

REPUBLIC OF KENYA



*Enhancing Accountability*

REPORT

DATE: 10 AUG 2023

BY: *Ukur*

TABLED BY:

OF

*Hon Owen Baya, MP  
Deputy leader, majority party*

CLERK AT THE TABLE:

*Christine chebet*

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**THE AUDITOR-GENERAL**

**ON**

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**

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

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
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**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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## KONGONI TECHNICAL AND VOCATIONAL COLLEGE

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### I. Key Kongoni Technical and Vocational College Information and Management

#### (a) Background information

The college was incorporated/ established under the TVET Act 2013 Act on September 2019. The college is under the Ministry of Education.

#### (b) Principal Activities

The principal activity of the college is to offer vocational education and training at artisan, certificate and diploma level as per the TVET Act 2013. Its mission and vision statements are as follows: To provide quality technical vocational training and research in collaboration with stakeholders, to produce highly skilled and innovative human resource. To be the top rated technical and vocational college in technical training innovation and action research in Kenya and beyond, respectively)

#### VISION

To be the top rated technical and vocational college in technical training, innovation and Action research in Kenya and beyond.

#### MISSION

To Provide Quality Technical and Vocational Training in Collaboration with stakeholders to produce Highly Skilled and Innovative Human resource.

#### MOTTO

Technology and innovation to meet societal needs.

#### CORE VALUES

-To undertake its mission and realize its vision, Kongoni TVC upholds the following values:-

- **Equity**- The College shall ensure fair treatment of staff, trainees and all other stakeholders without bias.
- **Integrity** – The College staff shall have common decorum reflected in their personal appearances, interactions and conducts.
- **Team work** - The College is committed to teamwork environment where every person is a valued member treated with respect, encouraged to contribute and recognized and rewarded for his or her efforts.
- **Professionalism** – The College shall provide systematic instructions, specialized skills and knowledge to produce professionals in different fields of study.
- **Transparency & Accountability** – The College shall provide clarity and openness in actions and shall be obliged to explain decisions by taking responsibility for one's

#### (c) Key Management

The Kongoni Technical and Vocational College's day-to-day management is under the following key organs:

Board of Governors.

Accounting officer/ Principal

Management team

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**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Principal	Mr. Barasa Nashon
2.	Deputy principal	Mr. Tarian Newton
3	Registrar	Mr. Juma Khisa
4	Dean of trainees	Mr. Masinde Kevin
5	HOD Engineering	Ms. Irene Atsulu
6	HOD Business	Mr. Monday Barasa
7	Head of Finance	CPA Nambo Millcent
8	Procurement Officer	Mr. Kipkore Geoffrey

**(e) Fiduciary Oversight Arrangements**

**Full Board of Management**

The full board of management is responsible to;

1. Promote the best interests of the college and ensure its development;
2. Promote quality education for all Trainees in accordance with the standards set under this Act or any other written law;
3. Ensure and assure the provision of proper and adequate physical facilities for the college;
4. Manage the college's affairs in accordance with the rules and regulations governing the occupational safety and health;
5. Facilitate and ensure the provision of guidance and counselling to all Trainees;
6. Provide for the welfare and observe the human rights and ensure safety of the Trainees, Trainers and non-trainers s at the college;
7. Encourage a culture of dialogue and participatory democratic governance at the college;
8. Encourage the learners, Trainers, and non-trainers and other, parents and the community, and other stakeholders to render voluntary services to the college;
9. Allow reasonable use of the facilities of the college for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may determine including the charging of a fee;
10. Administer and manage the resources of the college;
11. Receive, collect and account for any funds accruing to the college;
12. Recruit, employ and remunerate such number of non-trainers as may be required by the college in accordance with this Act; and
13. Perform any other function to facilitate the implementation of its functions under this Act or any other written law.

The full BOG consists of the following 3 committees;

**a. Finance, Procurement and Human Resource Committee**

Perform financial, procurement and recruitment responsibilities delegated by the full board of management. Their recommendation is subject to approval by the full BOG.

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**b. Education, Training, Research and Development committee.**

Perform academic reviews and performance and set performance requirements in accordance to ministerial expectations. Their recommendation is subject to approval by the full BOG.

**c. Audit and Risk Committee.**

To audit and provide quality assurance services for the college activities and functions. Their recommendation is subject to approval by the full Board of Governors.

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**Key Kongoni Technical and Vocational College Information and Management (Continued)**

**(f) Kongoni Technical and Vocational College Headquarters**

Kongoni Technical and Vocational College  
P.O. Box 45 - 30205  
Matunda, KENYA

**(g) Kongoni Technical and Vocational College Contacts**

Telephone: (+254)72669841/0788070303

E-mail: [Kongonitvc@gmail.com](mailto:Kongonitvc@gmail.com)

Website: [www.kongonitvc.ac.ke](http://www.kongonitvc.ac.ke)

**(h) Kongoni Technical and Vocational College Bankers**

S.NO	Account Name	Type	Account No.	Bank	Branch
1	Kongoni TVC- Recurrent A/C	Current	1267312963	Kenya Commercial Bank	Moi's bridge
2	Kongoni TVC- Development A/C	Current	1286112613	Kenya Commercial Bank	Moi's bridge
3	Kongoni TVC- Examination A/C	Saving	1286110785	Kenya Commercial Bank	Moi's bridge




**(i) Independent Auditors**

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




**(j) Principal Legal Adviser**

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

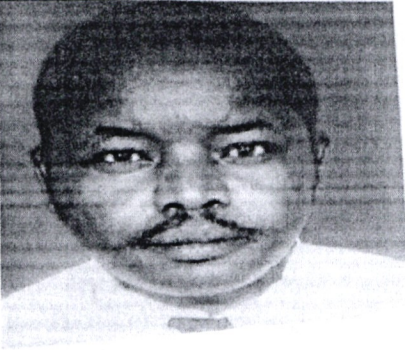

**II. The Board/Board of Governors**

No.	Member/ Director	Details
1.	 <p>Eng. Moses K Mukangula</p>	<p><b>D.O.B:</b> 1959  <b>Key Qualification:</b> Bsc - Civil Engineering (University of Nairobi)            Professional Engineer (Engineers Board of Kenya - EBK)            Corporate Member Institution of Engineers of Kenya (IEK)  <b>Work Experience:</b> Over 35 years of Engineering practice in Ministry of Public Works (1985-1996), Kenya Wildlife Service (1997-1998), Lutheran World Federation, (1999-2000), Masinde Muliro University of Science and Technology (2003-2020), Consultant Civil/Structural Engineer (2021- to date). Specialized in project conception, engineering design and construction supervision, and Project Management.            He is the Chairman of the Board of Governors</p>
2.	 <p>Mr. John Kihunyu Wakaro</p>	<p><b>DOB:</b> 1957  <b>KEY QUALIFICATIONS:</b> BED (ENG. /LIT)  <b>INSTITUTION:</b> Moi University.  <b>Work Experience:</b> Teaching Basic Education from 1980-2007. Currently a Director of a Private Academy. In the BOG I am the Chairman of Education, Training, Research and Development Committee.</p>
3.	 <p>Eng Martin Shilungu Induli</p>	<p><b>D.O.B :</b> 1979  <b>KEY QUALIFICATIONS:</b> Higher National Diploma-Electrical Engineering (Power), Diploma Electronics Engineering.  <b>WORK EXPERIENCE:</b> Martin Shilungu Induli has seventeen years experience in Electrical/Instrumentation and Control Engineering in various industries, maintenance planning and coordination, supervision of projects. He is also an</p>

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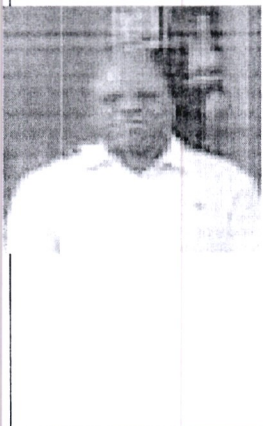



		internal auditor for quality management system ISO 9001:2015 at Kenya Airports Authority
4.	 <p>Mrs. Bibiana Maikuma Walela</p>	<p><b>D.O.B</b> :1965  <b>KEY QUALIFICATIONS</b> :BSC Agriculture, University of Nairobi          MSC, Agriculture and Rural Development Kenya, Methodist University          Mrs. Walela worked as an Agricultural Officer in the Ministry of Agriculture since 1979. She served in different capacities and retired as an Assistant Director of Agriculture in the year 2016.          She is a member of BOG and serves on the Finance, Planning, Procurement and Human Resource</p>
5.	 <p>Mr. Nabibia Wakofula</p>	<p><b>DATE OF BIRTH:</b>1972  <b>KEY QUALIFICATIONS</b> : Bachelor of Commerce (HON) University of Nairobi          Postgraduate Diploma in banking (AKIB)  <b>WORK EXPERIENCE:</b> Has a banking experience of 17 years (co – operative Bank 1997 – 2014) Chairperson Finance Planning and Human Resource</p>
6.	 <p>CPA Judith Shibu</p>	<p><b>DATE OF BIRTH:</b>1974  <b>KEY QUALIFICATIONS</b> : 2017-2021 Kibabii University MBA (Accounting Option) 2011-2012 Masinde Muliro University of Science and Technology (BBM Accounting Option) 2007-2010 CPA K and Computing and Data Processing Packages. 2005-2007 CPA Part Two 1996-1998 Kenya Technical Teachers College -Diploma in Business Education (Accounting Option) 1994-1995 Eldoret Polytechnic - CPA Part One  <b>WORK EXPERIENCE</b> :2015-2020 Working in Audit Department Kibabii University as Assistant Internal Auditor 2013-2015 Working in Bukura Agricultural College as Internal Auditor 1.1999-2013 Working in Mumias Out growers Sacco Society 1998-1999 Wetosi and CO. Associates working as an Audit assistant</p>

