

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 11 JUN 2025

DAY:
Wednesday

OF

TABLED
BY:

Hon. Anen Baya, MP
Deputy Leader of the Majority
House

CLERK-AT
THE-TABLE:



THE AUDITOR-GENERAL

ON

**CHANZEYWE TECHNICAL AND VOCATIONAL
COLLEGE**

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

**STATE DEPARTMENT FOR TECHNICAL AND
VOCATIONAL EDUCATION AND TRAINING**



CHANZEYWE TECHNICAL AND VOCATIONAL COLLEGE.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR 30TH JUNE 2024

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

[Faint, illegible text, likely bleed-through from the reverse side of the page]

[Faint, illegible text, likely bleed-through from the reverse side of the page]

[Faint, illegible text, likely bleed-through from the reverse side of the page]

[Faint, illegible text, likely bleed-through from the reverse side of the page]

[Faint, illegible text, likely bleed-through from the reverse side of the page]

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

Table of Contents

1.	Acronyms & Glossary of Terms	ii
2.	Key Entity Information and Management	iii
3.	Board of Governors	vi
4.	Key Management Team	vii
5.	Chairman's Statement	viii
6.	Report of the Senior Principal.....	ix
7.	Statement of Performance against Predetermined Objectives	x
8.	Corporate Governance Statement.....	xii
9.	Management Discussion and Analysis	xiii
10.	Environmental and sustainability	xv
11.	Report of the Board of Governors.....	xvi
12.	Statement of Board of Governors/ Council's Responsibilities	xvii
13.	Report of the Independent Auditor on Chanzeywe Technical and Vocational College.....	xviii
14.	Statement of Financial Performance for the Year Ended 30 June 2024	1
15.	Statement of Financial Position as at 30th June 2024	2
16.	Statement of Changes in Net Asset for The Year Ended 30 June 2024.....	3
17.	Statement of Cash Flows for The Year Ended 30 June 2024.....	4
18.	Statement of Comparison of Budget Actual amounts For Year Ended 30 June 2023.....	5
19.	Notes to the Financial Statements.....	6
20.	Appendices.....	47

1. Acronyms & Glossary of Terms

BOG	Board of Governors
CTVC	Chanzeywe Technical and Vocational College
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board

2. Key Entity Information and Management

(a) Background information

Chanzeywe TVC was incorporated/ established under the TVET Act/ 2013Act section 20(1) on 28th January 2021. The entity is domiciled in Kenya and has no branches. The college is under the Ministry of Education. The college has 7 admitting departments, ICT, Institutional management, Liberal studies, Electrical and Electronics, Hospitality, Building and Business department. The college has 29 teaching and 7 non-teaching staff, student population of 750 of which 449 is validated by TVET MIS as at 30th June 2024.

(b) Principal Activities

College vision

To be a centre of excellence in technical innovation, training and research.

College Mission

To train responsible, innovative, skilled, and knowledgeable manpower for the Kenyan economy and beyond.

College Motto

Training for quality skills

Core Objectives

Professionalism, Accountability, Integrity, Transparency and Equity.

Key Management

The College day to day management is under the following key organs;

- Board of Governors
- Accounting officer/principal
- Heads of departments

(c) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Mr. Moses Omuga Mayoya
2.	Deputy principal	Mr. Fredrick Isigi
3.	Accountant	Mr Patrick Ochoka
4.	Procurement officer	Mr Aviton Ambasu
5.	Ag Registrar	Mrs Linda Mutenyo Madzanza
6.	Ag Dean of students	Mrs Leah Nyawino

Key Entity Information and Management (Continued)

(d) Fiduciary Oversight Arrangements

1. Audit Committee activities

- Annual audit-where CTVC will conduct at least one audit during each calendar year.
- Continues audit-in lieu of performing annual audit, CTV may adopt/arrange discrete continuous internal/external audit and such audit will be entrenched in the minute of the board.
- Fiduciary audit committee-it will consist of 3 members where the internal auditor shall be the secretary. The principal is not a member of this committee and a member of any other sub-committee of the BOG shall not be a member.

2. Development partner oversight activities.

- Budgeting
- Memorandum of understanding drafting
- Revision of the budget
- Reporting- narrative and financial
- Verification

3. Other oversight activities.

- Third party information
- News from state controller of unclaimed funds, retirement, agencies, vendors, reports, career opportunities, intergovernmental and community affairs.

4. Kenya revenue authority

5. Office of Auditor general

6. National Social Security Fund

7. TVET Directorate -Ministry of Education.

(e) Entity Headquarters

P.O. Box 413-50310
VIHIGA

(f) Entity Contacts

Telephone: (254) 740932743
E-mail: chanzeywetvc@gmail.com

Website: www.chanzeywetechnical.ac.ke

(g) Entity Bankers

Kenya commercial Bank
Mbale branch
P.O Box 6.

(h) Independent Auditors

Auditor-General
Office of Auditor General
Anniversary Towers, University 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

3. Board of Governors

SN.	Member/ Director	Details
1.	MS. JUDITH ODUGE	Date of Birth 1971 Key qualifications; Bachelor of Law Corporate Governance Work experience; 21 years BOG Chairperson.
2.	MR CHARLES OMEGA	Date of Birth;1962 Key qualifications; B.COM, ICPAK FCI Arb Work experience; Over 25 years Financial Management, Leadership. Chairperson: Finance Investment and Resource Mobilization
3.	JERUSA ROSE AWINJA OLUHANO	Date of Birth;1989 Key qualification; Master of Science Public Health Work experience; 15 years Chairperson Audit and risk management committee
4.	NORWIN FOZIA RAJAB	Date of Birth;1976 Key qualifications; PHD Procurement Supply chain Work experience; Over 10 years Chairperson Education, Research &Tech
5.	JOSPHAT AMADI OGWERO	Date of birth 1963 Key qualifications; Bachelor, Technology Civil and Structural Engineering Work Experience 25 years Member Finance Committee
6.	GEOFREY ACHOLA AMBUBI	Date of birth 1986 Key qualifications; Bachelor Educ Electric Electronics Technology Work experience 15 years Member Education and Research
7.	MOSES OMUGA MAYOYA	Date of Birth; 1979 Key qualifications; Bachelor of Education Science, Math and Physics Work experience; 20 years Member; Finance committee, ED training &Research, BOG secretary.

