their innovations	
Pillar IV: Corporate Governance, Partnerships and Linkages for Effective Service Delivery	Sustainability strategy	CTVC has subscribed to several statutory and regulatory bodies which check on the standards of service delivery and has further established linkages with some of the industries and the community with which it interacts.	Strengthening existing roles with the industry, the community as well as collaboration with other academic institutions.

Environmental performance

Chamasiri Technical and Vocational College is a Research and Training institution is a responsible corporate citizen committed to the conservation of the environment, prevention of pollution, effective waste management, minimization of consumption of resources and overall environmental degradation in all its day to day operations.

We recognize environmental protection as one of the guiding principles and a key component of sound organizational performance. We are committed to providing quality services as we promote and embrace the principle of responsible stewardship of the natural environment. In compliance to this here is a report of our compliance.

Successes

The institution has been able to introduce the 3 R's in its day to day activities and decision making i.e. Reduce Waste, Reuse Resources, and Recycle Materials.

Chamasiri College has also organized tree planting days at the institution and communicated to the community that trees are important to the Chamasiri College environment.

Members of the Chamasiri College are always communicated to and encouraged to switch off all appliances and lights when not in use.

Shortcomings

In the course of implementation, the institution encountered several challenges which with standing did not hinder the implementation as such.

Finances: the institution did had challenges with finances which hindered the full accomplishment of the environmental policy and had to stagger some of the activities.

That led to cutting of implementation cost, affected quality of consultants, led to lack of human resources, effect on the existing organizational structures etc.

Efforts on Bio Diversity

The institution has planted trees, maintained its land by conserving water, and avoided draining water bodies on the institutional compound by providing water channels, constructed fences and path ways to protect the institutional compound and other sensitive habitats from trampling and other disturbances.

Waste Management Policy

Chamasiri Technical and Vocational College has adopted the principles of the 'best practicable environmental option' in the delivery of its waste management services through waste pits and soak pits. The Institute will apply a 'waste hierarchical approach', to reduce waste pollution, reuse waste where possible, recycle and recover waste products in preference to the disposal of waste to landfill and other areas.

Employee welfare

Recruitment Process

As outlined in the Chamasiri Technical and vocational College Human Resource Policies and Procedures Manual for BOG staff, Section 2: 2.5(h) on gender and disability issues:

- The principles of affirmative action, gender and persons living with disability and national values will apply. The institute shall observe gender mainstreaming, balance on appointments, promotion and ensure that not more than two - thirds are of either gender.
- The Institute has established gender mainstreaming and disability mainstreaming committees as per the guidelines issues by the National Council for People with Disabilities.

- The Institute has a gender mainstreaming policy and a gender mainstreaming committee to advice on gender balance, so that men, women and people with disability as well as the youth are given an equal opportunity throughout the recruitment process as indicated in job advertisement.
- Stakeholders are also engaged through the County Government, the Community, potential employers and the Board of Governors.

Improving Skills, Managing Careers and Performance Management

Performance appraisal is a critical component of the management of performance of staff.

- Performance appraisal is an ongoing process throughout the performance period. Every employee is appraised by the immediate supervisor to review performance every year. The appraiser and appraisee set targets and evaluate during a discussion. Milestones over the review period are documented and maintained in the appraisee's personal file.
- The Institute has undertaken to continually train staff based on recommendations derived from performance appraisal reports which are periodically conducted.
- A career progression guideline is in place for employees that determines and outlines the route to follow for career development, gaining a broader skill base. This helps enhance decision making and provide job satisfaction.

Health and Safety

- In order to fulfil requirements of the (OSHA) Occupational Safety and health act of 2007, (OSHA). The Institute has a Health and Safety committee in place. Members are appointed and issued with appointment letters to perform the following functions:
 - (a) Assisting in fulfilling requirements in relation to policies, management systems and performance with respect to environmental health, safety and wellness matters.
 - (b) Ensuring compliance with food safety and product.
 - (c) Advising on legal and regulatory requirements.
- Food handlers undergo medical check-up and public health certification renewal every six months are also issued with protective gear to ensure their safety during work and the safety of food consumers.
- Routine inspection by county health officials for compliance with their guidelines.
- Fire extinguishers are installed at designated places for emergency in case of fire outbreak and firefighting drills for their quick response to prevent accidents.