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7.		<p>NAME: Eng. Andrew K . Ng'eno                  D. O. B: 4th November 1961                  KEY QUALIFICATIONS;                  September 2002 - November 2002 Rasitic Mauritius                  Certificate in Cane Sugar Manufacture                  1983 - 1987 University of Nairobi                  Bachelor of Science (Mechanical Engineering                  2016 – To Date Moi University:                  Msc. in Energy Studies</p>
	<p>Eng. Andrew K . Ng'eno</p>	
8.		<p>NAME: Nashon Barasa.                  D.O.B.1962                  KEY QUALIFICATION.                  MED Educational planning.                  PGDE- EDUCATION, BSC-                  PHY/MATHS-KENYATTA                  UNIVERSITY.                  WORKING EXPERIENCE; Worked as a                  high school teacher teaching                  physics/math.                  Deputy principal Shamberere TTI                  Currently principal at Kongoni Technical                  and Vocational College</p>
	<p>Mr. Nashon Barasa (Principal)</p>	

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**III. Management Team**

N o.	Member/ Director	Details
1.	 Mr. Nashon Barasa (The principal)	NAME: Nashon Barasa. D.O.B.1962 KEY QUALIFICATION. MED Educational planning. PGDE- EDUCATION, BSC-PHY/MATHS- KENYATTA UNIVERSITY. WORKING EXPERIENCE; Worked as a high school teacher teaching physics/math. Deputy principal Shamberere TTI Currently principal at Kongoni Technical and Vocational College
2.	 Mr Newton Tarian (The Deputy Principal)	NAME: Newton Tarian. D. O. B: 31 December 1976 KEY QUALIFICATIONS; B TED (Building Construction Technology) EXPERIENCE. 2021- To date kongoni TVC. Deputy principal. 2019-2021 Musaakasa TTI. 2005– 2019 Lecturer Sanga'alo institute of science & Technology.
3.	 Mr Andrew Juma (AG Registrar)	NAME; Andrew Juma. D. O. B: 1st January 1990 KEY QUALIFICATIONS ; 2019-to Date-kongoni TVC. 2014 – 2019 Sigalagala National polytechnic. 2013-2014 – Manager Lurale Youth
4.	 (AG HOD Engineering) Engineering)	IRENE ATSULU D.O.B;1989 KEY QUALIFICATIONS 2014-2015 SHAMBERERE TECHNICAL HIGHER NATIONAL DIPLOMA- Building and Civil Engineering 2019-date Trainer –Kongoni Technical. 2009-2011- DIPLOMA(Sigalagala Technical- Building and construction

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			2013-2018- Trainer Shamberere Technical
5.		Monday Barasa (HOD Business)	D.O.B -21/02/1983 QUALIFICATION KONGONI TECHNICAL - Trainer SIGALAGALA TECHNICAL – Trainer in Business Department KISII UNIVERSITY –Program coordinator -Advising the principal on staffing of the department
6.		CPA Millcent Nambo Wanyonyi (Finance Officer)	NAME : CPA MILLCENT NAMBO D.O.B : 1991 QUALIFICATIONS. Degree (BCOM – Accounting option) -Membership, CPAK, -Preparation of Financial Statement. -Budgeting -Preparation of Financial Reports.

#### **IV. Chairman's Statement**

This year is the second year of operation at Kongoni TVC after being mentored by Shamberere TTI.

The college has seen progress in student admission whereby the population has increased from **Two hundred and six** in the previous year to **five hundred and seventy-nine** this year. This is as a result of aggressive marketing that was carried out by the college in the year. The college also carried out recruitment of staff to match the increased trainees' population. Non-teaching staff population increased from **fifteen** to **twenty** while the BOG trainers increased to **twenty** and **seventeen** trainers were sent by the Public Service Commission the previous year.

The college offered a total of **twelve** courses with majority of the trainees taking Building Technology. The college has a plan of carrying out more marketing to ensure that the maximum capacity is utilised and since the number of female trainees in SET courses is still very low to increase female trainees in SET courses.

The College Board consists of nine members of whom one member is an executive member while the rest are non-executive members. The board has been organised into three committees namely:

- i. Audit and Risk committee
- ii. Finance and development committee
- iii. Education and Human Resource committee

The above committees have been working tirelessly with the board all throughout this year.

Despite the above progress the college has faced some challenges which emanates from the shortage of resources to avail the college's needs.

Like last year the management faced challenges in supplying clean water to the college. This was biting especially during dry seasons. This has forced the college to collect water from the wells which its safety to the users was not guaranteed. In search of a better solution to this problem the board is still in consultation with the county government of Kakamega to drill a borehole in the college.

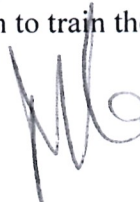
Although there was an increase in competent staff population the number is not yet enough to handle the available number of trainees' population. This is majorly due to lack of adequate funds to employ these staff.

Fees collection for the last quarter for capitation was not received and the ministry gave a circular to bill trainees which is a challenge to convince parents and trainees has been another challenge that the college is facing.

Another challenge that the college faced was lack of motor vehicle to transport trainees and trainers to functions and activities. This forced the college to hire means of transport whenever there was trainees' or trainers' functions.

Generally, the college is in good position to train the trainees.

**ENG. MOSES K. MUKANGULA**  
**BOARD CHAIRMAN**

 23/06/2023

**V. REPORT FROM THE PRINCIPAL**

Kongoni technical and vocational college (KTVC) is a public middle level technical college in the Ministry of Education under the State Department of Vocational and Technical Training. The college started admitting trainees for both Technical and Business courses in September 2019. A total of 63 trainees were admitted for the first time in 2019 September and the number have grown 579.

Kongoni Technical and Vocational college is located at about 500 metres off the Eldoret Kitale main road near Kongoni market in Likuyani Sub- County of Kakamega county

**CORE MANDATE OF THE COLLEGE**

- i. To teach and train in Artisan, Craft and Diploma courses examined by KNEC and other accredited Examining bodies.
- ii. To conduct research and promote innovations.
- iii. To develop and implement both curricular and co-curricular in response to the demands in the labour market.
- iv. To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- v. To inculcate and promote micro enterprise activities within the college and beyond
- vi. To in-service the community in awareness in general issues like prevention of drug and alcohol abuse, to promote gender equity, to consider people living with disability in all societal issues etc.
- vii. To foster cultural and religious diversity.
- viii. To implement the Ministry of Education policy on Technical, Vocational Education and Training.

**VISION**

To be the top rated technical and vocational college in technical training, innovation and action research in Kenya and beyond

**MISSION**

To provide quality technical and vocational training in collaboration with stake holders to produce highly skilled and innovative human resource

**MOTTO**

Technology and innovation to meet societal needs

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**CORE VALUES**

To realize its vision and undertake its mission, Kongoni TVC upholds the following core values.

- Equality
- Integrity
- Team work
- Professionalism
- Transparency and accountability

**QUALITY POLICY**

Kongoni Technical and Vocational College is committed to providing quality human resource that meets its customers expectation through technology, innovation and action research.

**KEY MANAGEMENT**

The key management organs of the college are;

- a) Board of Governors (BOG)
- b) Accounting officer/Principal
- c) Management team

**FUNDING**

Kongoni technical and vocational college receives funds for its operation from;

- i. The National Government in form of capitation/grants.
- ii. High Education Loan Board student tuition fees
- iii. Bursaries from NG-CDF from different constituencies student fee.
- iv. Parent/guardians who pay direct fees.
- v. Production units in the college.

**ENROLMENT**

Despite the many challenges the college faced at the time it started training, the enrolment has kept on growing from initial 206 trainees to the current enrolment of 650 trainees spread across the six academic departments namely Hospitality, Electrical Engineering, Building Construction Engineering ICT and Business.

**TRAINERS**

The number of trainers has also gone up from the initial 37 trainers to the current 41 trainers.

**NON – TRAINING STAFF**

Non – training staff also increased from 18 to 20 members.

**CHALLENGES**

Like any other upcoming college, Kongoni Technical and Vocational College has several challenges such as:

- Inadequate human resource for both training and support staff.

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- Lack of proper established structures and systems.
- Inadequate funds for operations.
- Low enrollment of trainees.
- Inadequate training space.
- Lack of reliable water supply.
- Inadequate training equipments
- Inadequate infrastructures (classrooms, offices and workshops)
- Lack of land space for expansion and recreational facilities

Prepared by: **PRINCIPAL**  
KONGONI TECHNICAL AND  
VOCATIONAL COLLEGE  
P. O Box 45-30205, MATUPU

*J. Akaranga*  
Date: \_\_\_\_\_ Sign: \_\_\_\_\_

**JUDITH AKARANGA**  
**PRINCIPAL/SECRETARY BOG**

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**VI. Statement of Performance against Predetermined Objectives**

Kongoni Technical and Vocational College has six strategic pillars and nineteen objectives within its Strategic Plan for the FY 2020-2025. These strategic pillars are as follows:

1. To provide quality and relevant technical and vocational training
2. To build a sustainable institutional capacity
3. To establish and improve adequate infrastructural capability.
4. To acquire adequate staffing levels and establish an effective performance management system
5. To institutionalize and implement an efficient service delivery system
6. To develop and extend quality and relevant community outreach services and programs

Kongoni Technical and Vocational College develops its annual work plans based on the above six pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. Kongoni Technical and Vocational College achieved its performance targets set for the FY 2021/2022 period for its six strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
i. To provide quality and relevant technical and vocational training	i. To initiate market-driven and relevant trainings ii. To develop an internal quality assurance system iii. To develop partnership programmes To provide adequate training materials	i. List of new programmes mounted ii. No of staff trained iii. No of new technologies used iv. No of equipment and facilities acquired v. Available internal quality assurance system vi. Available partnership contracts. vii. Available training materials	i. Mounting of new programmes ii. Signing of memorandum of understanding. iii. Procurement of training materials, equipment and facilities iv. Development of internal quality assurance system Development of internal control system.	i. Four additional programmes mounted ii. Blended online / in person learning and training iii. Reports of assessment and evaluation availed Four renovated classrooms.