4. Key Management Team

SN.	Member/ Director	Details
1.	MR MOSES OMUGA MAYOYA	PRINCIPAL
2.	MR FREDRICK ISIGI Date of Birth; 1973 Key qualifications; Master of science, applied chemistry and mathematics Work experience; 22 years	DEPUTY PRINCIPAL
3.	MR PATRICK OCHOKA Date of birth;1973 Key qualifications; CPA part 3, Section 5 Work experience; 25 years	ACCOUNTANT
4.	MS LINDA MADZANZA Date of Birth;1991 Key qualifications; Bachelor of Science IT Work experience;2 years	AG REGISTRAR
5.	LEAH NYAWINO Date of birth;1990 Key qualifications; Trainer Liberal Studies Work experience; 2 years	AG DEAN OF STUDENTS

5. Chairman's Statement

Chanzeywe Technical and Vocational College is an institution in Kenya under the State Department for Technical, Vocational Education and Training (TVET). The college has a Board whose mandate is to steer the institution forward to achieve its mission and vision.

To achieve the goals for the college, the Board has tried to put in place policies and frame work that would enable it move with a clear vision. The Board is in the process of putting in place various Policies such as ; strategic plan 2023/24-2027/28, academic policy, finance management policy, Procurement policy and human resource policy among others to give clear guidance on how business is conducted within the college.

The Board has entrusted the day to day running of the institution to the management headed by the principal whom together with the staff ensures that policies put in place by the Board are adhered to. The quarterly reports in all operational areas are reported to the Board to check whether targets set are met.

Name: Judith A. Oduge

Signature:

Chairperson of the Board



6. Report of the Senior Principal

Chanzeywe Technical and Vocational College is located in Vihiga Constituency in Vihiga County. It is registered and licensed by TVET Authority under section 20(1) of the TVET Act, 2013 Registration No: TVETA/Public/TVC/0014/2021. The college offers a wide range of courses under seven academic departments, namely: Electrical and Electronic Engineering, Building and Civil Engineering, Agriculture and Environmental Studies, Business Studies, Liberal Studies, Institutional Management and Information Communication Technology (ICT). Trainees are admitted for courses at Higher Diploma, Diploma (Level 6) craft certificate (level 5) and Artisan (Level 4). The colleges' primary objective is to equip trainees with competencies and occupational Skills that would not only make them self-reliant but also enable them compete in the challenging job market.

The college depends on government funding (HELB and Capitation) as the major source of revenue. Occasionally delays in the release of the funds affect the service delivery.

The college is in the process of acquiring an ERP system that will come in handy in the management of Trainee data, finances, asset management and Human resource management.

A number of college policies that will guide the processes at Chanzeywe TVC are at an advanced stage of development. These policies will improve our service delivery.

Name: Moses Omuga Mayoya

Signature: 
Principal/Secretary BOG

PRINCIPAL
CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE.
P. O. Box 413-50310, VIHIGA
Email: chanzeywetvc@gmail.com
DATE: 16/04/25 SIGN: 

7. Statement of Performance against Predetermined Objectives

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

Assessment of the Board's performance against its annual work plan is done on achieved its performance targets, set for the FY 2023/2024 period for its strategic pillars, as indicated in the diagram below;

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Delivery of technical skills	To offer quality and relevant programmes and undertake delivery of technical skills that produce high-end TVETA graduates as to achieve vision 2030.	Tuition and class attendance	Research about the need of industry set up quality assurance unit	Staff meeting minutes
Knowledge creation	To foster innovations and basic research that will enable enhance knowledge creation, production and repairs of equipment in our area of training as to meet current and emerging societal needs	BOG meetings	Meetings held at least once quarterly	Board meeting minutes
Management structures	To adopt and promote innovative and responsible corporate and management systems and structures	BOG meeting TVETA organised meetings attended invitation letters to workshop	Attending BOG meetings , attending TVETA and KATTI organized seminars	Organogram in place letter of invitation available, receipts of registration in place.

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

Collaborations	To build and strengthen collaborative networks and partnerships, that cultivate active industry- based learning community	MOUs, BOG meetings scheduling requests for afforestation programs from county government of Vihiga	Preparation of MOUs	MOU document in place
Management of resources	To efficiently manage the human infrastructural and financial resources for optional sustainability and development of the institution	Grants from MOE minutes for budget preparation BOG minutes for hiring of key staff in finance.	Actual budget preparation Advertise for post of Accountant and procurement officer	Budget delivered to the MOE Adopted prequalification of suppliers from mentor and sister institutions. Hiring of Ag. Accountant.
Internal quality Assurance	To develop and strengthen internal quality assurance that will guarantee continuous improvement of services	QAS office Appointment of registrar Preparation of academic policy	Setting up QAS office Setting up the organogram	Registrar appointed QAS appointed

8. Corporate Governance Statement

Chanzeywe Technical and Vocational College believes in good corporate governance. The Board of Governors provides leadership through oversight, review and guidance whilst setting the strategic direction. The BOG is the primary decision-making body for all matters considered as material to the service.

The BOG has the appropriate mix of skills, knowledge and experience members to perform its oversight role effectively and efficiently.

Council meetings are held quarterly as per Mwongozo guidelines and the TVET ACT 2013 and they have formal schedules of matters especially reserved for deliberation. The college ensures that it provides the necessary resources and expertise to the BOG to assist the ministry in their decision-making and as such, they are regularly consulted on key policy matters.

General Responsibilities

The BOG has a duty to the people of Kenya to ensure that the Chanzeywe Technical and Vocational College achieves its objectives efficiently and in compliance with PFM Act, 2012, TVET Act 2013, and all other laws related to their duties.

Statutory powers of the BOG include:

- i. To ensure that proper management structure is in place and the management maintains the corporate integrity, reputation and responsibility.
- ii. To monitor and evaluate the implementation of strategies, policies and management plans of the college.
- iii. To constantly review the viability and financial sustainability of the college.
- iv. To ensure that college complies with all the relevant laws.

Risk management and Internal Controls.

The Board of Governors has overall responsibility for the establishment and oversight of the BOG risk management frameworks. The Risk Management Policies are established to identify and analyze the risk faced by the college and to set appropriate risk limits and controls, and monitor adherence to these limits. Risk Management policies and systems are reviewed regularly to reflect changes in operating conditions, legislation and services offered. Subsequently, the college identifies and manages risk through in-house risk review enhanced by compliance, internal and external audits.

The college has put in place a system of internal controls with defined, financial and operational controls to ensure that resources are safeguarded, transactions authorized, validated and reported in line with International Public-Sector Accounting and other treasury and ministry circulars and guidelines.

Conflict of Interest

All BOG members are under a duty to avoid conflict of Interest. This entails not engaging directly or indirectly in any business that competes or conflicts with the college business.

The Board has established a robust process requiring members to disclose their business interest for the college to know and have them in records.

Compliance

The Board of Governors confirms that it is satisfied that the college has resources to continue operating for the foreseeable future. For this reason, it continues to adopt the on-going Concern basis when preparing the financial statement.

This Board is satisfied that the College as to the best of their knowledge complied with all relevant laws and conducted its affairs in accordance with the law in particular to the PFM act 2012 and TVET act 2013.