Market place practices-

The organization should outline its effort to:

Responsible competition practice

Explain how the organization ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors.

Responsible marketing and advertisement- outline efforts to maintain ethical marketing practices

Chamasiri Technical and Vocational College is involved in responsible marketing and advertisement by producing brochures which are freely distributed to the prospective clients. This is done during the institute's open forum, during visits to secondary school parent days and career talks. Public barazas have also been a fertile ground for the distribution of the brochures. In the Year under review, Chamasiri Technical and Vocational College undertook the following to address responsible supply chain and supplier relations, established and maintained constant communications on available opportunities with the suppliers, provided for enough lead time for the orders made and ensured prompt payment for deliveries made.

The courses advertised on the brochures have qualified and competent trainers.

Radio and TV adverts are also used to reach the wider target market.

Our institution is charging the actual fees recommended by the ministry of education through the state department of vocational and technical education.

III. STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

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

The council members are responsible for the preparation and presentation of the *entity's* financial statements, which give a true and fair view of the state of affairs of the *entity* for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *entity*; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the *entity*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The council members accept responsibility for the *entity's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*the State Corporations Act, and the TVET Act*) – *entities should quote applicable legislation as indicated under*). The council members are of the opinion that the *entity's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2xxx, and of the *entity's* financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the *entity's* financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The *entity's* financial statements were approved by the Board on 28th September 2022 and signed on its behalf by:

Sign.....

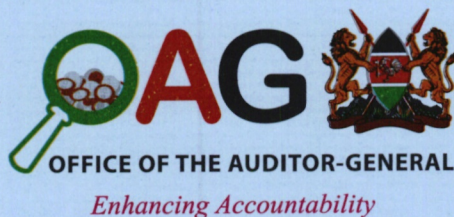

Chairman of the Board

Sign.....


Principal /Accounting Officer

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Chamasiri Technical and Vocational College set out on pages 1 to 24, which comprise of the statement of financial

position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Chamasiri Technical and Vocational College as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Technical and Vocational Education and Training Act, 2013.

Basis for Qualified Opinion

1. Unsupported Revenue

The statement of financial performance reflects an amount of Kshs.5,968,301 in respect of rendering of services - fees from students as detailed in Note 7 to the financial statements. However, detailed schedules were not provided to support the amount.

In the circumstances, the accuracy and completeness of rendering of services amount Kshs.5,968,301 could not be confirmed.

2. Unsupported Receivables from Exchange Transactions

The statement of financial position and Note 14 to the financial statements reflects a balance of Kshs.8,824,506 in respect of receivables from exchange transactions. However, the balance was not supported by comprehensive students' ledger.

In the circumstances, the accuracy and completeness of the balance of Kshs.8,824,506 for receivables from exchange transactions could not be confirmed.

3. Unsupported Property, Plant and Equipment

The statement of financial position reflects a balance of Kshs.69,952,634 in respect of property, plant and equipment which, as disclosed in Note 19 to the financial statements includes land and buildings valued at Kshs.64,672,537. However, valuation reports for the land and buildings were not provided for audit review.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.69,952,634 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Chamasiri Technical and Vocational College Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other

ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Issues

In the audit report of the previous year, several paragraphs were raised under Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved all the issues as required by the National Treasury Circular Ref. AG.3/88/Vol.VII (21) of 11 May, 2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy

As previously reported, the College operated without a risk management policy contrary to the provisions of Regulation 165(1) of the Public Finance Management(National Government) Regulations ,2015, which requires heads of public institutions to develop risk management strategies, which include fraud prevention mechanism, system of risk management and internal controls that build robust business operations.

In the circumstances, it is not possible to determine the effectiveness of controls implemented to respond to risks.

2. Lack of Disaster Recovery Plan

As previously reported, the College did not have in place a disaster recovery or business continuity plan which assists in ensuring business processes resume with minimal interruptions in the event of a disaster.