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<p>i. To build a sustainable institutional capacity</p>	<p>i. Develop strategic and operational plans ii. Diversify sources of income and funding iii. Development and implement study work environment policy.</p>	<p>i. Availability of strategic and operational plans ii. Number of diversified income funding iii. Available study work environment policy</p>	<p>i. procurement process for new equipment and infrastructure ii. Budgetary/ procurement process put in place. iii. Construction of facilities and infrastructure</p>	<p>i. Workshops and laboratories equipped ii. Two hostels build iii. Electrical and mechanical engineering workshops equipped</p>
<p>ii. To establish and improve adequate infrastructural capability.  To acquire adequate staffing levels and establish an effective performance management system</p>	<p>i. Develop and implement infrastructural development plan ii. Acquire modern and relevant training equipment</p>	<p>i. Available infrastructural development plan.  Number of modern relevant training equipment.</p>	<p>i. Development of infrastructural development plan.  Procurement of modern relevant training equipment</p>	<p>i. new board capacity built ii. staff and trainees sensitized iii. two conferences held iv. no exhibitions held due to COVID-19 situation v. number of meetings held  NG-CDG, county bursaries, and other bursaries schemes secured.</p>
<p>iii.</p>	<p>iii. and implement Establish an effect</p>	<p>i. Available staff development policy ii. Recruitment in an open and transparent</p>	<p>i. Draft a staff recruitment policy and appraisal tool ii. Recruit according to</p>	<p>(k) Availability of staff hiring tool and development policy  Advertisement and recruitment for different positions</p>

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	ive perfo rman ce mana geme nt syste m	manner  iii. Advertised and recruit for position  ii. Conduct needs assessment t and training	establishe ment adhering to openness and transparency  ii.	
i. Number of public forums and exhibitions participated  ii. Avail able community outreach policy.  iv. Create brand id Kongoni Technical and Vocational College and public relations system.	(i) Attend public forum and exhibitio ns  (ii) Establish communi ty outreach	(i) Take part in public forum and exhibition   (ii) Take part in Communi ty outreach	i. Participat e in public forums and exhibition s.  ii. Develop communit y outreach policy.  iii. Creation of public relations system.	(i) Availability of public forum (ii) Availability of Community outreach

Kongoni TVC strategic pillars as espoused in its strategic plan 2020-2025 and as is captured in the performance contracting document for the financial year 2021-2022 under strategic objectives clearly builds a nexus between the strategic pillars and Kongoni TVC co- mandate and its other cross cutting issues in attainment of the strategic objective of Kongoni.

## VII. Corporate Governance Statement

Kongoni Technical and Vocational College Board of Governors recognizes its accountability to the Government and to the public at large and therefore, It values honesty, openness and integrity in Governance. It ensures that the college is governed according to the relevant laws and regulations.

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The Board consist of one (1) executive member while the rest nine (7) are non-executive members. Members of the Board are drawn from different professional fields hence bringing into board different skills and experience.

The principal carries out day to day activities of the college on behave of the Board, however, the Board retain its accountability to the government and to the public to ensure that the college is managed diligently.

**Board Meetings.**

There are at least three meetings in a year as per the TVET Act 2013. The Chairperson presides over every meeting at which he is present, but in the absence of the Chairperson the members present may elect one from among their number to preside.

The quorum for the Board meeting is seven members which include five appointed members. Sub-committee meetings are held from time to time depending on agency of the matter at hand.

**Committees of the Board**

Kongoni Technical and Vocational College board has three standing committees namely:

- i. Education committee
- ii. Finance committee
- iii. Development committee

**Education committee**

Education committee consist of three members. Its responsibilities are:

- i. Overseeing the conduct of education and training in the institution in accordance with the provisions of TVET Act 2013.
- ii. Promoting and maintaining standards, quality and relevance in education and training in the institution in accordance to TVET Act 2013.
- iii. Developing and reviewing programs for training and to make representations thereon to the Board.
- iv. Regulating the admission and exclusion of trainees from the institution, subject to a qualifications framework and provision of TVET Act 2013.
- v. Approving collaboration or association with other institutions and industries in and outside Kenya.
- vi. Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry
- vii. Making regulations governing organization, conduct and discipline of the staff and trainees.

**Finance committee**

Finance committee ensures that there is proper management of college finances as per the PFM Act 2013.

It also does the following functions as per the TVET Act 2013.

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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- i. Prepare annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the college.
- ii. Determine fees payable and prescribe conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of TVET Act 2013.

**Development committee**

This committee consists of three members. Its responsibilities are as follows:

- i. It ensures that the college has kept proper records of its fixed assets and maintains them properly.
- ii. Administering and managing the property of the institution.
- iii. Develops and implements the institution's strategic plan.
- iv. Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consideration of applicable laws.
- v. It carries out analysis of the college assets and ensures that the college directs funds to the suitable projects.
- vi. It ensures that the college has followed procurement laws in acquisition and development of college assets.
- vii. It ensures that the budget allocations to development projects are reasonable and the budget is strictly executed in every particular year.

**Board's accountability**

Despite delegation of its duties to different committees, the Board is fully aware of its accountability to the government of Kenya.

**Resignation of appointment, Revocation of appointment, and vacation of office.**

Kongoni Technical and Vocational College applies provisions Second schedule of TVET Act when dealing with resignation of appointment, revocation of appointment and vacation of office by Board members.

**Boards succession planning**

Kongoni Technical and Vocational College has taken a holistic board succession planning approach

Whereby the Nomination Committee, after considering the strategic direction of the college, plays

A critical role in analysing the needs of every Board. The Board's tenure is three years and the existing

Members can be re-nominated for another one term except the chairman. The college has kept a bank of

Curriculum vitae for those who have been identified as potential and therefore in case of any vacancy it

will be easily replaced.

**Conflict of interest**

Kongoni Technical and Vocational College applies provisions of the Second schedule of TVET Act as far as Conflicts of interests are concerned.

**Accountability and Risk Management**

Operation structures have been developed, approved and implemented including policies and procedures manuals on risk management which take into account sustainability, ethics and compliance risk for all functional areas as appropriate, every staff is encouraged to carry out his duties in line with the provisions of the above policies and procedures as delegated by the Board. Kongoni TVC management also ensures that relevant laws and procedures are enforced in all activities carried out in the college.

The Board has established risk management function and internal audit function within the college which carries out risk assessment on a continuous basis and submits a written assessment of the effectiveness of the system of internal control on a quarterly basis to the Board Audit and Risk Management committee.

The Board has appointed a committee responsible for audit and risk management in the organization whose chairman is an independent member of the Board. It obtains relevant technical advice where necessary. This committee meets with the external auditor once a year. The Board evaluates the performance this committee annually.

It states in every annual report its responsibility for preparing the report and accounts and the state of the Kongoni Technical and Vocational College whether it is a going or quitting concern.

It ensures that the books of accounts are prepared on timely basis and ensure that the external audit of the financial statements is completed and submitted within stipulated timelines it ensures that the internal audit function monitors for rectification, weakness noted by the external auditor. It also sets out its responsibility for risk management in the Board Charter.

The management team gives assurance to the Board that risk management framework is integrated in the daily activities of the organization.

**Board Remuneration**

Board members are re-embused their transport and travel cost and subsistence for the day while attending meetings and official consultations for the college and receive allowances.

**Major risks the college is facing;**

The College financial assets are trade receivables and cash and short-term deposits which arise directly from its operations. The College has financial liabilities comprising trade and other payables.

The College has exposure to the following risks:

- i) Market risks
- ii) Liquidity risks
- iii) Credit risks

The board has overall responsibility for the establishment and oversight of the College's risk management framework. The board through their regular meetings addresses risks associated with internal operations.

**Market risk**

**Country risk**

Country risk are many macro variables that are outside the control of a financial market and can impact the level of return due to an investment.

**Liquidity risk**

Liquidity risk is the risk that the College will not be able to meet its financial obligations as and when they fall due. The College's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the College's reputation. Typically, the College ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and political violence.

**Credit risk**

Credit risk is the risk of financial loss to the College if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. The Management ensures that student debtors clear their fees arrears before their documents (Certificates) are released.

**Material arrears in statutory/financial obligation**

Kongoni Technical and Vocational did not have any material arrears in statutory/financial obligations in the quarter under review.

**The Kongoni Technical and Vocational College' financial probity and serious governance issues**

The College did not have any major financial improbity reported during the quarter under review

vegetable needs are serviced by it. Despite being productive, the faces challenges during dry season since the college can't water the farm sufficiently.

The college has been compliant to the following statutes and has contributed as per its provisions as follows:

1. NHIF
2. NSSF
3. Income Tax

Other statutes that the college has complied with are:

- Public Finance Management Act 2012
- Public Procurement and Disposal Act 2015
- Mwongozo
- CDAC
- TVET ACT
- KNQA

However, the college is facing some risk emanating from;

- i. Cut back of development grants
- ii. Poor payment of fees by the trainees
- iii. In sufficient supply of clean water
- iv. Low completion rate by trainers
- v. Poverty levels in the in the prospective trainees back ground.
- vi. Limited alternative sources of funds
- vii. Shortage of training infrastructure
- viii. Insufficient Trainers

#### **IX. Environmental & sustainability statement report.**

Kongoni 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 trainees/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives).