9. Management Discussion and Analysis

The college operational and financial performance

The surplus as at 30th June 2024 ksh. 6,977,194, after charging depreciation of fixed assets ksh 1,473,457. The surplus position is mainly due accrual concept where fees due from students amounting to 18,230,685 have been incorporated. No Provision has been made for bad and doubtful debts,

Reduction /Delays by GOK to release both recurrent grants/ capitation funds have continued affecting our operations.

Compliance with statutory requirements

Chanzeywe Technical and Vocational College paid all its statutory requirements in terms of NSSF, NHIF, and PAYE to KRA.

The college is operating under legal framework necessary under public sector requirements such as;

- Technical and vocational Education and Training Act, 2013
- The Constitution of Kenya ,2010
- Public Finance Management Act,2012
- International Public Sector Accounting Standards
- All other relevant laws in its operations (regular circulars from treasury and ministry of education)

The college has also internal policies in its operation. These policies are in line with all the relevant laws stated above and only direct the specific operations on how tasks are handled.

These policies are;

- Strategic Plan
- Finance policies
- Audit Risk Management
- Academic policy
- Human resource policy
- BOG Charter

Material arrears and financial obligations

The college had fees arrears owed by students totalling to ksh 17,071,903

Pending bills due to supplier's amount to ksh 2,289,373, Accrued staff salaries for June 2024 stood at ksh 434,985 as at 30th June 2024.

The college financial probity and Governance issues.

The college is governed by a BOG appointed by the Cabinet Secretary for education who are independent overseers of the running of the college. They hold quarterly meetings to discuss management affairs of the college. The full BOG has sub committees who also meet quarterly to oversee operations in their respective areas. The BOG oversees the financial operations of the Chanzeywe Technical and Vocational College through its subcommittee on Finance, Infrastructure of Resource Mobilization Committee. (FIRM)

Major risk facing the entity.

The major risk facing the college is the credit risk which arises from complete failure of student's ability to pay fees. Furthermore, the government capitation has been delaying or not remitted for some quarters leading to the trainees being invoiced.

Other risks are liquidity that is associated with the college being unable to meet its short term obligations due to cash flow problems and the risk associated with competition from other institution in the same education industry.



By order of the Board
MOSES OMUGA MAYOYA
Principal/Secretary to the Board

PRINCIPAL
CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 413-50310, VIHIGA
Email: chanzeywetvc@gmail.com
DATE: 16/4/23 SIGN: _____

10. Environmental and sustainability

Chanzeywe 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 organization's strategic objectives.

Sustainability strategy and profile

CTVC is a public tertiary institution that receives student fees and government grants. These funds are used to pay operating costs and training needs of the college. Procurement is done for goods, skills and services. The procurement process of capital items is reported to the Board during our meetings. The college also receives funding from NG-CDF and Vibrant Village Foundation. To this end CTVC will make projections and budgets that will attract funding from other entities. The college will begin IGA once equipment is in the workshops for proper scaling up.

Environmental performance

NEMA has given the college an annual environmental Audit Report (NEMA/EA/VHG/5/2/192/2023). The college also has a valid Public Health Certificate.

Employee welfare

The college has a total of 27 employees. 20 teaching staff and 7 non-teaching staff. (15 male and 12 female employees)

Market place practices-

CTVC promotes quality technical education, engages in sports as seen in our sports calendar of engagements, ensures compliance with NSSF and NHIF for staff, regular training in conferences and workshops, and ensuring clean water by chlorinating our rain harvested water in water tanks.

Corporate Social Responsibility / Community Engagements

Chanzeywe Technical and Vocational College is yet to start CSR activities due to poor cash flow. We are committed to start engaging the community as we stabilize.

11. Report of the Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Chanzeywe Technical and Vocational College affairs.

Principal activities

The principal activities of the entity are:

- To train responsible, innovative, skilled, and knowledgeable manpower for the Kenyan economy and beyond.
- To carry out research that will provide solutions to the technological challenges,

Results

The results of the entity for the year ended June 30 are set out on page 1 to 4

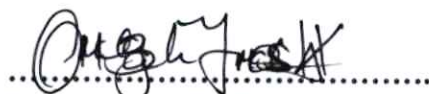
Council/Board of Governors

The members of the Board who served during the year are shown on page vi. During the year 2023/2024 none of the directors resigned/retired.

Auditors

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

By Order of the Board


.....
Secretary of the Board

Date: 16/04/25

PRINCIPAL
CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 413-50310, VINH
Email: chanzeywetvc@gmail.com
DATE 16/4/25 SIGN

12. Statement of Board of Governors/ Council's Responsibilities

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

The Board members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

In preparing the financial statements, the Principal has assessed the college's ability to continue as a going concern

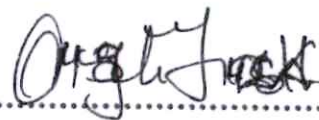
Nothing has come to the attention of the Board members to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The college financial statements were approved by the Board on 23rd August 2024 and signed on its behalf by:



.....
Name: Judith Oduge
Chairperson of the Board



.....
Name: Moses Omuga Mayoya
Accounting Officer/Principal

PRINCIPAL
CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 413-50310, VIHISA
Email: chanzeywetvc@gmail.com
DATE: 16/4/25 SIGN:

REPUBLIC OF KENYA

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



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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON CHANZEYWE TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024- STATE DEPARTMENT FOR TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

The accompanying financial statements of Chanzeywe Technical and Vocational College set out on pages 1 to 48 which comprise of the statement of financial position as at

Report of the Auditor-General on Chanzeywe Technical and Vocational College for the year ended 30 June, 2024- State Department for Technical and Vocational Education and Training

30 June, 2024, the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts and notes to the financial statements 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 effects 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 Chanzeywe Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical, Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Inventory Balance

The statement of financial position reflects a balance of Kshs.2,531,860 in respect of inventories and as disclosed in Note 29 to the financial statements. However, the stock take report did not record values to be reconciled with the schedules provided for audit under various categories of inventory balances reported.

In the circumstances, the accuracy and completeness of inventory balance of Kshs.2,531,860 could not be confirmed.

2. Property, Plant and Equipment

The statement of financial position reflects a balance of Kshs.57,151,979 in respect of property, plant and equipment and as disclosed in Note 32 to the financial statements. However, as previously reported, the balance excludes undetermined value of parcel of land number South Maragoli/569 measuring 2 hectares owned by the College and whose ownership documents were not provided for audit review.

In the circumstances, accuracy and completeness of property, plant and equipment balance of Kshs.57,151,979 could not be confirmed.

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

Emphasis of Matter

Budget Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.26,507,970 and Kshs.21,472,915 respectively, resulting to an under-funding of Kshs.5,035,055 or 19 %of the budget. Similarly, the College spent Kshs.14,495,721 against an approved final budget of Kshs.26,507,970 resulting to under-utilization of Kshs.12,012,249 or 45.31% of the approved budget.