In the circumstances, the College lacks a blueprint for identifying, preventing and mitigating against disasters and ensuring critical business processes resume with minimal interruptions in the event of a disaster.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or to cease 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 are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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


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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 June, 2023

1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022


	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from National Government (GOK Capitation)	6	17,727,500	7,595,000
Total Revenue from non-exchange transactions		17,727,500	7,595,000
Revenue from exchange transactions			
Rendering of services- Fees from students	7	5,968,301	19,876,370
Other income -	8	0	11,000
Revenue from exchange transactions		5,968,301	19,876,370
Total revenue		23,695,801	27,482,370
Expenses			
Use of goods and services	9	14,913,971	10,984,603
RMI	16	843,580	3,407,527
Remuneration of Board members	11	805,400	1,512,880
Depreciation	12	2,482,964	1,114,411
Bank Charges		0	42,362
Employee Costs	10	4,042,800	4,358,628
Total expenses		23,088,715	21,420,411
Net Surplus for the year		607,086	6,061,959

The notes set out on pages 6 to 17 form an integral part of the Annual Financial Statements


2. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	13	1,068,282	46,004
Receivables from Exchange Transactions	14	8,824,506	11,716,980
Inventories	17	861,037	2,419,760
Total current asset		10,753,825	14,182,744
Non-current assets			
Property, plant and equipment	19	69,952,634	67,056,370
Total Non-current assets		69,952,634	67,056,370
Total asset		80,706,459	81,239,114
Liabilities			
Current liabilities			
Trade and Other Payables from Exchange Transactions	15	1,013,250	4,696,626
Refundable deposit	18	67,500	-
Total Current Liabilities		1,080,750	4,696,626
Non-current liabilities			
Borrowings		-	-
Total Liabilities		1,080,750	4,696,626
Capital			
Accumulated surplus	Page 3	6,559,034	5,951,948
Capital	Page 3	73,066,675	70,590,540
Total Capital and Reserves	Page 3	79,625,709	70,002,834
Total Liabilities and Capital & Reserves		80,706,459	81,239,114

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Institute Board of Governors by:


Chairman Board of Governors


Finance Officer
ICPAK No


Principal

Date: 18/05/2023

Date: 18/05/2023

Date: 18/05/2023

3. STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2022

	Revaluation reserve	Fair value adjustment reserve	Retained Surplus	Capital	Total
Balance b/f at July 1, 2020	0	0	2,588,531	62,841,450	65,429,981
Addition during the year	0	0		7,749,090	11,129,158
Prior year adjustment	0	0	0	0	0
Net Surplus for the year			3,363,417		
Balance c/d as at June 30, 2021	0	0	5,951,948	70,590,540	70,002,834
Balance b/f at July 1, 2021	0	0	5,951,948	70,590,540	70,002,834
Addition during the year	0	0	0	2,476,135	2,476,135.00
Net Surplus for the year			607,086		607,086
Balance c/d as at June 30, 2022	0	0	6,559,034	73,066,675	79,625,709

4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

		2021-2022	2020-2021
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6	17,727,500	7,595,000
Rendering of services- Fees from students	7	5,968,301	19,876,370
Other income	8	0	11,000
Total Receipts		23,695,801	27,482,370
Payments			
Use of goods and services	9	14,913,971	10,984,603
Finance cost		0	42,362
RMI	16	843,580	3,407,527
Employee cost	10	4,042,800	4,358,628
Remuneration of Board of Governors	11	805,400	1,512,880
Depreciation & Amortization			1,114,411
Total Payments		20,605,751	21,420,411
Net cash flows from operating activities		3,090,050	6,539,654
Cash flows from investing activities			
Decrease/Increase in current payable	15	-4,696,626	4,696,626
Decrease/Increase in current receivable		2,892,474	(4,010,354)
Purchase of property, plant, equipment and intangible assets		-263,620	(5,329,330)
Net cash flows used in investing activities		-2,067,772	(4,643,058)
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		1,022,278	-165,230.00
Cash and cash equivalents at 1 JULY 2021		46,004	211,234.00
Cash and cash equivalents at 30 JUNE 2022		1,068,282	46,004.00

5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Budgeted 2021-2022	Actual 2021-2022	variance	%
	Kshs	Kshs		
Revenue from non-exchange transactions				
Transfers from National Government (GOK Capitation)	15,060,000.00	17,727,500	-2,667,500.00	117.70%
Rendering of services- Fees from students	22,893,840.00	5,968,301	16,925,539.00	32.40%
Revenue from exchange transactions	37,953,840.00	23,695,801	14,258,039.00	66.30%
Total revenue	37,953,840.00	23,695,801		
Expenses				
Use of goods and services	21,834,292.00	14,913,971	6,920,321.00	66.70%
RMI	1,091,493.00	843,580	247,913.00	77.30%
Remuneration of Board members	8,249,495.00	805,400	7,444,095.00	12%
Employee Costs	6,778,560.00	4,042,800	2,735,760.00	62.40%
Total expenses	37,953,840.00	20,605,751	17,348,089.00	
Net Surplus for the year	0.00	3,090,050.00		

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Chamasiri TVC was established and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

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

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

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

3. ADOPTION OF NEW AND REVISED STANDARDS

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

Standard	Impact
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment.</p> <p>Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets.</p> <p>Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs).</p> <p>Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</p>

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

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> •Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; •Applying a single forward-looking expected credit loss model that is

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

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2022.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Board on 2021/2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

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

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

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

c) Investment property

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

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

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

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

e) Financial instruments

Financial assets

Initial recognition and measurement

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

Impairment of financial assets

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

Financial liabilities

Initial recognition and measurement

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

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

f) Inventories

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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.

g) Provisions

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

Contingent liabilities

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

Contingent assets

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

h) Service concession arrangements

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

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9. USE OF GOODS AND SERVICES

Description	2021-2022	2020-2021
	KShs	KShs
Teaching and learning materials	2,421,738.00	366,320.00
Industrial attachment costs	328,000.00	445,000.00
Electricity	30,080.00	72,805.00
Security	900,000.00	553,400.00
Water	0.00	291,820.00
Subscription	268,400.00	
Student council	444,900.00	28,200.00
Examination fees	2,296,296.00	883,700.00
Local transport and travel	4,218,398.00	707,715.00
Insurance	27,900.00	253,750.00
Administration cost	3,202,670.00	7,016,187.00
medical	12,100.00	9,130.00
Registration	0.00	4,800.00
Activity	442,050.00	
Book fund	166,439.00	342,626.00
Drawing and design	11,000.00	
exhibition	144,000.00	
Student id	0.00	9,150.00
Total good and services	14,913,971.00	10,984,603

10. EMPLOYEE COSTS

Description	2021-2022	2020-2021
	KShs	KShs
Salary and wages	3,817,712.00	4,358,628.00
NHIF	98,100.00	0
NSSF	94,000.00	0
PAYE	32,988.00	0
TOTAL EMPLOYEE COST	4,042,800.00	4,358,628.00

11. REMUNERATION OF BOARD OF GOVERNORS

Description	2021-2022	2020-2021
	KShs	KShs
BOG allowance	805,400.00	1,512,880.00
TOTAL Remuneration	805,400.00	1,512,880.00

12. DEPRECIATION EXPENSE

Description	Rates	2021-2022	2020-2021
		KShs	KShs
Buildings	2.50%	1,526,137.00	-
Furniture and fittings	10%	255,893.80	365,563.00
Computers	33.30%	271,558.17	288,210.00
Plant and equipment	15%	429,374.55	460,638.00
Total Depreciation		2,482,963.52	1,114,411.00

13. DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Description		2021-2022	2020-2021
Financial Institution	Account Number	KShs	KShs
a) Current account			
Equity Bank	1050279556598	372,333.90	40,778.00
Kenya Commercial Bank	1276815204	620,943.00	5,226.00
National bank of Kenya	1022233943501	299.88	-
Total		993,576.78	46,004.00
Cash in hand		74,705.00	0
Sub- total		74,705.00	0
Grand total		1,068,281.78	46,004.00

14. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2021-2022	2020-2021
	KShs	KShs
Receivables B/F	11,716,980	8,877,980.00
Receivables for the year	822,440	2,839,000.00
Less fee balance paid	(3,714,914)	
Total receivable	8,824,506	11,716,980.00

15. Trade and Other Payables from Exchange Transactions

Description	2021-2022	2020-2021
	KShs	KShs
Trade payable B/F	4,696,626	-
Trade payable for the year	1,013,250	4,696,626
trade payable paid	4,696,626	-
Total receivable	1,013,250	4,696,626

16. Repair and Maintenance

Description	2021-2022	2020-2021
	KShs	KShs
General repair	843,580.00	3,407,627.00
Total Repair	843,580.00	3,407,627.00

17. INVENTORIES

Description	2021-2022	2020-2021
	KShs	KShs
Welding	11,120.00	21,120.00
Hairdressing	10,500.00	30,500.00
Electrical Stores	64,950.00	74,950.00
Stationery	253,500.00	500,470.00
Cleaning Materials Stores and Administration Materials	188,430.00	888,251.00
Masonry	136,185.00	126,025.00
Painter Decorator	1,450.00	11,000.00
ICT	22,845.00	40,678.00
Library	121,127.00	230,400.00
IGU	24,100.00	30,800.00
Sports	0.00	420,500.00
Plumbing	26,830.00	45,066.00
Total inventories at the lower of cost and net realizable value	861,037.00	2,419,760.00

18. Refundable deposit

Description	2021-2022	2020-2021
	KShs	KShs
Refundable deposit	67,500.00	0
Total	67,500.00	0

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 19. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment	Land and Buildings	Furniture and fittings	Computers	Tools and equipment	Total
	2.5%	10%	33.3%	15%	
Cost	Shs	Shs	Shs	Shs	Shs
Balance as at 1 July 2020	58,867,250.00	2,023,500.00	960,700.00	990,000.00	62,841,450.00
Additions	2,178,230.00	901,000.00	0	2,250,100.00	5,329,330.00
Land	5,153,194.00				5,153,194.00
Balance as at 30 th June 2021	66,198,674.00	2,924,500.00	960,700.00	3,240,100.00	73,323,974.00
Depreciation		365,563.00	288,210.00	460,638.00	1,114,411.00
Net Book Value as at 30 June 2021	66,198,674.00	2,558,937.00	672,490.00	2,779,462.00	72,209,563.00
Balance as at 1 July 2021	66,198,674.00	2,558,937.00	672,490.00	2,779,462.00	72,209,563.00
Additions	-	-	143,000.00	83,035.00	226,035.00
Balance as at 30 June 2022	66,198,674.00	2,558,937.00	815,490.00	2,862,497.00	72,435,598.00
Depreciation	1,526,137.00	255,893.80	271,558.17	429,375	2,482,963.52
Net Book Value as at 30 June 2022	64,672,537.00	2,303,043.20	543,931.83	2,433,122.45	69,952,634.48

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Government of Kenya

The Government of Kenya is the principal shareholder of the Chamasiri Technical and Vocational College holding 100% 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;

20. EVENTS AFTER THE REPORTING PERIOD

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

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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:

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APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame
1. Inaccuracies in the financial statements	<p>The financial statements for the year ended 30th June, 2021 reflects comparative amounts relating to 2019/2020 financial, however, no evidence was provided to show that the college prepared and submitted financial statements for the ended 30th June, 2020 for audit and that an audit was conducted on the statements.</p> <p>In the circumstances, the accuracy and completeness of the comparative amounts could not be confirmed.</p>	The financial statements for the year ended 30 th June 2020 were not prepared hence not submitted for audit	Finance Officer	Not Resolved	31 st December 2023
2. Unsupported trade and other payable from exchange transaction	<p>The statement of financial position reflects current liabilities balance of kshs. 1,798,000 which, as shown under Note 15 to the financial statements, includes kshs. 658,150 relating to payments received in advance. However, the balance was not supported by schedules or any document.</p> <p>In the circumstances, the accuracy and completeness of the balance of kshs. 1,798,000 could not be confirmed.</p>	The amount of kshs.658,150 being payment received in advance have since been supported by schedules.	Finance Officer	Not Resolved	31 st December 2023

STUDENT	COURSE	YOA	PREPAYMENT
MURUNGA W. GEORGE	DCE	2019s	15910
DIANA SARAH OMUTIA	DICT	2019s	47980
PAPAI EMMACULATE	DSS	2019s	15350
RICHARD I. APURU	CPL	2019s	21350
BRIAN EMOIT	CGA	2019s	41750
GEORGE ORAPA	CICT	2019s	24580
EMMANUEL EKIROJE	CGA	2019s	8180
VIOLA AMOIT	APL	2019s	15350
PATRICK ISOKAT	DGA	2019s	18760
JEPCHIRCHIR IMELDA	DGA	2019s	280

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			4530
ISWENE PAUL	CPL	2019s	15380
EMMANUEL SIYOI	CPL	2019s	8180
WANJALA CECILIA	CPA	2019s	24530
ROSELINE WABUKE	CGA	2019s	15350
JACKSON OYAKAPEL	CBT	2019s	8180
WENNIE IMAJARO	CSW	2019s	10910
PILUS ENOLOT	DCE	2019s	8180
SARAH AWINO	CAMS	2019s	8180
AKAKORO SHARON	DCE	2019s	15350
RUTH AMOIT OMASET	DHRM	2019s	46130
OMASETE EMMANUEL	CICT	2019s	8180
MIKE IPAA	CSW	2019s	2130
VIOLET AKISA	CGA	2019s	68150
KIRADE O JAMES	DBT	2019s	15350
DAVID EMURIA OKWARE	DGA	2019s	8180
ABRAHAM ALUKU	DBC	2019s	130
CHARLES ENRAPA	DCE	2019s	12130
NANCY IMMACULATE	DICT	2019s	8180
QUENTA ADAH AKISA	CPL	2019s	50930
OMUGE HELLON	DICT	2019s	8180
IUMONT B. DELIMLAH	DCE	2019s	20880
DANCAN EBALE	CGA	2019s	19760
EVE MARGARATE MAMAI	CSS	2019s	48580
CECILIA MOFIT ISWENE	DSS	2019s	658150
Total			

3. Unsupported rendering of Training Services.

The statement of financial performance reflects rendering of training services expenditure of kshs. 3,098,433. However. Out of the amount, only an amount of kshs. 622,220 was supported by schedules, leaving an unsupported balance of 2,476,213.

In the circumstances, the validity of the expenditure of

The schedule of amount of kshs.2,476,213 have since been provided and financial statements updated.

Finance
Officer

Not
Resolved

31st
December
2023

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kshs. 2,476,213 could not be confirmed.

4. Unsupported Revenue from Non-Exchange Transactions

The statement of financial performance reflects GOK capitation of kshs. 7,595,000 received during the year under review. However, the management did not avail supporting documents for the amount received.

In the circumstances, the accuracy of the GOK capitation amount of kshs. 7,595,000 could not be confirmed.

Finance Officer

Not Resolved

31st December 2023

5. Errors in presentation and Disclosure of the Financial Statements

i. The cover page omitted the phrase annual report and financial statements for the year ended 30th June 2021.

a). The omission of the cover page has since been corrected
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ii. The table of contents on page ii, was incomplete since it omitted the minimum mandatory statements and reports.

b).The omission of the table of contents on pageii has since been corrected

iii. The header of the financial statements read annual report and financial statements for the year ended 30th june, 2020/2021 instead of the year ended 2021

c). the header of the financial statements has since been corrected

iv. The statement of financial performance for the year ended 30th June 2021 on page 1 reflects actual unaudited column FY 2019/2020 with nil balances and FY 2019/2020 balances.

d). the error of nil balance on the financial performance has since been corrected

v. The statement of financial performance does not include the correct references of notes to the financial statements

e). The references of notes to the financial statements has since been corrected

vi. The statement of financial position as at 30th June, 2021 On page 2 reflects balances for the financial year 2019/2021

f). The balances on the financial position reflecting financial year 2019/2021 has since corrected.

Finance Officer

Not Resolved

31st December 2023

vii. The notes to the financial statements omitted the general information, statement of compliance and basis of preparation, adoption of new and revised standards, a summary of significant policies, significant judgements and sources of estimation

g). The omission of general information on the notes to the financial statements has since been corrected

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uncertainty, financial risk management, related party balances, contingent assets and contingent liabilities and currency.

viii. Appendix 1: Progress on follow-up of auditor recommendations report was not prepared.