#### **Sustainability strategy and profile**

##### **Institutional challenges**

- Financial constraints in provision of adequate training materials and learning resources in line with the massive recruitment of trainees;
- Capacity building of staff is not adequate, especially in information and communications technology (ICT) competences with new changes;
- Student's inability to afford laptops and/or smartphones needed for online learning

##### **Integration**

Due to the potential of TVET to contribute to socioeconomic development, many countries in the world are embarking on reforms to establish TVET systems that are fit for purpose.

The major programmes KTVC offers are:

- welding
- Mechanical technology
- Electrical engineering

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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The major programmes KTVC offers are:

- welding
- Mechanical technology
- Electrical engineering

**Environmental performance**

**ENVIRONMENTAL POLICY**

Kongoni TVC commits itself to and endorses the need to protect the environment.

Kongoni TVC acknowledges and accepts its responsibility to conduct its business in compliance with applicable environmental laws and regulations.

To accomplish this, the top management is committed to:-

Establish an internal review procedure to identify environmental impacts of all functions within the institution and to access levels of compliance with applicable laws and regulations pertaining to the environment.

Develop a program aimed at safe-guarding the quality of the environment and achieving compliance.

Establish and maintain appropriate training programs designed to make every employee competent to carry out his/her responsibilities with respect to the policy.

Report annually on regulatory compliance, issues and improvements.

**ENVIRONMENTAL STATEMENT**

Kongoni TVC has a vital interest in ensuring a clean and healthy environment.

Kongoni TVC also relies on a healthy environment so that you, the customer, can enjoy the standard of living and healthy

Lifestyle that mean so much to us today.

As technology advances and regulations change, Kongoni TVC will continue to improve systems,

Reduce waste and efficiently utilize resource to meet the environmental challenges of the next century.

Kongoni TVC will make available to interested parties, its environmental program and its environmental control activities

**X. Report of the Board of Governors**

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the *Kongoni Technical and Vocational College* affairs.

**Principal activities**

The principal activities of the Kongoni Technical and Vocational College are to teach and train in TVET

**Results**

The results of the Kongoni Technical and Vocational College for the year ended June 30 are set out on page 1 - 6

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**Board of Governors**

The members of the Board who served during the year are shown on page 4.

**Auditors**

The Auditor General is responsible for the statutory audit of the *Kongoni Technical and Vocational College* in accordance with Article 229 of the Constitution of for the year ended June 30, 2022, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

*Judith Akaranga*

**Judith Akaranga**  
Secretary BOG

Date: 23/6/2023



**XI. Statement of Board of Governors/ Board'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 the Board members to prepare financial statements in respect of that *Kongoni Technical and Vocational College*, which give a true and fair view of the state of affairs of the *Kongoni Technical and Vocational College* at the end of the financial year/period and the operating results of the *Kongoni Technical and Vocational College* for that year/period. The Board members are also required to ensure that the *Kongoni Technical and Vocational College* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Kongoni Technical and Vocational College*. The Board members are also responsible for safeguarding the assets of the *Kongoni Technical and Vocational College*.

The Board members are responsible for the preparation and presentation of the *Kongoni Technical and Vocational College's* financial statements, which give a true and fair view of the state of affairs of the *Kongoni Technical and Vocational College* for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *Kongoni Technical and Vocational College*, (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 *Kongoni Technical and Vocational College*, (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 *Kongoni Technical and Vocational 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. The Board members further confirm the completeness of the accounting records maintained for the *Kongoni Technical and Vocational College*, which have been relied upon in the preparation of the *Kongoni Technical and Vocational College's* financial statements as well as the adequacy of the systems of internal financial control.

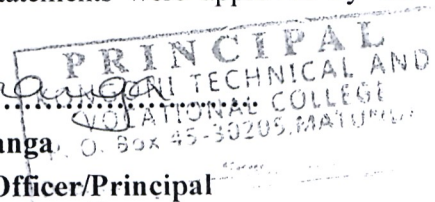
Nothing has come to the attention of the Board members to indicate that the *Kongoni Technical and Vocational College* will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The *Kongoni Technical and Vocational College's* financial statements were approved by the Board on 23/06/2023 and signed on its behalf by:

.....  
**Name Eng. Moses Mukangula**  
**Chairperson of the Board/Board**

**Judith Akaranga**  
**Accounting Officer/Principal**



# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

*Enhancing Accountability*

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

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Kongoni Technical and Vocational College set out on pages 1 to 51, which comprise of the statement of financial position as at 30 June, 2022, the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

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*Report of the Auditor-General on Kongoni Technical and Vocational College for the year ended 30 June, 2022*

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

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

### **Basis for Qualified Opinion**

#### **Unsupported Work-in-Progress**

The statement of financial position reflects a balance of Kshs.187,046,379 in respect of property, plant and equipment which, as disclosed in Note 32 to the financial statements, includes Kshs.1,856,127 relating to work in progress. However, the balance was not supported by relevant documents including contract agreements and interim payment certificates.

In the circumstances, the accuracy and completeness of the balance of Kshs.1,856,127 in respect of work in progress could not be confirmed.

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

#### **Key Audit Matters**

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

#### **Other Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects revenue budget and actual on comparable basis amounts of Kshs.46,209,250 and Kshs.37,505,314 respectively, resulting to under-funding of Kshs.8,703,936 or 19% of the budget.

Similarly, the statement reflects actual expenditure of Kshs.34,969,491 against budget of Kshs.32,994,250 resulting to over expenditure of Kshs.1,975,241 or 6 %.

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

## 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 matters discussed in the Basis for Conclusion of Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Late Submission of Financial Statements**

The financial statements for the year ended 30 June, 2022 were submitted to the Auditor-General on 21 October, 2022. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires financial statements to be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

#### **2. Non-compliance with Law on Ethnic Composition**

During the year under review, the College had fifty-four (54) employees. However, out of this number, 38 employees or 38% were from the same ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which states that no public institution shall have more than one third of its staff establishment from the same ethnic community.

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

#### **3. Lack of Board of Directors Evaluation Reports and Charter**

During the year under review, the College did not have a Board of Governors performance and evaluation reports as well as an approved Charter. This was contrary to Paragraph 1.12 of Chapter 1 of Mwongozo Guidelines, 2015 which requires a Board to determine its performance criteria and undertake an annual evaluation of its performance.

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

#### **4. Unbalanced Budget**

The statement of comparison of budget and actual amounts for the year ended 30 June, 2022 reflects a final income budget of Kshs.46,209,250 and an expenditure final budget of Kshs.32,994,250 resulting to a variance of Kshs.13,215,000. The budget imbalance is contrary to the provisions of Section 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that budget shall be balanced.

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

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

#### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

##### **Conclusion**

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

##### **Basis for Conclusion**

###### **1. Lack of Internal Audit Function and Audit Committee**

During the year under review, the College did not have an Internal Audit function and Audit Committee of the Board which are charged with the responsibility of providing oversight on the operations and overall governance of the College.

In the circumstances, oversight of operations of the College and overall governance were not effective.

###### **2. Lack of Insurance Cover for Property, Plant and Equipment**

Review of the financial statements and assets records revealed that the College did not have Insurance cover for its property, plant and equipment.

In the circumstances, lack of insurance cover may expose the College's assets to losses without compensation in case of fire, theft or any other unforeseen calamities.

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

### **Responsibilities of Management and 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 control, risk management and governance.

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Institute to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**


**10 July, 2023**


**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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


Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	15,747,500	5,452,500
Transfers from other Government Entities	6	3,948,000	-
<b>Total Revenue from Non-Exchange transactions</b>		<b>19,695,500</b>	<b>5,452,500</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	10	24,829,809	7,372,622
Sale of goods	11	467,805	239,600
<b>Total Revenue from Exchange transactions</b>		<b>25,297,614</b>	<b>7,612,222</b>
<b>Total Revenue</b>		<b>44,993,114</b>	<b>13,064,722</b>
<b>Expenses</b>			
Use of goods and services	15	29,208,351	8,373,164
Employee costs	16	5,664,205	1,927,665
Board/Board Expenses	17	1,165,060	731,400
Depreciation and amortization expense	18	18,692,939	1,712,095
Repairs and maintenance	19	291,010	351,588
<b>Total Expenses</b>		<b>55,021,565</b>	<b>13,095,912</b>
<b>Other Gains/(Losses)</b>			
<b>Total Other Gains/(Losses)</b>		-	-
<b>Net surplus for the year</b>		<b>(10,028,451)</b>	<b>(31,190)</b>
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	(-)

The Financial Statements set out on pages 1 to 54 were signed by:

  
.....  
**Chairman of Board**

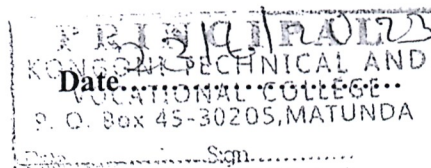
  
.....  
**Finance Officer**

ICPAK No 25594

  
.....  
**Principal**

Date... 22/06/2023

Date... 23/06/2023

  
Date.....  
Sign.....