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

My opinion is not modified in respect of this/these matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter(s) described in the Basis for Qualified Opinion/Material Uncertainty Related to Going Concern section, I have determined that there are no other key audit matters to communicate in my report.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Non-Compliance with Law on Ethnic Composition

During the year under review, the College had a total of twenty-five (25) employees out of which twenty (20) or 80% were from one dominant ethnic community.

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

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

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

Responsibilities of the Management and the Board of Governors

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gatiranga, CBS
AUDITOR-GENERAL

Nairobi

20 May, 2025

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

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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	2,000,000	2000,000
		2,000,000	2000,000
Revenue from Exchange transactions			
Rendering of services- fees from students	10	18,230,685	12,037,900
Examination		1,022,230	696,430
Miscellaneous income	14	220,000	198,000
Revenue from Exchange transactions		19,472,915	12,932,330
Total Revenue		21,472,915	14,932,330
Expenses			
Use of goods and services	15	8,236,967	4,137,633
Employee costs	16	3,160,353	2,122,656
Board /Council Expenses	17	1,302,440	338,599
Depreciation and amortization expense	18	1,473,457	1,594,360
Repairs and maintenance	19	311,880	39,580
Contracted services	20	00	00
Grants and subsidies	21	00	00
Finance costs	22	10,624	23,551
Total Expenses		14,495,721	8,256,379
Other Gains/(Losses)			
Gain on sale of assets	23	00	00
Gain/ Loss on fair value of investments	24	00	00
Impairment loss	25	00	00
Total Other Gains/(Losses)			
Net surplus/(deficit) for the year		6,977,194	6,675,951

(The notes set out on pages 6 to 52 form an integral part of the Annual Financial Statements).

[Signature]

Chairperson of BOG

Date 16/4/25

[Signature]

Finance Officer



Date

[Signature]

Principal/ Secretary BOG

PRINCIPAL
 CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE
 P. O. Box 413-50310, VIHIGA
 Email/ chanzeywetvc@gmail.com

Date

16/4/25

SIGN

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

15. Statement of Financial Position as at 30th June 2024

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	11,831	488,494
Current portion of receivables from exchange transactions	27(a)	17,071,903	10,915,997
Inventories	29	2,531,860	1,828,520
Total Current Assets		19,615,594	13,233,011
Non-Current Assets			
Property, plant, and equipment	32	57,151,979	56,645,146
Intangible assets	32	1,820,000	00
Total Non-Current Assets		58,971,979	56,645,146
Total Assets		78,587,573	69,878,157
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	36	2,289,373	1,166,758
Refundable deposits from customers	37	66,500	66,500
Accrued salaries	36	435,007	282,900
Total current liabilities		2,790,880	1,516,158
Total Liabilities		2,790,880	1,516,158
Net Assets			
Accumulated Surplus	SCNA	15,094,793	8,117,599
Capital Fund	SCNA	60,701,900	60,244,400
Total Net Assets and Liabilities		78,587,573	69,878,157

The Financial Statements set out on pages 13 to 60 were signed by:



Chairperson of BOG

Date 16/4/25



Finance Officer

Date



Principal/Secretary BOG

Date **PRINCIPAL**
CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 413-50310, VIHIGA
Email: chanzeywetvc@gmail.com
DATE 16/4/25 SIGN

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

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

Description	Revaluation reserve	Retained earnings	Capital Grants/Fund	Total
At July 1, 2023 (previous year)				
Revaluation gain				
Surplus/(deficit) for the year		8,117,599		8,117,599
Capital grants received during the year			60,244,400	60,244,400
Transfer of depreciation/amortisation from capital fund to Retained earnings				
At June 30, 2023		8,117,599	60,244,400	68,361,999
At July 1, 2023 (current year)				
Revaluation gain		-	-	-
Surplus/(deficit) for the year		6,977,194	-	6,977,194
Capital grants received during the year		-	457,500	457,500
Transfer of depreciation/amortisation from capital fund to Retained earnings				
At June 30, 2024		15,094,793	60,701,900	75,796,693

1. Capital Fund Comprises the initial cost of Building (ksh 57,500,000) ,Furniture and Fittings from mentor Institution (Sigalagala) of ksh 2,344,400 computers donated from Safaricom worth Ksh 400,000 and Donation from KUMEA for construction Water tank and Ablution block ksh 457500

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

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	2,000,000	2,000,000
Grants from donors and development partners		00	00
Rendering of services-Fees from students	10	12,074,778	4,730,843
Examination		1,022,230	696,430
Other income	14	220,000	198,000
Total Receipts		15,317,008	7,625,273
Payments			
Compensation of employees	16	2,744,905	1,847,119
Use of goods and services	15	7,795,644	3,722,700
Finance cost	22	10,624	23,551
Payment for accruals(previous year)		1,312,098	807,040
Purchase of stores		703,340	351,990
BOG allowances	17	1,302,440	338,599
Repairs maintenance and improvement-paid	19	311,880	39,580
Total Payments		14,180,931	7,130,579
Net Cash Flows from operating activities	47	1,136,077	494,694
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(671,540)	-
Purchase of furniture and Fittings		(544,200)	-
Purchase of computers		(397,000)	-
Net Cash flows used in investing activities		(1,612,740)	-
Proceeds From Borrowing		-	-
Repayment Of Borrowings		-	-
Increase in Deposits		-	-
Net cash flows used in financing activities		-	-
Net Increase/(Decrease) in Cash and Cash equivalents			494,694
Cash and Cash equivalents at 1 ST July 2023	26	488,495	(6,199)
Cash and Cash equivalents at 30th June 2024	26	11,832	488,495

Annual Report and Financial Statements for the year ended 30th June 2024

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	2023-2024	2023-2024	2023-2024	2023-2024	2023-2024	2020-2021
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other National Government entities	2,000,000	-	2,000,000	2,000,000	00	00
Rendering of services- fees from students	24,357,970	-	24,357,970	18,230,685	(6,127,285)	(25%)
Examination	00	-	00	1,022,230	1,022,230	100%
Income Generating Activity	150,000	-	150,000	220,000	70,000	47%
Total Income	26,507,970	-	26,507,970	21,472,915	(5,035,055)	(19%)
Expenses						
Use of goods and services	12,42,1409	-	12,421,409	8,236,967	4,184,442	34%
Employee costs	8,234,800	-	8,234,800	3,160,353	5,074,447	62%
Board /Council Expenses	2,320,000	-	2,320,000	1,302,440	1,017,560	44%
Repairs, Maintenance and Improvement	00	-	00	311,880	-311,880	-
Depreciation	00	-	00	1,473,457	-1,473,457	-
Finance cost	72,000	-	72,000	10,624	61,376	85%
Total Expenditure	23,048,209	-	23,048,209	14,495,721	8,552,488	37%
Surplus for the period			3,459,761	6,977,194	5,463,044	

Budget notes

The college did not achieve the anticipated student's enrolment. The college anticipated to invoice Ksh 24,357,970 (400 Students) during the financial year 2023/2024 but managed to invoice students ksh 18,230,685. The college invoiced May 2024 intake with term one fees

The College did not receive recurrent grants and capitation funds for 3rd and 4th quarter 2022/2023. Delayed disbursements by GOK and non-payment of fees by parents/guardian has continued to affect our cash flow negatively hence affecting operations, the college did not recruit more staff as indented due to financial constraint. Apart from Finance cost and Depreciation expenditure across all vote heads were within budget.