In the circumstances, the financial statements presented for audit do not comply with the public Sector Accounting standards Board reporting templates.

h). Appendix 1. Progress on follow-up of auditor recommendations report has now been prepared.

The institute is in the process of developing energy management policy and undertake energy audit as required by the law.

Key Audit Matters.

1. Failure to undertake an Investment Grade Energy audit

The management did not have an energy management policy, contrary to the provisions of regulation 5 of the Energy management Regulations , 2012, which requires public institutes to develop a clear management policy. Further, regulation 6 requires the college to undertake an energy audit at least once every three years. No evidence was provided to show that the college adhere to these requirements

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

Principal

Not Resolved

31st December 2023

2. Lack of Approved Budget.

The statement of comparison of budget and actual amounts reflects an income budget of kshs. 31,746,040 and an expenditure of kshs. 31,985,000. No explanation was provided on why the budget was not balanced

In addition, the College did not provided an approved budget as required by section 22(1) and (2)(second schedules) of the technical and Vocational Education and training Act

In circumstances, management was in breach of the law

The error on comparison of budget and actual amounts reflecting an expenditure of kshs.31,985,000 has since been corrected and reconciled.
 comparison of budget expenditure kshs.31,985,000
 Less. Additional Error kshs 238,960
Kshs.31,746,040

In the institute submitted the budget to the ministry of education for approval by the time of audit, the Ministry has not communicated on the way forward.

Finance Officer

Not Resolved

31st December 2023

3. Lack of a Risk management policy

The management did not have a risk management policy contrary to the provisions of Regulation 165(1) of the public Finance management (National Government) regulations, 2015, which requires heads of public institutions to develop risk management strategies, which

The institute is the process of developing risk management policy to adhere with National Government Regulations

Principal

Not Resolved

31st December 2023

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include fraud prevention mechanism system of risk management and internal control that build robust business operations.

In circumstances, management was in breach of the law.

4. Lack of Disaster recovery Plan

Review of the college's ICT environment revealed that there was no formal approved disaster recovery/business continuity plan. In case of a disaster, significant delays or disruption of activities may occur. Further, the college may not recover or restore critical infrastructure services and system affecting operations in case of a disaster affecting the information communication technology installations

The institute is in the process of developing disaster recovery plan to adhere with National Government Regulations

In the circumstance, the college lacks a blue print for identifying, preventing and mitigating against disaster and ensuring business processes resume with minimal interruptions in the event of a disaster.

Principal

Not Resolved

31st
December
2023

Guidance Notes:

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

Principal

Secretary of the Board of Governors

Sign



Date

18/06/2023

CHAMASIRI TECHNICAL & VOCATIONAL COLLEGE
Annual Report and Financial Statements
For the Year Ended 30th June 2022

APPENDIX II: TRANSFERRE FROM GOVERNMENT

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

Confirmation of amounts received by Chamasiri Technical and Vocational College as at 30 th June 2022							
Amounts Disbursed by Ministry (Kshs) as at 30th June 2022						Amount Received by Chamasiri TVC	
						(KShs) as at 30 th June 2022	
							Differences (KShs)
Reference Number	Date Disbursed	Capitation grants	Development	Inter-Ministerial	Total		
DTE/CAP 9/28 (14)	22/11/2021	4,357,500	0	0	4,357,500		0
DTE/CAP 9/33 (14)	23/05/2022	4,515,000	0	0	4,515,000		0
	1/7/2021	3,997,500	0	0	3,997,500		0
DTE/CAP 9/30 (14)	25/02/2022	4,357,500	0	0	4,357,500		
DTE/CAP 9/26 (8)	8/7/2021	500,000	0	0	500,000		
Total		17,727,500		0	17,727,500		0
In confirm that the amounts shown above are correct as of the date indicated.							
Head of Accountants department of Chamasiri Technical and Vocational College:							
Name <u>CHRISTINE A. MACHO</u> Sign <u>[Signature]</u> Date <u>18/05/2022</u>							