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

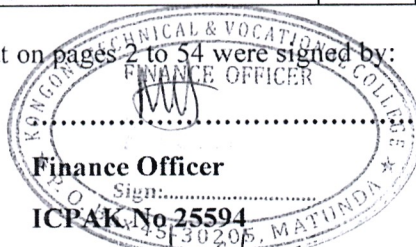
**XIV. Statement of Financial Position as at 30th June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>		<b>11,121,953</b>	<b>5,678,234</b>
Cash and cash equivalents	27	2,656,057	120,234
Current portion of receivables from exchange transactions	28(a)	3,837,948	3,750,500
Receivables from non-exchange transactions	29	3,885,000	1,807,500
Inventories	30	742,948	-
<b>Non-Current Assets</b>		<b>187,056,379</b>	<b>64,904,485</b>
Long- term Receivables from Exchange transactions	28(b)	10,000	45,000
Property, plant, and equipment	32	187,046,379	64,859,485
<b>Total Assets</b>		<b>198,178,332</b>	<b>70,582,719</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>		<b>5,407,476</b>	<b>1,530,952</b>
Trade and other payables from exchange transactions	35	5,407,476	1,270,211
Refundable deposits from customers	36	-	260,741
<b>Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
Non-Current Provisions	41	-	-
<b>Total Liabilities</b>		<b>5,407,476</b>	<b>1,530,952</b>
<b>Net Assets</b>		<b>192,770,856</b>	<b>69,051,767</b>
Surplus/Deficit		-10,028,451	-31,190
Accumulated Surplus		2,210,190	2,241,380
Capital Fund		200,589,117	66,841,577
<b>Total Net Assets and Liabilities</b>		<b>198,178,332</b>	<b>70,582,719</b>

The Financial Statements set out on pages 2 to 54 were signed by:

.....  
Chairman of Board

Date... 23/06/2023



.....  
Finance Officer

ICPAK No. 25594

Date... 23/06/2023

.....  
Principal

Date... 23/06/2023



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

Description	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/Development Grants/Fund	Total
<b>At July 1, 2020</b>	-	-	2,241,380	66,841,577	69,082,957
Revaluation gain	-	-	-	-	-
Fair value adjustment on quoted investments	-	-	-	-	-
Total comprehensive income	-	-	-31,190	-	-31,190
Capital/development grants received during the year	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	(-)	-
<b>At June 30, 2021</b>	-	-	2,210,190	66,841,577	69,051,767
<b>At July 1, 2021</b>	-	-	2,210,190	66,841,577	69,051,767
Revaluation gain	-	-	-	-	-
Fair value adjustment on quoted investments	-	-	-	-	-
Total comprehensive income	-	-	(10,028,451)	133,747,540	123,719,089
Capital/development grants received during the year	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-	-
<b>At June 30, 2022</b>	-	-	(7,818,261)	200,589,117	192,770,856

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**XVI. Statement of Cash Flows for the year ended 30 June 2022**

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
Transfers from other National Government entities	6	15,747,500	5,452,500
Transfers from other Government Entities	6	3,948,000	-
Rendering of services- fees from students	10	24,829,809	7,372,622
Sale of goods	11	467,805	239,600
<b>Total Receipts</b>		<b>44,993,114</b>	<b>13,064,722</b>
<b>Payments</b>			
Use of goods and services	15	29,208,351	8,373,164
Employee costs	16	5,664,205	1,927,665
Board/Board Expenses	17	1,165,060	731,400
Repairs and maintenance	19	291,010	351,588
<b>Total payments</b>		<b>36,328,626</b>	<b>11,383,817</b>
<b>Net cashflow from operating activities</b>		<b>8,664,488</b>	<b>1,680,905</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(140,879,833)	(64,859,485)
Proceeds from sale of property, plant and Equipment			
Decrease/increase in Payables		3,876,524	1,250,600
Decrease/increase in receivables		(2,129,948)	(5,977,197)
Increase in inventories		(742,948)	-
<b>Net cash flows used in investing activities</b>		<b>(131,211,717)</b>	<b>(67,905,177)</b>
<b>Cash flows from financing activities</b>			
Capital fund		133,747,540	66,841,577
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>2,535,823</b>	<b>(1,063,600)</b>
Cash and Cash equivalents at 1 JULY	26	120,235	1,183,835
<b>Cash and Cash equivalents at 30 JUNE</b>	<b>26</b>	<b>2,656,057</b>	<b>120,235</b>

The Financial Statements set out on pages 3 to 54 were signed by:

.....  
Chairman of Board

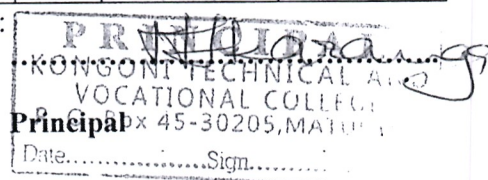
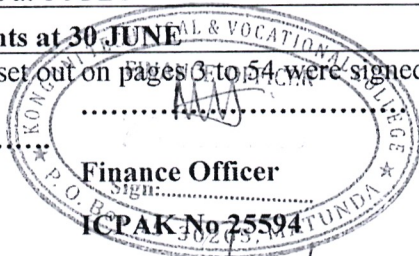
Date: 23/06/2023

.....  
Finance Officer

Date: 23/06/2023

.....  
Principal

Date: 23/6/2023



**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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

Description	Original budget		Adjustments		Final budget		Actual on comparable basis		Performance difference		Utilization Difference	
	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	%
Revenue												
Transfers from other govt entities and govt grants	18,000,000		-		18,000,000		15,810,500		-2,189,500			12.16%%
Rendering of services	27,629,250		-		27,629,250		21,227,009		-6,399,241			23.00%
Production Unit	580,000		-		580,000		467,805		-112,195			19.34%
<b>Total Income</b>	<b>46,209,250</b>		<b>-</b>		<b>46,209,250</b>		<b>37,505,314</b>		<b>8,700,936</b>			
Expenses												
Compensation of employees	6,092,676		-		6,092,676		5,664,205		428,471			7.03%
Use of goods and services	24,756,574		-		24,756,574		27,849,276		-3,092,702			12.49%
Remuneration of directors	903,000		-		903,000		1,165,000		-262,000			29.01%
Repair maintenance and improvements	1,242,000		-		1,242,000		291,010		950,990			76.57%
<b>Total Expenditure</b>	<b>32,994,250</b>		<b>-</b>		<b>32,994,250</b>		<b>34,969,491</b>		<b>1,975,241</b>			
<b>Surplus For the year</b>	<b>13,215,000</b>		<b>-</b>		<b>14,835,000</b>		<b>2,535,823</b>		<b>6,725,695</b>			

**Receipt reconciliation statement.**

Total income	
Actual on comparable basis	37,505,314
Accrued Income	(7,487,800)
Statement of financial performance	44,993,114

**Expenditure reconciliation statement.**

Total income	
Actual on comparable basis	34,969,491
Accrued Expenses	(20,052,074)
Statement of financial performance	55,021,565

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the budget:**

- a. The college did not attain the budget amount of kshs 18,000,000 leading to under absorption of 12.16% due to reduction in capititation by the government.
- b. The college did not attain the budgeted amount of kshs 580,000 leading to under absorption of 19.34% for the production department due to increase in material cost.
- c. The college had an under absorption of 7.03% for compensation of employees due to reduction in number of staff.
- d. Use of goods and services were over absorbed by 17.98% due to increase in cost of materials and services.
- e. There was over absorption in the Remuneration of directors' due to increase in numbers of special and ad hoc meetings that had not been budgeted for.
- f. The college did not absorb the whole amount of kshs 1,242,000 under repairs, maintenance and improvements because the structures are still new leading to minimal repairs.

**XVIII. Notes to the Financial Statements**

**1. General Information**

Kongoni Technical And Vocational College Kongoni Technical and Vocational College is established by and derives its authority and accountability from TVET Act. The Kongoni Technical and Vocational College is wholly owned by the Government of Kenya and is domiciled in Kenya. The Kongoni Technical and Vocational College's principal activity is provision of Education Services.

**2. Statement of Compliance and Basis of Preparation**

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

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

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, *Mwongozo* 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 2022.**

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

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

Standard	Effective date and impact:
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></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 Kongoni Technical and Vocational College's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Kongoni Technical and Vocational College's risk management strategies and the accounting treatment for instruments held as part of the risk</li> </ul>

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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Standard	Effective date and impact:
	management strategy.
<b>IPSAS 42:</b> Social Benefits	<b>Applicable: 1<sup>st</sup> January 2023</b> The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Kongoni Technical and Vocational College provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Kongoni Technical and Vocational College; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Kongoni Technical and Vocational College's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<b>Applicable: 1st January 2023:</b> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. 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.

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

<b>Standard</b>	<b>Effective date and impact:</b>
Other improvements to IPSAS	<p><b><i>Applicable 1<sup>st</sup> January 2023</i></b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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 cashflows of an Kongoni Technical and Vocational College.</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><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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>

**iii. Early adoption of standards**

*(The Kongoni Technical and Vocational College)* did not early-adopt any new or amended standards in year 2022.

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

The Kongoni Technical and Vocational 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 Kongoni Technical and Vocational College.

**Interest income**

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

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Kongoni Technical and Vocational College's right to receive payments is established.

**4 Summary of Significant Accounting Policies (Continued)**

**a) Revenue recognition (Continued)**

**ii) Revenue from exchange transactions (continued)**

**Rental income**

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

**b) Budget information**

The original budget for FY 2021/2022 was approved by the Board or Board. 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 Kongoni Technical and Vocational College upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Kongoni Technical and Vocational College recorded additional appropriations of 3 on the FY 2021/2022 budget following the Board/Board's approval.

The Kongoni Technical and Vocational 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 a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

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

**c) Taxes**

***Current income tax***

The Kongoni Technical and Vocational College is exempt from paying taxes as per Act.

***Sales tax/ Value Added Tax***

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

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

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

**d) Investment property**

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of 3 years.

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

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

**e) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Kongoni Technical and Vocational College 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.

## Notes to the Financial Statements (Continued)

### 4 Summary of Significant Accounting Policies (Continued)

#### f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Kongoni Technical and Vocational College. 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 Kongoni Technical and Vocational College 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 so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

#### g) Intangible assets

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

#### h) Research and development costs

The Kongoni Technical and Vocational College expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Kongoni Technical and Vocational College 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.

**Notes to the Financial Statements (Continued)**

**4 Summary of Significant Accounting Policies (Continued)**

**i) Financial instruments**

*Financial assets*

*Initial recognition and measurement*

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

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

*Held-to-maturity*

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Kongoni Technical and Vocational College has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

*Impairment of financial assets*

The Kongoni Technical and Vocational College assesses at each reporting date whether there is objective evidence that a financial asset or an Kongoni Technical and Vocational College of financial assets is impaired. A financial asset or an Kongoni Technical and Vocational College of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Kongoni Technical and Vocational College of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

## Notes to the Financial Statements (Continued)

### 4 Summary of Significant Accounting Policies (Continued)

#### i) Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *Impairment of financial assets (Continued)*

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

##### *Financial liabilities*

##### *Initial recognition and measurement*

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

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

##### *Loans and borrowing*

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

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

#### j) Inventories

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

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

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

**Notes to the Financial Statements (Continued)**

**4 Summary of Significant Accounting Policies (Continued)**

**Inventories (Continued)**

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

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Kongoni Technical and Vocational College.

**k) Provisions**

Provisions are recognized when the Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational 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 Kongoni Technical and Vocational College 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.

**Notes to the Financial Statements (Continued)**

**4 Summary of Significant Accounting Policies (Continued)**

**l) Nature and purpose of reserves**

The Kongoni Technical and Vocational College creates and maintains reserves in terms of specific requirements.

**m) Changes in accounting policies and estimates**

The Kongoni Technical and Vocational 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.

**n) Employee benefits**

**Retirement benefit plans**

The Kongoni Technical and Vocational College provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Kongoni Technical and Vocational College pays fixed contributions into a separate Kongoni Technical and Vocational College (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.

**o) Foreign currency transactions**

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

**p) Borrowing costs**

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

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

**Notes to the Financial Statements (Continued)**

**4 Summary of Significant Accounting Policies (Continued)**

**q) Related parties**

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

**r) Service concession arrangements**

The Kongoni Technical and Vocational 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 Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College 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 college 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, 2022.

## Notes to the Financial Statements (Continued)

### 5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Kongoni Technical and Vocational College'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 Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College. 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 Kongoni Technical and Vocational 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. Additional disclosure of these estimates of provisions is included in Note xxx.

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

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

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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Notes to the Financial Statements (Continued)

6. (a) Transfers from other National Government entities

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	15,247,500	3,952,500
Operational Grant	500,000	1,500,000
Accrued Capitation	-	-
	-	-
<b>Conditional Grants</b>		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
<b>Total Government Grants and Subsidies</b>	<b>15,747,500</b>	<b>5,452,500</b>

(b) Transfers from other Government entities (Categorized)

Name Of The Kongoni Technical and Vocational College Sending The Grant	Amount recognized to Statement of Comprehens ive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund. Kshs	Total grant income during the year Kshs	2022-2021 Kshs
CDF	3,948,000	-	-	-	3,948,000
<b>Total</b>	<b>3,948,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,948,000</b>

**Notes to the Financial Statements (Continued)**

**7. Grants from Donors and Development Partners**

Description	2021-2022	2020-2021
	Kshs	Kshs
JICA- Research Grant	-	-
World Bank Grants	-	-
In-Kind Donations	-	-
Other Grants	-	-
<b>Total Grants from Development Partners</b>	<b>-</b>	<b>-</b>

**Reconciliations of grants from donors and development partners**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Balance unspent at beginning of year</b>	<b>-</b>	<b>-</b>
Current year receipts	-	-
Conditions Met - Transferred to Revenue	-	-
<b>Conditions Yet To Be Met - Remain Liabilities</b>	<b>-</b>	<b>-</b>

**8. Transfers from Other Levels of Government**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Total Transfers</b>		

**9. Public Contributions and Donations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Public Donations	-	-
Donations from Local Leadership	-	-
Donations from Religious College	-	-
Donations from Alumni	-	-
Other Donations	-	-
<b>Total Donations and Contributions</b>	<b>-</b>	<b>-</b>

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**Notes to the Financial Statements (Continued)**

**10. Rendering of Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Fees	4,831,046	1,664,052
Activity fees	1,234,620	204,425
Medical Fees	834,065	2,000
Attachment Fees	32,460	-
Accrued income – Trainees’	3,602,148	-
Examination Fees	2,036,720	504,425
Accrued income – Customer	235,800	-
Local Travel and Transport	589,125	577,700
Hostel	40,800	62,200
Electricity, Water and Conservancy	613,885	254,970
Registration Fees	107,480	58,400
CDF Bursary	-	73,000
Examination Fees- Refund	658,105	-
Trainees IDs	70,800	16,900
Trainees Union	36,700	-
Repairs & maintenance	954,340	219,400
Personal Emoluments	2,535,685	949,550
Replacement Fees	141,680	-
Helb loan and bursary	6,060,000	2,785,600
KUCCPS	209,450	-
Election fees	4,900	-
<b>Total Revenue from The Rendering of Services</b>	<b>24,829,809</b>	<b>7,372,622</b>

Under the accrual concept, total amount to be received was kshs **24,829,809** but only amount actual received under the cash basis concept was kshs **21,227,009** which is to be transferred to the cash flow statement.

**11. Sale of Goods**

Description	2021-2022	2020-2021
	Kshs	Kshs
Sale of Cabros	375,000	150,000
Sale of Tender	2,000	51,000
Sale of Farm Produce	57,455	38,600
Cafeteria sales	-	-
Computer Packages	33,350	-
<b>Total Revenue from Sale of Goods</b>	<b>467,805</b>	<b>239,600</b>

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**12. Rental revenue from facilities and equipment**

Description	2021-2022	2020-2021
	Kshs	Kshs
Hire of Facilities and Equipment		
Contingent Rental	-	-
Operating Lease Revenue		
<b>Total</b>	-	-

**13. Finance Income**

Description	2021-2022	2020-2021
	Kshs	Kshs
Cash investments and fixed deposits	-	-
Interest income from treasury bills	-	-
Interest income from treasury bonds	-	-
Interest from outstanding debtors	-	-
<b>Total finance income</b>	-	-

**14. Other Income**

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance recoveries	-	-
Consultancy fees	-	-
Income from sale of tender	-	-
Services concession income	-	-
Reimbursements and refunds	-	-
Graduation fees	-	-
Miscellaneous ( <i>specify</i> )	-	-
<b>Total other income</b>	-	-

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**Notes To The Financial Statements (Continued)**

**15. Use Of Goods And Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials- Tuition	9,093,956	3,503,846
Industrial attachment costs	170,850	-
Medical costs	4,430	-
Electricity	379,424	358,309
Helb Loan and Bursary	1,867,200	-
Capacity Building	437,050	-
Library	100	-
Capitation	5,970,000	3,217,500
CDF Bursary	2,557,000	-
Examination fees	2,152,532	506,830
Trainees Union	183,350	-
Refund to Helb	26,400	-
Travelling and accommodation	2,523,495	-
Student IDs	-	51,000
Production Unit	398,226	319,714
Imprest	10,000	45,000
Activity	1,068,935	-
Bank charges	23,804	2,674
Rent expenses	47,900	46,000
Fees refunds- Prepaid to Examination	619,483	260,741
Accrued expenses	1,606,966	-
Farm expenses	23,650	36,550
Tender	41,600	25,000
Marketing	2,000	-
<b>Total good and services</b>	<b>29,208,351</b>	<b>8,373,164</b>

Under the accrual concept, total amount to be incurred was kshs **29,208,351** but only amount actual incurred under the cash basis concept was kshs **27,849,276** which is to be transferred to the cash flow statement.

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**16. Employee Costs**

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	5,664,205	1,927,665
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Performance and other bonuses	-	-
Social contributions	-	-
<b>Employee Costs</b>	<b>5,664,205</b>	<b>1,927,665</b>

Salaries and wages are based on gross amount.

**17. Board/Board Expenses**

Description	2021-2022	2020-2021
	Kshs	Kshs
Board Allowances	1,165,060	731,400
Directors Emoluments	-	-
Other Allowances	-	-
<b>Total</b>	<b>1,165,060</b>	<b>731,400</b>

**18. Depreciation and Amortization expense**

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	18,692,939	1,712,095
Intangible assets	-	-
Investment property carried at cost	-	-
<b>Total depreciation and amortization</b>	<b>18,692,938</b>	<b>1,712,095</b>

**19. Repairs and Maintenance**

Description	2021-2022	2020-2021
	Kshs	Kshs
Property	-	-
Investment property – earning rentals	-	-
Equipment and machinery	-	-
Vehicles	-	-
Furniture and fittings	-	-
General Repairs	291,010	351,588
<b>Total Repairs and Maintenance</b>	<b>291,010</b>	<b>351,588</b>

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**Notes to the Financial Statements (Continued)**

**20. Contracted Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Actuarial valuations	-	-
Investment valuations	-	-
Property valuations	-	-
<b>Total contracted services</b>	<b>-</b>	<b>-</b>

**21. Grants and Subsidies**

Description	2021-2022	2020-2021
	Kshs	Kshs
Community Development	-	-
Education Initiatives and Programs	-	-
Social Development	-	-
Community Trust	-	-
Sporting Bodies	-	-
<b>Total Grants and Subsidies</b>	<b>-</b>	<b>-</b>

**22. Finance Costs**

Description	2021-2022	2020-2021
	Kshs	Kshs
Borrowings (Amortized Cost)*	-	-
Finance Leases (Amortized Cost)	-	-
Unwinding of Discount	-	-
Interest on Bank Overdrafts	-	-
Interest on Loans from Commercial Banks	-	-
<b>Total Finance Costs</b>	<b>-</b>	<b>-</b>

(\*Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)

**23. Gain On Sale of Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Other Assets not capitalised	-	-
<b>Total Gain On Sale of Assets</b>	<b>-</b>	<b>-</b>

**Notes to the Financial Statements (Continued)**

**24. Unrealized Gain on Fair Value Investments**

Description	2021-2022	2020-2021
	Kshs	Kshs
Investments at Fair Value	-	-
<b>Total Gain</b>	-	-

**25. Impairment Loss**

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total Impairment Loss</b>	-	-

**26. Cash and Cash Equivalents**

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	77,629	-
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Specify)	-	-
<b>Total Cash and Cash Equivalents</b>	<b>77,629</b>	-

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**Notes To The Financial Statements (Continued)**

**27 (a). Detailed Analysis of Cash and Cash equivalents**

Financial College	Account number	2021-2022	2020-2021
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1267312963	2,367,256.85	120,234
Kenya Commercial Bank	1286110785	210,172	-
Kenya Commercial Bank	1286112613	1,000	
<b>Sub- Total</b>		-	-
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		-	-
<b>d) Staff Car Loan/ Mortgage</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		-	-
<b>e) Others(Specify)</b>			
Cash in Transit		-	-
Cash in Hand		77,629	-
Mobile Money account		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>2,656,057.85</b>	<b>120,234</b>

**Notes to the Financial Statements (Continued)**

**28(a) Current Receivables from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	3,602,148	3,750,500
Rent Debtors	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	235,800	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>3,837,948</b>	<b>3,750,500</b>

**28(b) Long- term Receivables from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Non-Current Receivables</b>		
Refundable Deposits	-	-
Advance Payments	10,000	45,000
Public Organizations	-	-
Less: Impairment Allowance	-	-
<b>Total</b>	-	-
Current Portion Transferred To Current Receivables	-	-
<b>Total Non-Current Receivables</b>	-	-
<b>Total Receivables</b>	<b>10,000</b>	<b>45,000</b>

**28 (c) Reconciliation for impairment Allowance on Receivables from Exchange Transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
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	-	-

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the Financial Statements (Continued)**

**29. Receivables from Non-Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Current Receivables</b>		
Capitation Grants*	3,885,000	1,807,500
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>3,885,000</b>	<b>1,807,500</b>

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

Description	2021-2022	2020-2021
	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	-	-

**30. Inventories**

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable stores	631,745	-
Maintenance stores	-	-
Health Unit stores	-	-
Electrical stores	105,998	-
Cleaning Materials stores	-	-
Catering stores	5,205	-
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>742,948</b>	<b>-</b>

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the Financial Statements (Continued)**

**31. Investments**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>a) Investment in Treasury Bills and Bonds</b>		
<b>Financial College</b>		
CBK	-	-
CBK	-	-
<b>Sub- Total</b>	-	-
<b>b) Investment with Financial College/ Banks</b>		
Bank X	-	-
Bank Y	-	-
<b>Sub- Total</b>	-	-
<b>c) Equity Investments (<i>Specify</i>)</b>		
Equity/ Shares in Company Xxx	-	-
<b>Sub- Total</b>	-	-
<b>Grand Total</b>	-	-

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the Financial Statements (Continued)**

**32. Property, Plant and Equipment**

**DEPRECIATION RATES**

Depreciation is computed on a reducing balance method.

Building	2.00%
Furniture & fittings	12.50%
Computers	30.00%
Plant & equipments	12.5%

Cost	Land Shs	Buildings Shs	Furniture and fittings Shs	Computers Shs	Hair Dressing Machine Shs	Plant and equipment Shs	Capital Work in progress Shs	Total Shs
As at 1 <sup>st</sup> July 2021	10,000,000	55,000,000	600,000	384,000		587,580	-	66,571,580
Additions during the year	-	-	-	235,000	-	138,788,706	1,856,127	140,879,833
Disposals during the year	-	-	-	-	-	-	-	
As at 30 <sup>th</sup> June 2022	10,000,000	55,000,000	600,000	619,000		139,376,286	1,856,127	207,451,413
<b>Depreciation and impairment</b>								
As at 1 <sup>st</sup> July 2021	-	1,375,000	75,000	115,200		146,895	-	1,712,095
Depreciation for the year	-	1,072,500	65,625	151,140	-	17,403,674	-	18,692,939
Impairment for the year	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2022	-	2,447,500	140,625	266,340	-	17,550,569	-	20,405,034
<b>Net book values</b>								
As at 30 <sup>th</sup> June 2022	10,000,000	52,552,500	459,375	352,660	-	121,825,717	1,856,127	187,046,379
As at 30 <sup>th</sup> June 2021	10,000,000	53,625,000	525,000	268,800	-	440,685	-	64,859,485

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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AVIC assets purchased for the college amounted to usd 1,222,808 being depreciated at 12.5% Conversion rate is 1us dollar equivalent to kshs 113.50. Depreciation is computed on a quarterly basis.

Under Plant and Equipment amount kshs 138,788,706 belong to Avic while the rest if other department ie Survey, HIM, Electrical among others.

Work In Progress (W.I.P) comprises of the Masonry Workshop and the Three classroom constructed which finishing has not been done;

Three Classroom kshs 1,168,277

Temporary Masonry Workshop kshs **687,850**

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the Financial Statements (Continued)**

**Valuation**

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

**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	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	10,000,000	-	10,000,000
Buildings	55,000,000	2,447,500	52,552,500
Plant And Equipment	139,376,286	17,550,569	121,825,717
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	619,000	266,340	352,660
Office Equipment, Furniture, And Fittings	600,000	140,625	459,375
Work In Progress	1,856,127	-	1,856,127
<b>Total</b>	<b>207,451,413</b>	<b>20,405,034</b>	<b>187,046,379</b>

**33. Intangible Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Cost</b>		
<b>At beginning of the year</b>	-	-
Additions	-	-
<b>At end of the year</b>	-	-
Additions-internal development	-	-
<b>At end of the year</b>	-	-
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	-	-
Amortization	-	-
<b>At end of the year</b>	-	-
Impairment loss	-	-
<b>At end of the year</b>	-	-
<b>NBV</b>	-	-

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the Financial Statements (Continued)**

**34. Investment Property**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>At beginning of the year</b>	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
<b>At end of the year</b>	-	-

**35. Trade and Other Payables from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	1,606,966	1,270,211
Fees paid in advance	3,800,510	260,741
Salary deductions	-	-
Third-Party Payments	-	-
Other Payables	-	-
<b>Total Trade and Other Payables</b>	<b>5,407,476</b>	<b>1,530,952</b>

**36. Refundable Deposits from Customers/Students**

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumer deposits	-	-
Caution money	-	-
Other refundable deposits	-	-
<b>Total Deposits</b>	-	-

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes to the Financial Statements (Continued)**

**37. Current Provisions**

Description	Leave provision	Bonus provision	Gratuity Provisions	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Balance at The Beginning Of The Year</b>	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision Utilised	-	-	-	-	-
Change Due To Discount And Time Value For Money	-	-	-	-	-
Transfers From Non -Current Provisions	-	-	-	-	-
<b>Total Provisions</b>	-	-	-	-	-

**38. Finance Lease Obligation**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>At the start of the year</b>	-	-
Discount interest on Lease Liability	-	-
Paid during the year	-	-
<b>At end of the year</b>	-	-

**39. Deferred Income**

Description	2021-2022	2020-2021
	Kshs	Kshs
National Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
<b>Total Deferred Income</b>	-	-

**Notes to the Financial Statements (Continued)**

**40. Employee Benefit Obligations**

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2021-2022	2020-2021
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total Employee Benefits Obligation</b>	-	-	-	-	-

**Recognition of Retirement Benefit Asset/ Liability**

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

Description	2021-2022	2020-2021
	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 ( <i>specify</i> )	-	-
Adjustments for restrictions on the defined benefit asset	-	-
<b>Remeasurement of the net defined benefit liability (asset)</b>	-	-

The Kongoni Technical and Vocational College also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Kongoni Technical and Vocational College's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 360 per employee per month. Other than NSSF the Kongoni Technical and Vocational College also has a defined contribution scheme operated by NSSF Pension Fund. Employees contribute 6% while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**Notes To The Financial Statements (Continued)**

**41. 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	-	-	-	-	-
<b>Total deferred income</b>	-	-	-	-	-

**42. a) Borrowings**

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance at beginning of the year	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	-	-
Repayments of external borrowings during the year	-	-
Repayments of domestic borrowings during the year	-	-
Balance at end of the year	-	-

**42 b) Analysis of External and Domestic Borrowings**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>External borrowings</b>		
Dollar denominated loan from 'xx organization'	-	-
Sterling pound denominated loan from 'yyy organization'	-	-
Euro denominated loan from 'zzz organization'	-	-
<b>Domestic borrowings</b>		
Kenya shilling loan	-	-
<b>Total balance at end of the year</b>	-	-

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**Notes to the Financial Statements (Continued)**

**42 c) Breakdown of Long and Short-Term Borrowings**

Description	2021-2022	2020-2021
	Kshs	Kshs
Short Term Borrowings(Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-

**43. Service Concession Arrangements**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	(-)	-
Net carrying amount	=	=
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	(-)	(-)
Service concession liability at end of the year	=	=

**44. Cash generated from operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Surplus for the year before tax</b>		
<b>Adjusted for:</b>		
Depreciation	18,692,939	1,712,095
Impairment	-	-
Gains and Losses on Disposal of Assets	(-)	(-)
Contribution to provisions	-	-
Finance Income	(-)	(-)
Finance Cost	-	-
<b>Working Capital Adjustments</b>		
Increase in Inventory	( 742,948)	(-)
Increase in Receivables	( 2,129,948)	( 5,977,197)
Increase in Payables	3,876,524	1,250,600
Increase in Payments received in advance	(11,032,078)	4,695,407
<b>Net Cash Flow from Operating Activities</b>	<b>8,664,488</b>	<b>1,680,905</b>

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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#### 45. Financial Risk Management

The Kongoni Technical and Vocational College'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 Kongoni Technical and Vocational College's financial risk management objectives and policies are detailed below:

##### (i) Credit risk

The Kongoni Technical and Vocational College 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.

#### Notes to the Financial Statements (Continued)

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 Kongoni Technical and Vocational College's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2021</b>				
Receivables from exchange transactions	1,807,500	1,807,500	-	-
Receivables from non-exchange transactions	3,750,500	3,750,500	-	-
Bank balances	-	-	-	-
<b>Total</b>	<b>5,558,000</b>	<b>5,558,000</b>	-	-
<b>At 30 June 2022</b>				
Receivables from exchange transactions	3,837,948	3,837,948	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
<b>Total</b>	<b>3,837,948</b>	<b>3,837,948</b>	-	-

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Capitation should not be accrued making the college not to state the receivables from non-exchange transaction.

**46. Financial Risk Management (Continued)**

**(i) Credit risk (continued)**

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

The 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 Kongoni Technical and Vocational College's directors, who have built an appropriate liquidity risk management framework for the management of the Kongoni Technical and Vocational College's short, medium and long-term funding and liquidity management requirements. The Kongoni Technical and Vocational College 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	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2021</b>				
Trade Payables	-	1,270,211	-	1,270,211
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Prepaid Income	-	260,741	-	260,741
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,530,952</b>	<b>-</b>	<b>1,530,952</b>
<b>At 30 June 2022</b>				
Trade Payables	6,000	1,344,686	256,280	1,606,966
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Prepaid Income	-	3,800,510	-	3,800,510
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	<b>6,000</b>	<b>5,145,196</b>	<b>256,280</b>	<b>5,407,476</b>

**47. Financial Risk Management (Continued)**

**(iii) Market risk**

The Kongoni Technical and Vocational College has put in place an internal audit function to assist it in assessing the risk faced by the Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College'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 Kongoni Technical and Vocational College'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 Kongoni Technical and Vocational College's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The Kongoni Technical and Vocational College 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 Kongoni Technical and Vocational College'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
<b>At 30 June 2022</b>			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

The Kongoni Technical and Vocational College 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.

**48. Financial Risk Management (Continued)**

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30<sup>th</sup> June 2022</b>			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

**a) Foreign currency sensitivity analysis**

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

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**Notes to the Financial Statements (Continued)**

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
<b>2022</b>			
Euro	10%	-	-
Usd	10%	-	-
<b>2021</b>			
Euro	10%	-	-
Usd	10%	-	-

**b) Interest rate risk**

Interest rate risk is the risk that the Kongoni Technical and Vocational College'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 college that offer favourable interest rates.

**49. Financial Risk Management (Continued)**

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

**b) Interest rate risk(continued)**

***Sensitivity analysis***

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

**iv)Capital Risk Management**

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

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Description	2021-2022	2020-2021
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
<b>Total Funds</b>	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(-)	(-)
Net Debt/(Excess Cash and Cash Equivalents)	-	-
<b>Gearing</b>	-%	-%

## 50. Related Party Balances

### Nature of related party relationships

Entities and other parties related to the Kongoni Technical and Vocational College 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 *Kongoni Technical and Vocational College*, holding 100% of the *Kongoni Technical and Vocational College's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Kongoni Technical and Vocational College, both domestic and external. Other related parties include:

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

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

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Transactions with Related Parties</b>		
<b>a) Sales to related parties</b>		
Sales of electricity to govt agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>B) Purchases from related parties</b>		
Purchases of electricity from kplc	379,424	358,309
Purchase of water from govt service providers	-	-
Rent expenses paid to govt agencies	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>379,424</b>	<b>358,309</b>
<b>b) Grants /Transfers from the Government</b>		
Grants from National Govt	11,862,500	8,238,100
Grants from County Government	3,948,000	73,000
Donations in Kind	-	-
<b>Total</b>	<b>15,810,500</b>	<b>8,311,100</b>
<b>c) Expenses incurred on behalf of related parties</b>		
Payments of Salaries and Wages for Kongoni TVC Employees	5,664,205	1,927,665
Payments for Goods and Services for Kongoni TVC	29,208,351	8,373,164
<b>Total</b>	<b>34,872,556</b>	<b>10,300,829</b>
<b>d) Key Management Compensation</b>		
Directors' emoluments	1,165,060	731,400
<b>Total</b>	<b>1,165,060</b>	<b>731,400</b>

## 51. Segment Information

*Kongoni Technical and Vocational College does not operate in different geographical regions or in departments thus no segment information to provide as per IPSAS 18*

**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
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**52. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Contingent Assets</b>		
Insurance Reimbursements	-	-
Assets arising from determination of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Others ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

**Contingent Liabilities**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Contingent Liabilities</b>	-	-
Court Case 1 against ()	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
Others ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

*Kongoni Technical College does not have contingent liabilities.*

**53. Capital Commitments**

Capital Commitments	2021-2022	2020-2021
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
<b>Total</b>	-	-

*(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 Kongoni Technical and Vocational College but at the end of the year had not been contracted or those already contracted for and ongoing)*

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**54. Deferred Tax Liability**

Deferred tax is calculated on all temporary differences under the liability method using the enacted tax rate, currently 30%. The net deferred tax liability at year end is attributable to the following items:

Description	2021-2022	2020-2021
	Kshs	Kshs
Accelerated Capital Allowances	-	-
Unrealised Exchange Gains/(Losses)	-	-
Revaluation Surplus	-	-
Tax Losses carried forward	-	-
Provisions for Liabilities and Charges	-	-
<b>Net Deferred Tax Liability/(Asset)</b>	<b>-</b>	<b>-</b>
The movement on the deferred tax account is as follows:		
Balance at beginning of the year	-	-
Credit to revaluation reserve	-	-
Under provision in prior year	-	-
Income statement charge/(credit)	-	-
Balance at end of the year	-	-

*[In ordinary circumstances public sector entities under IPSAS are not expected to pay taxes. However, in specific cases where this is applicable an organisation is supposed to seek guidance on accounting for income taxes from IAS 12)*

**55. Events After The Reporting Period**

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

**56. Ultimate And Holding Kongoni Technical and Vocational College**

The Kongoni Technical and Vocational College is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of education. Its ultimate parent is the Government of Kenya.

**57. Currency**

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

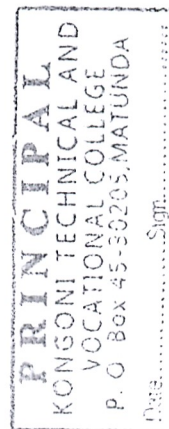
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**XIX. Appendices**  
**Appendix 1: Implementation Status of Auditor-General Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.2	Irregular Remuneration of Board of Governors/Directors	The college has approved Remuneration rates as captured in the Full Board minutes.	Resolved.	
4.4	Variance between the financial statement and Trial balance figures.	The financial statements were prepared based on the Trial balance figures.	Resolved.	
4.5	Progress on Follow-up of Prior Year Audit Matters.	The prior Year Audit Matters have been incorporated.	Resolved.	
4.7	Lack of Approved Budget	The college had an approved budget in place during the auditing session.	Resolved.	

Judith Akaranga  
*Accounting Officer*  
(Kongoni Technical and Vocational College)  
Date ..... 23.6.2023



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**Appendix II: Projects Implemented by (The Kongoni Technical and Vocational College)**

**Projects**

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

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

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**Appendix III- Inter-Kongoni Technical and Vocational College Confirmation Letter**

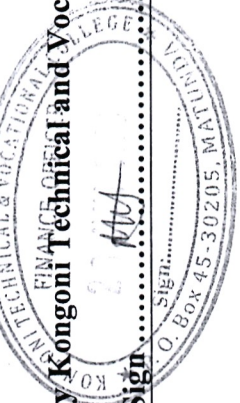
The MOE wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return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

Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022			Total (D)=(A+B+C)	Amount Received by Kongoni Technical (KShs) as at 30 <sup>th</sup> June 2022 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)			
	31.07.2021	2,307,500		1,290,000	3,597,500	3,597,500	-
	30.11.2021	2,985,000		1,240,000	4,225,000	4,225,000	-
	30.03.2022	2,985,000		21,000	3,006,000	3,006,000	-
	30.06.2022	3,585,000		27,000	3,612,000	3,612,000	-
<b>Total</b>		<b>11,862,500</b>		<b>3,948,000</b>	<b>15,810,500</b>	<b>15,810,500</b>	<b>-</b>

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

**Head of Accountants department of beneficiary Kongoni Technical and Vocational College:**

Name CHA. HAMBO MILLET Sign: [Signature] Date 23/06/2023



**KONGONI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**Appendix IV: Reporting of Climate Relevant Expenditures**

Name of the Organization  
 Telephone Number  
 Email Address  
 Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications) .....

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