19. Notes to the Financial Statements

1. General Information

Chanzeywe TVC is established by and derives its authority and accountability from Tvet Act 2013. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to be a centre of excellence in Technical innovation, training and research.

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 is in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the college. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act, the TVET Act 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2024.

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 applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	<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> <ol 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.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol 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

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

Standard	Effective date and impact:
	<p>for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>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.</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008). • IPSAS 39: Employee Benefits. Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2023/2024 was approved by the Board on 19th October 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations on the FY 2023/2024 budget following the Board's approval. The college's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 13 under section 10 of these financial statements.

c) Taxes

Current income tax

The college is Currently paying the following statutory taxes;

- PAYE
- Affordable Housing Levy

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Summary of Significant Accounting Policies (Continued)

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Intangible assets

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

h) Research and development costs

The college expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate). A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Summary of Significant Accounting Policies (Continued)

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

k) Provisions

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

Contingent liabilities

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

Contingent assets

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

l) Social Benefits

Social benefits are cash transfers provided to;

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

The college recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

o) Employee benefits

Retirement benefit plans

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

Foreign currency transactions

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

p) Borrowing costs

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

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

q) Related parties

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

Summary of Significant Accounting Policies (Continued)

r) Service concession arrangements

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

s) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

t) Comparative figures

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

u) Subsequent events

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

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity

CHANZEYWE TECHNICAL AND VOCATIONAL COLLEGE

Annual Report and Financial Statements for the year ended 30th June 2024

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

Useful lives and residual values

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

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

Provisions

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

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

Depreciation

It's the policy of the college to depreciate its assets on written down value as follows;

Building	2%
Machinery	12.5%
Furniture and fittings	12.5%
Motor vehicle	25%
Computers	33.3%
Loose tools	50%

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

Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants		
Operational Grant	2,000,000	2,000,000
Unconditional Development grants		
Other Grants		
Total unconditional Grants		
Conditional Grants amortised/ recognised in revenue		
Library Grant		
Hostels Grant		
Administration Block Grant		
Laboratory Grant		
Learning Facilities Grant		
Other Organizational Grants		
Total Government Grants and Subsidies	2,000,000	2,000,000

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Tvet	2000000			2,000,000	2,000,000
Ministry					
Total	2000000			2,000,000	2,000,000

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

Notes to the Financial Statements (Continued)

7. Grants from Donors and Development Partners

Description	2023-2024	2022-2023
	Kshs	Kshs
JICA- Research Grant	-	-
World Bank Grants	-	-
In-Kind Donations	-	-
Donations transferred to revenue-conditions met	-	-
Other Grants (specify)	-	-
Total Grants from Development Partners	-	-

(a) Reconciliations of grants from donors and development partners

Description	2023-2024	2022-2023
	Kshs	Kshs
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions Met - Transferred to Revenue	-	-
Conditions Yet To Be Met - Remain Liabilities	-	-

(Provide brief explanation for this revenue)

8. Transfers from Other Levels of Government

Description	2023-2024	2023-2024
	Kshs	Kshs
	-	-
Transfer from County XX	-	-
Transfer from XX University	-	-
Transfer from XX Institute	-	-
Total Transfers	-	-

9. Public Contributions and Donations

Description	2023-2024	2023-2024
	Kshs	Kshs
Public Donations	-	-
Donations from Local Leadership	-	-
Donations from Religious Institutions	-	-
Donations from Alumni	-	-
Other Donations	-	-
Total Donations and Contributions	-	-

(Provide brief explanation for this revenue)

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

Notes to the Financial Statements (Continued)

10. Rendering of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition Fees	9,690,130	2,302,553
Activity Fees	200,395	70,050
Industrial Attachment Fees	73,500	112,000
Registration Fees	119,212	138,200
Personnel emoluments	829,920	1,101,577
EWC	251,740	119,310
LTT	260,030	115,880
RMI	211,195	62,290
STUDENT ID	500	13,500
Student union	39,476	46,540
Development Fees	205,170	112,020
Caution Money	00	29,000
Fees arrears	00	507,923
KUCCPS Registration	193,510	00
Total paid by parents	12,074,778	4,730,843
Accrued	6,155,907	7,336,057
Total revenue from the rendering of services	20,230,685	12,037,900

Breakdown of Collections

Parents /Guardian	974,869	316,043
Capitations	3,737,827	1,563,000
CDF Bursary	00	1,190,000
HELB	7,362,082	1,661,800
TOTAL	12,074,778	4,730,843

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

11. Sale of Goods

Description	2023-2024	2022-2023
	Kshs	Kshs
	-	-
Sale of Books	-	-
Sale of Publications	-	-
Sale of Farm Produce	-	-
Cafeteria sales	-	-
Other sales (specify)	-	-
Total Revenue from Sale of Goods	-	-

(Provide brief explanation for this revenue)

12. Rental revenue from facilities and equipment

Description	2023-2024	2022-2023
	-	-
Hire of Facilities and Equipment	-	-
Contingent Rentals	-	-
Operating Lease Revenue		
Total		

Notes to the Financial Statements (Continued)

13. Finance Income

Description	2023-2024	2022-2023
	Kshs	Kshs
Cash investments and fixed deposits	-	-
Interest income from treasury bills	-	-
Interest income from treasury bonds	-	-
Interest from outstanding debtors	-	-
Total finance income	-	-

14. Miscellaneous Income

Description	2023-2024	2022-2023
	Kshs	Kshs
Insurance recoveries		
Capacity building fees(income from VVF)	210,500	185,000
Income from sale of tender	-	8,000
Computer packages	9,500	5,000
Total other income	220,000	198,000

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

Notes to the Financial Statements (Continued)

15. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching and learning materials	714,012	563,945
Marketing and publicity	467,471	116,350
Electricity	155,000	95,000
Travelling and accommodation	1,680,266	768,761
Security	356,000	234,000
Printing and stationery	281,585	137,752
KATT Subscriptions	-	-
Telephone expenses	180,971	178,303
Training	88,934	74,650
Examination fees	1,794,339	697,540
Activity expenses	563,065	107,306
Administrative expenses	998,701	521,147
Cleaning materials	94,486	15,070
KUCCPS Registration	152,700	-
Insurance	103,150	110,500
Student council	26,540	14,770
Student Union	55,510	-
Capacity building	82,914	87,606
Subtotal-paid	7,795,644	3,722,700
ACCRUALS		
Security	72,000	234,000
Teaching materials	149,600	0
Printing and stationery	63,540	42,000
Examination	00	32,750
Insurance	156,183	106,183
Sub total	441,323	414,933
Total	8,236,967	4,137,633

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

Notes To the Financial Statements (Continued)

16. EMPLOYEE COSTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	2,744,905	1,847,119
Accruals	415,448	275,537
TOTAL	3,160,353	2,122,656

17. REMUNERATION OF DIRECTORS

Description	2023-2024	2022-2023
	Kshs	Kshs
Sitting allowances	1,302,440	338,599
Total	1,302,440	338,599

18. DEPRECIATION AND AMORTIZATION EXPENSE

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, plant and equipment		
Computers	120,490	180,644
Furniture and fittings	270,597	309,254
Buildings	1,082,371	1,104,460
Tools and equipment	-	
Total	1,473,458	1,594,358

19. REPAIRS AND MAINTENANCE

Description	2023-2024	2022-2023
	Kshs	Kshs
Furniture and fittings	311,880	39,580
Accrued maintenance of fire extinguishers	-	-
Total	311,880	39580

20. CONTRACTED SERVICES

Description	2023-2024	2022-2023
	Kshs	Kshs
Actuarial valuations	-	-
Investment valuations	-	-
Property valuations	-	-
Other (specify)		
Total	-	-

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

21. GRANTS AND SUBSIDIES

Description	2023-2024	2022-2023
Community Development	-	-
Education Initiatives and Programs	-	-
Social Development	-	-
Social benefits expenses	-	-
Community Trust	-	-
Sporting Bodies	-	-
Total Grants and Subsidies	-	-

22. FINANCE COSTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank charges	10,624	23,551
total	10,624	23,551

23. GAIN (LOSS) ON SALE OF ASSETS

Description	2023-2024	2022-2023
	Kshs	Kshs
Property Plant and Equipment	-	-
Intangible Assets	-	-
Othe assets not Capitalised	-	-
Total	-	-

24. GAIN (LOSS) ON FAIR VALUE INVESTMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

25. IMPAREMENT LOSS

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

26. CASH AND CASH EQUIVALENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Account	11,267	488,017
Cash in hand	564	477
Total Cash and Cash Equivalents	11,831	488,494

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

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
a) Current Account		-	-
Kenya Commercial Bank	1276011797	11,267	488,017
Cash in Hand		564	477
Grand Total		11,831	488,494

27 RECEIVABLES FROM EXCHANGE TRANSACTIONS

27 (a) Current Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables	-	-
Student Debtors	17,071,903	10,915,997
Total Current Receivables	17,071,903	10,915,997

27 (b) Long- term Receivables from Exchange transactions

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

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

27 (c) Aging Analysis of Receivables exchange Transaction

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	9,672,572	57%	6,222,118	%
Between 1- 2 years	7,593,871	41%	4,257,238	%
Between 2-3 years	397,923	2%	436,641	%
Over 3 years	(592,463)	%	00	%
Total (a+b)	17,071,903	%	10,915,997	%

27d Reconciliation for impairment Allowance on receivables from exchange transactions.

Description	2023-2024	2022-2023
At the beginning of the year	-	-
Provisions during the year	-	-
Recovered during the year	-	-
Write offs during the year	-	-
At the end of the year	-	-

28. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Description	2023-2024	2022-2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	-	-
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	-	-
Total Current Receivables	-	-

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

28 a Ageing Analysis on Receivables from Non-Exchange Transactions

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	00	%	00	%
Between 1- 2 years	00	%	00	%
Between 2-3 years	00	%	00	%
Over 3 years	00	%	00	%
Total	00	%	00	%

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

Description	2023-2024	2022-2023
	Kshs	Kshs
At the beginning of the year	-	-
Additional provisions during the year	-	-
Recovered during the year	-	-
Written off during the year	-	-
At the end of the year	-	-

29. Inventories

Description	2023-2024	2022-2023
	Kshs	Kshs
Consumable stores		
Food and beverage Dept	486,393	129,653
Building Dept	976,980	976,980
Electrical stores	602,545	602,545
Hairdressing	58,502	58,502
Games Dept	236,240	60,840
Computer	171,200	
Total	2,531,860	1,828,520

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

Notes to the Financial Statements (Continued)

30. INVESTMENTS IN FINANCIAL ASSETS

Description	2023-2024	2022-2023
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds	-	-
Financial Institution	-	-
CBK	-	-
CBK	-	-
Sub- Total	-	-
b) Investment with Financial Institutions/ Banks	-	-
Bank X	-	-
Bank Y	-	-
Sub- Total	-	-
c) Equity Investments (Specify)	-	-
Equity/ Shares in Company Xxx	-	-
Sub- Total	-	-
Grand Total	-	-

d) Shareholding in other entities

For investments in equity share listed under note 30 (c) above, list down the equity investments under the following categories:

Name of Entity where Investment is Held	No of Shares			Nominal Value of Shares	Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding		Insert Current FY	Insert Comparative FY
	%	%	%		Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
	-	-	-	-	-	-

31. Prepayments

Description	Insert Current FY	Insert comparative FY
	Kshs.	Kshs.
Prepaid Rent	xxx	xxx
Prepaid Electricity Costs	xxx	xxx
Other Prepayments (Specify)	xxx	xxx
Total	xxx	xxx

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

Notes to the Financial Statements (Continued)

32. PROPERTY, PLANT AND EQUIPMENT

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Intangible Assets	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2023		57,500,000	00	3,124,150	755,120	6,393	00	61,385,663
Additions		1,065,390	00	517,900	397,000	00	1,820,000	3,800,290
Disposals		00	00	00	00	00	00	00
Transfers/Adjustments		00	00	00	00	00	00	00
At 30th June 2024		58,565,390	00	3,642,050	1,152,120	6,393	1,820,000	65,185,953
Depreciation And Impairment								
At 1 July 2023		3,381,460	00	959,375	393,290	6,393		4,740,518
Depreciation		1,082,371	00	270,597	120,490	00	00	1,473,457
Disposals		00	00	00	00	00	00	00
Impairment		00	00	00	00	00	00	00
At 30 Jun 2024		4,463,831	00	1,229,972	513,780	6,393	00	6,213,975
Net Book Values								
At 30th Jun 2024		54,101,559	00	2,412,078	638,341	00	1,820,000	58,971,978
At 30th Jun 2023		54,118,540	00	2,164,775	361,831	00	00	56,645,146

Valuation

As per National Treasury guidelines, Land and buildings were identified and was not valued.

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

Notes to the Financial Statements (Continued)

32 (b) Property, Plant and Equipment at Cost

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

Description	Rate	COST	Accumulated Depreciation	NBV
	Kshs	Kshs		Kshs
Land		00	00	00
Buildings	2%	58,565,390	4,463,831	54,101,559
Plant And Machinery		00	00	00
Loose tools	50%	6,393	6,393	00
Computers and Related Equipment	33.3%	1,152,120	513,780	638,341
Office Equipment, Furniture, And Fittings	12.5%	3,642,050	1,229,972	2,412,078
Total		63,365,953	6,213,976	57,151,978

33. INTANGIBLE ASSETS

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost		
At beginning of the year	00	00
Additions	1,820,000	00
At end of the year	1,820,000	00
Additions—internal development	00	00
At end of the year	1,820,000	00
Amortization and impairment		
At beginning of the year	00	00
Amortization	00	00
At end of the year	00	00
Impairment loss	00	00
At end of the year	00	00
NBV	1,820,000	00

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

Notes to the Financial Statements (Continued)

34. INVESTMENT PROPERTY

Description	2023-2024	2022-2023
	Kshs	Kshs
At beginning of the year	00	00
Additions	00	00
Disposal during the year	00	00
Depreciation	00	00
Impairment	00	00
Gain or loss on fair value- if fair value is elected	00	00
At end of the year	00	00

35. Biological Assets

	2023-2024	2022-2023
	Kshs	Kshs
Cattle	00	00
Trees	00	00
Others (Specify)	00	00
Total	00	00

36. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2023-2024		2022-2023	
		% of the Total		% of the Total
Trade payables	2,289,373		1,166,758	
Accrued salaries	435,007		282,900	
Total Trade and Other Payables	2,724,380		1,449,658	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	2,724,380	100%	1,449,658	100%
1-2 years	00	%	00	%
2-3 years	00	%	00	%
Over 3 years	00	%	00	%
Total (to tie to totals above)	2,724,380	%	1,449,658	%

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

37. REFUNDABLE DEPOSITS FROM CUSTOMERS/STUDENTS

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Consumer deposits				
Caution money		66,500		66,500
Other refundable deposits		00		00
Total Deposits		66,500		66,500
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	00	%	66,500	100%
1-2 years	66,500	100%	00	%
2-3 years	00	%	00	%
Over 3 years	00	%	00	%
Total (to tie to totals deposits above)	66,500	%	66,500	%

38. CURRENT PROVISIONS

Description	Leave	Bonus	Gratuity	Other	Total
	provisio	provisio	Provisio	provisio	
	n	n	ns	n	
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at The Beginning of The Year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision Utilised	-	-	-	-	-
Change Due To Discount And Time Value For Money	-	-	-	-	-
Transfers From Non -Current Provisions	-	-	-	-	-
Total Provisions	-	-	-	-	-

39. FINANCE LEASE OBLIGATION

Description	2023-2024		2022-2023	
	Kshs		Kshs	
At the start of the year		-		-
Discount interest on Lease Liability		-		-
Paid during the year		-		-
At end of the year		-		-

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

Maturity Analysis

Period	Amount
	Kshs
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and Onwards	-
Less: Unearned Interest	-
Total	-

Analysed as:

Description	Amount
	Kshs
Current	-
Non- Current	-
Total	-

40. DEFERRED INCOME

Description	2022-2023	2021-2022
	Kshs	Kshs
National Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

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

The deferred income movement is as follows:

Description	National government	International funders/donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	-	-	-	-
Additions during the year	-	-	-	-
Transfers to capital fund	-	-	-	-
Transfers to income statement	-	-	-	-
Other transfers	-	-	-	-
Balance carried forward	-	-	-	-

Include columns as needed for the various sources of income deferred.

41 EMPLOYEE BENEFIT OBLIGATIONS

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2021-2022	2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-

Retirement benefit Asset/ Liability

The college operates a defined benefit scheme for all full-time employees from July 1, 2023. The scheme is administered by NSSF while NSSF Trustee Board are the custodians of the scheme. The scheme is based on 6% percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial values on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

Description	2023-2024	2022-2023
	Kshs	Kshs
Discount Rates	-	-
Future Salary Increases	-	-
Future Pension Increases	-	-
Mortality (Pre- Retirement)	-	-

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

Mortality (Post- Retirement)	-	-
Withdrawals	-	-
Ill Health	-	-
Retirement	xx years	xx years

Recognition of Retirement Benefit Asset/ Liability

a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

Description	2023-2024	2022-2024
	Kshs	Kshs
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (specify)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Remeasurement of the net defined benefit liability (asset)	-	-

b) Amounts recognised in the Statement of Financial Position

Description	2023-2024	2022-2023
	Kshs	Kshs
Present value of defined benefit obligations(a)	-	-
Fair value of plan assets(b)	-	-
Funded status(=a-b)	-	-
Restrictions on asset recognised	-	-
Others	-	-
Net asset or liability arising from defined benefit obligation	-	-

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. XXX per employee per month. Other than NSSF the entity also has a defined contribution scheme operated by XXX Pension Fund. Employees contribute xx%

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

while employers contribute xx% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

42. Payments received in advance.

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Fees received in advance	-		-	
Others (Specify)	-		-	
Total	-		-	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

43. Borrowings

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Balance at beginning of the year	00		00	
External borrowings during the year	00		00	
Domestic borrowings during the year	00		00	
Repayments of external borrowings during the year	(00)		(00)	
Repayments of domestic borrowings during the year	(00)		(00)	
Balance at end of the year	00		00	

1. (a) Analysis of External and Domestic Borrowings

Description	2023-2024		2022-2023	
	Kshs		Kshs	
External borrowings				
Dollar denominated loan from 'xx organization'	00		00	
Sterling pound denominated loan from 'yyy organization'	00		00	
Euro denominated loan from zzz organization'	00		00	
Domestic borrowings				
Kenya shilling loan	00		00	

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

Total balance at end of the year	00	00
---	----	----

43 (b) Breakdown of Long and Short-Term Borrowings

Description	2023-2024	2022-2023
	Kshs	Kshs
Short Term Borrowings (Current Portion)	00	00
Long Term Borrowings	00	00
Total	00	00

2. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision utilised	-	-	-	-	-
Change due to discount and time value for money	-	-	-	-	-
Less: Current portion	-	-	-	-	-
Total deferred income	-	-	-	-	-

45 Service Concession Arrangements

Description	2023-2024	2022-2023
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	00	00
Accumulated depreciation to date	00	00
Net carrying amount	00	00
Service concession liability at beginning of the year	00	00
Service concession revenue recognized	00	00
Service concession liability at end of the year	00	00

46. Social Benefit Liabilities

Description	2023-2024	2022-2023
	Kshs	Kshs
Health social benefit scheme	00	00
Unemployment social benefit scheme	00	00
Orphaned and vulnerable benefit scheme	00	00

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

People Living with disabilities benefit scheme	00	00
Elderly social benefit scheme	00	00
Bursary social benefits	00	00
Total	00	00
Current social benefits	00	00
Non- current social benefits	00	00
Total (tie to totals above)	00	00

47. Cash Generated From Operations.

Surplus for the year before tax	2023-2024	2022-2023
	Kshs	Kshs
Adjusted for:	6,977,194	5,972,963
Depreciation	1,473,457	1,594,358
Non-Cash grants received	-	-
Contributed assets	(1,730,050)	-
Impairment	-	-
Gains and Losses on Disposal of Assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance Income	-	-
Finance Cost	-	-
Working Capital Adjustments	-	-
Increase in Inventory	(703,340)	(1,085,817)
Increase in Receivables	(6,155,907)	(6,633,069)
Increase in Deferred Income	-	-
Increase in Payables	1,274,723	646,235
Increase in Payments received in advance	-	-
Net Cash Flow from Operating Activities	1,136,077	494,694

Notes to the Financial Statements (Continued)

48. FINANCIAL RISK MANAGEMENT

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

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

(i) Credit risk

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

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

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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023	00			
Receivables from non-exchange transactions	10,915,997	10,915,997		
Bank balances	488,494	488,494	-	-
Total	11,404,491	11,404,491	-	-
At 30 June 2024				
Receivables from non-exchange transactions	17,071,904	17,071,904	-	-
Bank balances	11,831	11,831	-	-
Total	17,083,735	17,083,735	-	-

Notes to the Financial Statements (Continued)
Financial risk management (continued)

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

The entity has significant concentration of credit risk on amounts due from students

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

(ii) Liquidity risk management

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023 (previous year)				
Trade payables	1,166,758	1,148,608	18,000	00
Receivables from non-exchange transactions	10,915,997	10,915,997	00	00
Employee benefit obligation	282,877	275,537	7,360	00
Total	1,449,635	1,424,145	25,360	
At 30 June 2024 (current year)				
Trade payables	2,289,373	2,171,373	118,000	
Receivables from non-exchange transactions	17,071,904	17,071,904	00	
Employee benefit obligations	434,985	349,000	66,448	
Total	2,769,358	2,565,373	184,448	

Notes to the Financial Statements (Continued)
Financial risk management (continued)

(iii) Market risk

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

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

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

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

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2024			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities	-	-	-
Trade and Other Payables	-	-	-
Borrowings	-	-	-
	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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

Notes to the Financial Statements (Continued)

Financial risk management (continued)

Foreign currency sensitivity analysis

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

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2024			
Euro	10%	-	-
Usd	10%	-	-
20xx		-	-
Euro	10%	-	-
Usd	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (2016: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2020 – Kshs xxx)

Notes to the Financial Statements (Continued)
Financial risk management (continued)

iv) Capital Risk Management

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve		
Retained Earnings	15,094,816	8,117,599
Capital Reserve	60,701,900	60,244,400
Total Funds	75,796,716	68,361,999
Total Borrowings	-	-
Less: Cash and Bank Balances	11,831	488,494
Net Debt/(Excess Cash and Cash Equivalents)		
Gearing	00%	00%

49. RELATED PARTY BALANCES

Nature of related party relationships

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

Government of Kenya

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

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

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

Notes to the Financial Statements (Continued)

The transactions and balances with related parties during the year are as

Description	2023-2024	2022-2023
	Kshs	Kshs
Transactions with Related Parties		
APurchases from related parties		
Purchases of electricity from kplc	155000	95000
Training and conference fees paid to govt. agencies	88934	74650
Total	243934	169650
a) Grants /Transfers from the Government		
Grants from National Govt	2000000	2000000
Grants from Safaricom Foundation	00	400,000
Grants from KUMEA	457500	00
Total	2457500	2,400,000

50. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)

Notes to the Financial Statements (Continued)

51. Contingent Assets And Contingent Liabilities

Contingent Assets

Description	2023-2024	2022-2023
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets arising from determination of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Others (Specify)	-	-
Total	-	-

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

Contingent Liabilities

Description	2023-2024	2022-2023
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case Xxx against (The Entity)	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
Others (Specify)	-	-
Total	-	-

52. Capital Commitments

Capital Commitments	2023-2024	2022-2023
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the entity but at the end of the year had not been contracted or those already contracted for and on-going)

Notes to the Financial Statements (Continued)

53. EVENTS AFTER THE REPORTING PERIOD

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

54. ULTIMATE AND HOLDING ENTITY

The college is an MDA under the Ministry of Education. Its ultimate parent is the Government of Kenya.

55. CURRENCY

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

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Land without title Deed	College has allotment letters from land registrar. Processing of title deeds ongoing	Title processing on going. Ref college communications to lands office	-
2	Inaccurate Cash and Cash Equivalent	This arose due to un receipted unknown deposits on bank statement,	Cash book updated by raising receipt No 366 for 24250	-
3	Budgetary Control and Performance	Underfunding /underperformance was as a result of the college not achieving the intended student enrolment. Underperformance was a result of GOK not releasing capitations as anticipated.	Budget Implementation committee formed	
4	Lack of Strategic Plan	By the time of audit Strategic Plan Development was work in progress	Implemented	

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;

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

- (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.

.....
Name: Moses Omuga Mayoya
Accounting Officer
(Principal)
Date :

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

Appendix II: Projects Implemented by (The Entity)

Projects

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

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

Status of Projects completion

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

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

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

Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity.....



Name of beneficiary entity.....Chanzeywe TVC.....

Confirmation of amounts received by Chanzeywe TVC as at 30th June 2024

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	31.07.2023	500000		500000	4 th Quarter 2022/2023
	05.10.2023	500000		500000	1 st Quarter FY 2023/2024
	25.01.2024	500000		500000	2 nd Quarter FY 2023/2024
	20.02.2024	500000		500000	3 rd Quarter 2023/2024
Total		2000000		2000000	

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 NameMoses Omuga Mayoya..... Sign  Date 16/4/25 Sign 

PRINCIPAL
 CHANZEYWE TECHNICAL & VOCATIONAL COLLEGE
 P. O. Box 413-50310, VIHIGA
 Email: chanzeywetvc@gmail.com

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

Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Appendix V: Reporting on Disaster Management Expenditure

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

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments