

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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ON

**THE GATANGA TECHNICAL AND
VOCATIONAL TRAINING COLLEGE**

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

Revised 30th June 2024



GATANGA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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



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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
GOK	Government of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
GTVC	Gatanga Technical and Vocational College
TVC	Technical Vocational College
CEO	Chief Executive Officer
TVET	Technical Vocational and Education Training
FY	Financial Year
HELB	Higher Education Loan Board
HoD	head of Department
ICT	Information Communication Technology
KNEC	Kenya National Examination Council
NITA	National Industrial Training Authority
GTVC	Gatanga Technical and Vocational College
KRA	Kenya Revenue Authority
PAYE	Pay As You Earn
AHL	Affordable Housing Levy
HND	Higher National Diploma
KCB	Kenya Commercial Bank
KTDA	Kenya Tea Development Agency
NSSF	National Social Security Fund
NHIF	National Health Insurance Fund
NG-CDF	National Government Constituency Development Fund
AG	Acting
PPE	Property Plant and Equipments
WIP	Work in Progress

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Gatanga Technical and Vocational College is located in Murang'a county, Gatanga sub-county, Gatanga division, Kigoro location, Ndunyu Chege sub-location. It was constructed through funding by GOK and Gatanga NG-CDF under mentorship of Murang'a University. The institution was completed in 2017 and handed over to Michuki Technical Training Institute to oversee its management until August 2017 when the principal was posted. The college first trainees were admitted in January 2018 in the following courses in Electrical engineering, ICT Mechanical and Plumbing. The college is a centre of excellence in mechanical engineering having received Mechanical production equipment's, computers and furniture's which were supplied to the institution in January 2018 through the Government of Kenya. Currently the college has a total population of 470 trainees in seven departments as at June 2021. The college is located 30Km from Thika town along Gatanga-Ndakaini road.

(b) Principal Activities

GTVC is a national public tertiary institution under the Ministry of Education; it operates under the Education Act 2013 and TVET Act 2013 Laws of Kenya. The College's operations are also carried out in accordance with the Government policies and procedures as spelt out in official documents and circulars. The institution operates under the management of the Board of Governors appointed by the Minister in charge of Education. The Senior Principal is the College's CEO and the secretary to the BOG. On the day-to-day operations of the college, the Senior Principal is assisted by a Deputy Principal, the Registrar, the Dean of Students and Heads of Departments. The students participate in College's governance through a student's association led by an elected student council.

The college is Centre of excellence in Mechanical Engineering. The college received modern tools and equipment in the area of ICT and Mechanical Engineering worthy 104,000,000. (One Hundred and four Million). This government act was to bring to the youths of Murang'a County the modern technology so that they can have hands on skills for self-reliance which is also our motto.

Trainees trained in Gatanga Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with *Hands on Skills* and Technology to make a difference in this generation and generations to come. Gatanga Technical and Vocational College is committed to offering the best and top quality training. We provide this using the art modern facilities in training.

We do so to make our trainees more competitive and competent in their professions and trade areas. Gatanga Technical and Vocational College is growing from strength to strength, we are determined to offer training in a diverse, qualitative and an interactive platform that creates and nurtures talents among trainees. We offer courses from Diploma, Craft, Artisan and skill upgrade levels for those people who are practicing and have no formal certificate. There is no age limit for you to be admitted at Gatanga TVC because we offer both regular, part-time and school based trainings.

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VISION

To be a centre of excellence in provision of technical & vocational education and training.

MISSION

To provide technical & vocational education and training courses that produce skilled and competent manpower that can compete favourably in the labour market

Core values

- Quality training
- Ethical practice
- Fairness & equity
- Teamwork
- Transparency & accountability
- Respect of rule of law
- Efficiency & efficacy

(c) Key Management

Gatanga TVC day-to-day management is under the following key organs:

- Board of Governor
- Senior Principal
- Deputy Principal
- Ag Dean of Students
- Ag Registrar
- Ag. Head of Departments

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Senior Principal	Mr. Jeremiah M. Mugo
2.	Deputy Principal Administration	Ms. Rachel W.Kiroko
3.	Ag.Registrar	Ms. Susan N. Njuguna
4.	Ag.Dean of students	Ms. Rhoda Waititu
5.	Finance Officer	Mr. Isaac M. Nthiga
6.	Examination Officer	Mr. James Gatimu
7.	Assistance Procurement Officer	Ms Maureen W.Kamau
8.	Ag. Head of Building and Civil Engineering	Ms Judith Kyalo
9.	Ag. Head of Mechanical engineering	Mr Cosmas Rono
10.	Ag. Head of ICT	Mr Bonface Mbuvi
11.	Ag. Head of Business	Ms Noreech Nelima Malele
12.	Ag. Head of Electrical Engineering	Mr.Sammy Mbugua Mikinya
13.	Ag. Head of Institution Management courses	Ms.Rose Munini
14.	Admin Secretary	Ms Jane Mwangi

(e) Fiduciary Oversight Arrangements

Audit committee activities

- Establish Internal Audit Functions
- Formulate whistleblowing Policy in the College
- Formulate and Review of OHS Policy
- Insurance of all assets general accident cover for students and BOG employees
- Formulation and Implementation of Anti- Corruption Policy
- Putting in place Security Surveillance Mechanisms
- Enhance Security of the Institution
- Formulation and Review of Security Policy
- Establish and Maintain Archives
- Formulate and Implement ICT Policy
- Carry out an audit on values of governance
- Ensure all financial transactions are properly authorized
- Ensure proper fees collection mechanisms
- Ensure proper systems controls in all service points

Development partner oversight activities

The functions of the Authority shall be to—

- (a) Regulate and co-ordinate training.
- (b) Accredite and inspect programmes and courses;
- (c) Advice and make recommendations to the Cabinet Secretary on all matters related to training;
- (d) Determine the national technical and vocational training objectives;
- (e) Promote access and relevance of training programmes within the framework of the overall national socio-economic development plans and policies;
- (f) Prescribe the minimum criteria for admission to training institutions and programmes in order to promote access, equity and gender parity;
- (g) recognize and equate qualifications awarded by local or foreign technical and vocational education institutions in accordance with the Standards and guidelines set out by the Authority from time to time;
- (h) develop plans, and guidelines for the effective implementation of the provisions of this Act;
- (i) Establish a training system which meets the needs of both the formal and informal sectors as provided under this Act;
- (j) Collect, examine and publish information relating to training;
- (k) Inspect, license, register and accredit training institutions;
- (l) Advise on the development of schemes of service for trainers;
- (m) Assure quality and relevance in programmes of training;
- (n) Liaise with the national and county governments and with the public and the private sector on matters relating to training;
- (o) Undertake, or cause to be undertaken, regular monitoring, evaluation and inspection of training and institutions to ensure compliance with set standards and guidelines;
- (p) Mobilize resources for development of training;
- (q) Ensure the maintenance of standards, quality and relevance in all aspects of training, including training by or through open, distance and electronic learning;

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(r) Approve the process of introduction of new training programmes and review existing programmes in Technical and Vocational Education and Training Board institutions;

- ***Other oversight activities***

. Role of the Cabinet Secretary

(1) The Cabinet Secretary in consultation with the other Ministries and the private sector involved in training shall develop policies and provide strategies for the development of a national training system.

(2) The Cabinet Secretary shall have the overall responsibility in the provision of training and shall, in collaboration with other Ministries and stakeholders, be responsible for promoting access, equity, quality and relevance in training.

E Cabinet Secretary shall provide policy guidance on all matters relating to the implementation.

(f) Gatanga Technical and Vocational College Headquarters

P.O. Box 6232-01000
Thika, KENYA
Gatanga-Ndakaini road off Ndunyu Chege Market

(g) Gatanga Technical and Vocational College Contacts

Telephone: (254) 713 477 791/ 0114054293
E-mail: gtvcgatanga@gmail.com/info@gatangatvc.ac.ke
Website: www.gatangatvc.ac.ke

(h) Gatanga Technical and Vocational College Bankers

1. Kenya Commercial Bank Ltd
2. A/C 1222518384
Murang'a Branch
P.O. Box 112-10200 Murang'a

(i) Independent Auditors

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



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(j) Principal Legal Adviser



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

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3.The Board of Governors

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <p>Mr. Peter Kuria Wanyoike Board Chair person</p>	<p>DOB: 1957</p> <p>Academic Qualification: -Masters in Geospatial information and remote sensing, -Bachelors of Science education -Higher diploma in surveying.</p> <p>Work Experience: Deputy principal -Kenya Institute of Surveying and mapping Provincial surveyor - Central and Western province Director - Arcplan services</p>
2.	 <p>Mr. Jeremiah Munene Mugo Senior Principal/Secretary BOG</p>	<p>DOB: 1965</p> <p>Academic Qualification: -MBA, BBM -Diploma in Technical Education -CPA (K) holder.</p> <p>Work Experience: HOD Business studies -Rift valley T.T. HOD Business -Nkabune T.T.I Registrar -Nkabune T.T.I Deputy principal -Nkabune T.T.I</p> <p>Senior Principal/Secretary BOG</p>



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<p>3.</p>	 <p>Ms. Nancy Nyambura Wanyinyi</p> <p>Board Member</p>	<p>DOB: 1968</p> <p>Academic Qualification: -Bachelor - Business Management -HND - Building and Civil Engineering, -Diploma - Water Technology.</p> <p>Work Experience: -Senior Water Inspector - Ministry of water and irrigation, -Assistance planning and Design Engineer - Ministry of water and irrigation Mombasa district, -Technical supervisor – MOWASCO - Business Unit manager - MOWASCO -Project Manager - Water and Sanitation for Urban Poor</p> <p>Member of Audit Committee</p>
<p>4.</p>	 <p>Mr. Kelvin Njuguna Njeri</p> <p>Board Member</p>	<p>DOB: 1986</p> <p>Academic Qualification: Bachelor - computer science.</p> <p>Work Experience: -Senior Unix and Systems administrator - Central Bank of Kenya -Unix and Systems administrator – KCB</p> <p>Member of Audit Committee</p>




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<p>5.</p>	 <p>Ms. Jane Wanjiru Gichohi Board Member</p>	<p><u>DOB:</u> 1971</p> <p><u>Academic Qualification:</u> - Master's in Business Management -Bachelor of Business and Information Technology.</p> <p><u>Work Experience:</u> - Consultant/Trainer - Eureka Training and consultant Information Technology -Computer Programmer – KTDA - Company Assistant Manager - Chai Trading Company LTD, - ICT support - Kiambu Murang'a, Kirinyaga and Embu counties, -ICT manager - Ketepa -ICT Manager -KTDA region</p> <p>Member of Academic Committee</p>
<p>6.</p>	 <p>Ms. Esther Mwendwa Kyale Board Member</p>	<p><u>DOB:</u> 1987</p> <p><u>Academic Qualification:</u> -Masters -Project management, -Bachelor of commerce -Finance option -CPA II holder.</p> <p><u>Work Experience:</u> -Intern - KENGEN Accountant-division department --Accountant- KENGEN.</p> <p>Member of Finance Committee and an Independent Member.</p>




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<p>7.</p>	 <p>Dr. David Wanyama Board Member</p>	<p><u>DOB:</u></p> <p><u>Academic Qualification:</u> PHD –Finance MBA -Finance Bachelor of Commerce – Management Diploma -Co-operative Management Diploma - Credit Management, International Diploma - Insurance and CPA(K)</p> <p><u>Work Experience:</u> CFO- Takaful Insurance of Africa ltd CEO - Takaful Insurance of Africa ltd CEO - Davella LLP CEO and lead consultant - Master Consultants Ltd</p> <p>Audit committee Chair.</p>
<p>8.</p>	 <p>Dr. Mwangi Gachana Board Member</p>	<p><u>DOB:</u> 1975</p> <p><u>Academic Qualification:</u> PHD -Cognitive Linguistics, Maters of Arts - English and Linguistics Bachelors of Education.</p> <p><u>Work Experience:</u> Teacher - Saint Paul Seminary, TSC , Lecturer - Saint Mary’s University of Minnesota, Tutorial Fellow - Kenyatta University Lecturer - Kenyatta University Director - Centre for Teacher Professional Development and Excellence</p> <p>Member of Academic committee</p>




4. Key Management Team

SN.	Member/ Director	Details
1.	 <p>Mr. Jeremiah M. Mugo -MBA, BBM -Diploma in Technical Education -CPA (K) holder.</p>	<p>Senior Principal/SEC .BOG Accounting Officer</p>
2.	 <p>Ms. Rachel Kiroko Masters in IT and Bachelor of Education and Counseling</p>	<p>Deputy Principal Administration</p>
3.	 <p>Ms. Susan Njuguna Bachelor of Education in Computer studies and Mathematics</p>	<p>Ag. Registrar</p>




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4.	 Ms. Rhoda Waititu Bachelor of Science in Computer	Ag, Dean of Students
5.	 Mr Isaac M,Nthiga CPA(K) and Bachelor of Commerce Finance option	Finance Officer
6.	 Mr. James Gatimu Higher National Diploma in Electrical and Electronic Engineering-Power Option	Ag. Examination Officer



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<p>7.</p>	 <p>Ms .Maurine W.Kamau Diploma in Procurement and Supply Chain Management</p>	<p>Assistance Procurement Officer</p>
<p>8.</p>	 <p>Ms Judith Kyalo Bachelor of Science in Quantity Surveying</p>	<p>Ag. HoD Building and Civil Engineering</p>
<p>9.</p>	 <p>Mr. Cosmas Rono Bachelor in Mechanical Engineering</p>	<p>Ag. HoD Mechanical Engineering</p>

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<p>10.</p>	 <p>Mr. Bonface Mutinda Bachelor of Business Information and Technology</p>	<p>Ag. HoD ICT</p>
<p>11.</p>	 <p>Ms. Noreech Nelima Malele Bachelor of Commerce Accounting Option</p>	<p>Ag. HoD Business</p>
<p>12.</p>	 <p>Mr. Sammy Mbugua Mikinya Bachelor of Science in Electronic and Computer Engineering</p>	<p>Ag. HoD Electrical Engineering</p>

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13.	 Ms. Rose Munini Diploma in Clothing Technology and Technical Education	Ag. HoD Institutional Management Courses
14.	 Ms. Jane Mwangi Certificate in Secretarial Studies	Admin. Secretary

5. Chairman's Statement



I am pleased to present the annual report and financial statement of Gatanga Technical & vocational college institute for the year ended 30th June 2024.

The demand for TVET programmes in the country has continued to rise prompting the institution to continually introduce academic programme that respond to the demand of the market. The objective of the board is to position the GTVC main programmes within the context of the market requirements, cost rationalisation, equity and customer satisfaction.

During the financial period, key achievements realized were;

- Increased student's enrolment
- Substantial physical infrastructure
- Establish and Strengthened collaboration and liaison with key local industries where the college can attach its trainees.
- Established collaboration with the sister institutions.
- Established public private partnership to address the shortage of accommodation spaces for the increased population growth.
- Participated in various KATTI activities at both the regional and national levels.

During this financial year, financial commitment was geared towards developing, approving implementation of the first college strategic plan which sets out the process of putting up various structures suited to give support to academic programmes being the core function of the institution.

I am also glad that the college was among the first young institutions that took the challenge of being introduced into Performance Contracting. This has helped in achieving targets set out in the Performance Contract as drawn from the strategic plan during the year under review.

I am proud to note that most of the goals set out within the first year of the strategic plan have indeed been achieved. These include:

- Growth in student's numbers,
- Competitive recruitment of staff both trainers and other support staff.
- Development of the infrastructures to support academic programmes.
- Development of various physical infrastructures like roof water harvesting system and water storage tank

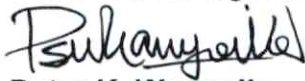
The college received operation grants, HELB loans and bursary, Government Scholarship and GoK capitation for the college trainees'. These funding has enabled the college acquire equipment that will make it go –a-long way in ensuring that trainees are equipped with relevant skills therefore increasing their marketability.

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The college has witnessed significant growth of the institute assets that has promoted a good training environment for both trainers and trainees. In this regard, I wish to thank the members of the board who have provided useful insight to the college management making it possible to collectively make progress. The board remains committed to building on the foundation laid down so far and will work closely with the GTVC top management team in order to realise further development. The board is pleased with efforts of the GTVC key management personnel to ensure prudent management of resources.

I thank the government for its financial support so far that has made it possible to implement the GTVC functions and programmes and also enabled the college to increase its enrolment within the year under review.

I finally, wish to thank all stake holders for their continued support and dedication, even as we together strive to achieve greater heights of excellence.



Peter K. Wanyoike

Chair of the Board of Governor's

6. Report of the Senior Principal



Presented herein is the annual report and financial statement of Gatanga Technical & Vocational College for the year ended 30th June 2024 as per requirements of the Public Finance Management Act of 2012 and Public Audit Act, 2003.

The college opened the year 2023/2024 with the cash and cash equivalents of Kshs 3,109,563 and closed with cash and cash equivalent amounting to Kshs 5,504,131. The college had an approved budget of Ksh 38,229,250. The College received **Ksh 9,101,486** as revenue from Non-Exchange transactions which was Capitation of Ksh 6,264,425, Government Scholarship of Ksh 1,337,061 and recurrent grant of Ksh 1,500,000. Additionally, revenue from Exchange transactions was Ksh **32,486,015** made of rendering of services which was invoices raised to trainees of Ksh 32,347,295 and revenue from other sources of Ksh 138,720. The total revenue from both Exchange and Non-Exchange transaction totaled to Ksh 41,587,501. The college had expenses amounting to Ksh 41,359,896 resulting to a surplus of Ksh 227,605 during the financial year 2023/2024.

The institution aims at diversification of revenue streams through and by initiating the following measures;

- a. Lobby for more financial support from government to finance in the development of the proposed projects.
- b. Aggressive marketing of the college programmes to increase trainee's enrolment
- c. Establishing income generating activities and strengthening the existing ones
- d. Collaborate with industries agencies for innovations funding
- e. Soliciting for grants, donations and sponsorship.

The population by 30th June 2024 was 497 students from 441 at the beginning of the financial year which represent 12.7% growth. This has been made possible through Government support i.e. Government Scholarship, capitation, HELB loans and marketing of the courses offered in the College.

The institution carried out an analysis of the internal and external environment using (SWOT) and (PESTEL) analysis. This provides an implementation road map to monitor and evaluate mobilisation of the resources generated to realise the institute core mandate. The college mandate is derived from the TVET ACT of 2013 which outlines the objectives towards promoting TVET education and training in Kenya. During this financial year the College was into 20th cycle of performance contracting which continues to be milestone at these early years of the institution development and growth. This is helping in setting up the performance targets.

During the financial year under review, the institution embarked on establishing a number of new academic programmes, Level 6 and Level 5 in Fashion and Design, Level 4 (Artisan) motor vehicle under the CBET. This is after college embarked on an

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intensive marketing programme aimed at enhancing its visibility and increasing students' enrolment.

On behalf of the management and staff of GTVC, I take this opportunity to thank the Board of the Governors for the support accorded to the Institution management to be able to undertake the day to day activities and for its visionary direction in development of the college.

I appreciate the financial support from the GoK throughout the year under review though we appeal for more support especially for the purpose of establishing suitable facilities required towards becoming the TVET of choice for trainees in Kenya and beyond. I also wish to thank NG-CDF Gatanga Constituency for constructing 3 classrooms during the financial year under review at a cost of Ksh 4 Million

I thank all the trainers, support staff and trainees of GTVC for their continued cooperation in this challenging but noble task of building the college and I look forward to the same cooperation and enthusiastic participation in 2024 – 2025 financial year.

The college achieved a milestone by construction of two new workshops, addition of two ladies washrooms and adding new equipments for electrical, Beauty and Building departments and therefore enhancing our capacity to give practical training. The college also acquired a server during the financial year to help the College's ERP system to run efficiently and for backup purposes.

Jeremiah M. Mugo



Senior Principal/Secretary of the board

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7. Statement of Performance against Predetermined Objectives

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

Gatanga Technical has 8 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2023-2024. These strategic pillars are as follows:

Pillar/ theme/issue 1:

Pillar/ theme/ issue 2:

Gatanga develops its annual work plans based on the above X pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. *Gatanga* achieved its performance targets set for the FY 2023/24 period for its 8 strategic pillars, as indicated in the diagram below:

Pillar no	Strategic issues	Strategic Objective	Key Performance Indicators	Activities	Achievements
1:	Access and equity	to enhance access and equity to quality TVET training	No. of students enrolled No. of programmes launched	Design flexible and blended learning programmes	Increased enrolment of 143 trainees
2:	Institutional ,Corporate Governance /Management	Improve Institutional corporate governance/Management	Organisational structure, HIV/Aids, Drug and substance Abuse, Safety measures, Gender mainstreaming, Disability Mainstreaming Affirmation policies	Establish institutional policies, strategies and programmes that are responsive to effective governance and management of TVET	Number of policies in place- all the policies were developed
3:	ICT	Promote effective application of ICT	e-books acquired and utilized E-learning materials	Acquisition of e-books Training of trainers	Number of e-books acquired and in use Preparation of E-learning materials.
4:	Research and Innovation	Create forums for sensitization of staff and students -Develop a reward system for innovations	Institutionalize research and development	Participate in TVET Fairs	number of fairs participated on, regional, national

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5:	Financial resources	Enhance fees collection	To improve the financial position of the college	Control systems established and implemented	Enhanced fees collection and more cash
6:	Human Resource	Liaise with the PSC for meeting gaps in teaching and support staff	-Manpower requirements determined	-Teaching staffing gaps addressed	Number of staff hired/posted by the PSC.
7:	Collaboration and linkages	Review and strengthen existing frameworks for collaborations and linkages in TVET	Mechanisms for benchmarking and joint cooperation in TVET developed and implemented	Number of mechanisms	Number of mechanisms
8:	Infrastructure improvement	To provide adequate infrastructure for quality service delivery	Increased capacity for quality service delivery	- Develop infrastructure plans and designs - Source for funding	Improved service delivery

8. Corporate Governance Statement

During the year under review, the board held four full board meetings and four Executive Board meetings. All the meetings had a quorum and no member missed two consecutive meetings. The term of the board ended on March 2021 and new board was appointed and is in place. As outlined from the TVET Act 2013, section 28(1) the roles, functions, and performance of the board during the year is as follows;

(a) Overseeing the conduct of education and training in the institution in accordance with the provisions of this Act and any other written law;

The Board has been able to monitor the manner in which the college is managed or directed through the regular quarterly meetings -100%.

(b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;

Through the management, the board have acquired right syllabuses and mounted market driven courses and made sure real training takes place through supervision– 100%

(c) Administering and managing the property of the institutions;

The board have been able to provide security and regular maintenance of all the equipment and vehicles– 100%

(d) Developing and implementing the institutions' strategic plan;

The board developed and launched a strategic plan which is currently being implemented- 100%

(e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;

The board have prepared annual budget but execution has not been fully done due to non-remittance of development funds already budgeted.

(f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;

- The college have been able to collect fees from parents.
- Sourced for more funding from NG-CDF and
- Written proposals to organizations and government departments requesting for funding.

(g) Developing and reviewing programs for training and to make representations thereon to the TVET Authority;

(h) The board have approved new courses as guided by the ministry of education.

(i) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;

this was achieved 100%- all the students who applied were admitted.

(j) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;

- The college is a member of KATTI and CAPA
- The college receive students through KUCCPS and walk-ins.

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

- Principals visit industries annually to get the views of the stakeholders.

(k) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry;

All the recruitments so far carried out by following recruitment procedures.

(l) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;

- Our wages are within the set standards of the country
- The college has developed a scheme of service and a Human Resource Policy.

(m) Making regulations governing organization, conduct and discipline of the staff and students; this has been achieved -100%. We have developed and implemented rules and regulations

(n) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Board;

(p) Providing for the welfare of the students and staff of the institutions;

The board have improved the college learning environment by;

- Acquiring more equipment for training
- Acquiring more student's desks
- Repairing washrooms
- Water harvesting to improve sanitation

(q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; The board have;

- Established G&C department
- Students have their elected leadership
- The management hold regular meeting with the students and staff

(r) Discharging all other functions conferred upon it by this Act or any other written law

The board has promptly acted upon all the communications received from within and outside the college.

The board was well remunerated as they received their full allowances during all the meetings been achieved – 100%, the college has a functional finance department to collect and receipt all the monies received.

(s) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;

The board performed this function – 100%, though the government came up with a standard fees structure for all the TVET Institutions.

(t) Mobilizing resources for the institutions;

9. Management Discussion and Analysis

The college has performed well during last financial year. We were able to maintain discipline of both staff and students and made sure that training went on well. This can be attested by the good final examination results received during the year where the college posted 80% pass overall. The college also performed well financially. We were able to accomplish all financial decisions made. All the statutory deductions were remitted on time, this included; NHIF, NSSF, NITA, PAYE and Affordable Housing Levy.

The college ended the year with no outstanding bills. The main risks facing the college are financial due to low student population growth, reduced government grant and no development funds. The funding received from capitation is all going to recurrent expenditure leaving almost nothing to developments. Since the college is only three years old, it requires a lot of financial support to put up more infrastructures to be able to admit more students. We have no office space, ablution block, and lecture rooms hence the college existence is at great risk.

10. Environmental And Sustainability Reporting Statement

Gatanga TVC exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on Social pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

Innovation and technology- the college has put a lot of Effort in sustainability related R&D in order to reduce environmental impacts in new products and in business activities of training. The college uses BAT (best available techniques) and integrated environmental technologies, we concentrate on cleaner production and zero-emission technologies.

Collaboration – the college maintained a good cooperation and active collaboration with various business partners which included suppliers, R&D institutions, universities and TVET institutions working in common programs and networks on innovative products and technologies. Exchange of information and knowledge through TVET fair.

Knowledge management – the college have planned, developed, organized, maintained, transferred, applied and measured specific knowledge and to improve the organizational knowledge base.

Processes- Clear processes and roles are defined so that college activities are efficiently conducted and that every employee knows what the college management expects from him or her.

Purchase- the college had a good Relationship with suppliers focusing also on sustainability.

Sustainability reporting – the college maintained Considerable reporting of sustainability issues within the board meeting reports.

Environmental performance

This dimension deals with environmental impacts due to corporate activities. These environmental impacts are caused by resource use and emissions into air, water, ground and hazardous waste.

This dimension is mainly measured by impacts, but within corporate sustainability strategies the focus has to be laid on the effects causing these impacts, e.g., the higher the maturity levels are the more it has to be concentrated on causes rather than on effects.

Emissions into the air- Emissions into the air due to corporate activities the college does not emit any pollution to air as we are training and not manufacturing.

Emissions into the water - Emissions into the water due to corporate activities -none

Emissions into the ground - Emissions into the ground due to corporate activities- none

Waste and hazardous waste- Waste and hazardous waste due to corporate activities- none

Biodiversity Impact on biodiversity due to corporate activities

Environmental issues of the product Environmental aspects of the product over the whole life cycle

Employee welfare

Corporate governance- Transparency in all its activities in order to ameliorate relationship towards its stakeholders. During the financial year, the college recruited staff using the laid down recruitment procedures. This was done through the guidance of public service commission who Give insight into all relevant data; following rules of on recruitment of the corporate governance and defining responsibilities and behavior of the board.

Staff Motivation and incentives – this is an Active involvement and exemplary function of management on sustainability of all the Employees Being Aware of their needs, claims and motivation factors of employees in order to implement sustainability sufficiency into the organization due to support of management for acting in sustainable way (e.g. time, money, resources). The management Developed and implemented incentives and reward systems (monetary and non-monetary).

Health and safety – the college guarantee that no health and safety risks occur when working in/for the college. No negative impact of employees’ physical health at any time was reported. The college has envisioned operation of programmes for employees to prevent dangers and to stay generally fit and healthy.

Human capital development - Development of human capital for sustainability related issues through specific programmes is key to any organization. The college has sponsored staff to various seminars and workshops and also allowed others join holiday classes. The college has also encouraged Broad cross-working education (job enrichment, job enlargement) for staff in order to become aware of the different challenges and issues of corporate sustainability.

Market place practices-

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- a) Responsible competition practice.
The college practices responsible competition by following normal procedure of marketing. The college has developed an anti-corruption policy and non-political adherence.
- b) Responsible Supply chain and supplier relations-
The college has list of suppliers who were prequalified through advertisement. The policy of the college is to pay all the bills at the end of every month and this has created a good rapport with her suppliers and service providers.
- c) Responsible marketing and advertisement
The college carries out normal marketing through media and organized talks.
- d) Product stewardship.
Trainees trained in Gatanga Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Hands on Skills and Technology to make a difference in this generation and generations to come. The Gatanga Technical and Vocational College is committed to offering the best and top quality training.

Corporate Social Responsibility / Community Engagements

The college did not have much on corporate social responsibilities because it is only three years old and still struggling financially and relying 100% on government funding. But in the year under review, we had organised a career talk for all the school leaver within Gatanga sub-county

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

11. Report of the Board of Governors

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

Principal activities

The principal activities of Gatanga TVC is to nature technical skills and to be a center of excellence in producing skilled manpower that can compete favorably in local and International labour market.

Results

The results of Gatanga TVC for the year ended June 30 2024 are set out on page 1 to 5

Board of Governors

The members of the Board who served during the year are shown on page IX to XII.

Auditors

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

By Order of the Board


.....
Secretary of the Board

Date:

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

12. Statement of Board of Governors Responsibilities

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

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

The Board members accept responsibility for the *College's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*the State Corporations Act, and the TVET Act*) The Board members are of the opinion that Gatanga TVC's financial statements give a true and fair view of the state of *College's* transactions during the financial year ended June 30, 2024, and of the *College's* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *College* which have been relied upon in the preparation of the *College's* financial statements as well as the adequacy of the systems of internal financial control.

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

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

Approval of the financial statements

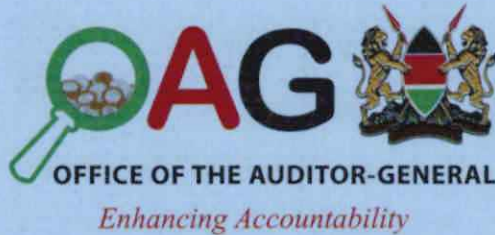
Gatanga TVC financial statements were approved by the Board on _____ 04/04/2025
and signed on its behalf by:

Peter K. Wanyoike
.....
Name *Peter K. Wanyoike*
Chairperson of the Board

[Signature]
.....
Name *James M. Mungo*
Accounting Officer/Senior Principal

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Gatanga Technical and Vocational College set out on pages 1 to 26, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in Net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1 Cash and Cash Equivalents

The statement of financial position and as disclosed in Note 15 to the financial statements reflects cash and cash equivalent figure of Kshs.5,504,131. However, cash withdrawals of Kshs.3,180,000, Kshs.1,511,900 and Kshs.995,000 reflected in the bank statement were not recorded in the cashbook, and the resulting expenditures from the cash withdrawn were not provided for audit verification.

1.2 Use of Goods and Services

The statement of financial performance statement reflects Kshs.20,858,625 in respect of use of goods and services. However, the explanatory Note 9 to the financial statements reflects Kshs.21,016,120 resulting to an unexplained and unreconciled variance of Kshs.157,595.

In the circumstance, the accuracy and completeness of the respective financial statement balances could not be confirmed.

2. Valuation of Property Plant and Equipment

The statement of financial position and as disclosed in Note 19 to the financial statements reflects Kshs.109,231,836 in respect of property, plant and equipment which includes Kshs.44,354,545 for plant and equipment. However, the Management did not provide valuation reports, contract agreements or any other documents to show the basis of the value of plant and equipment reported. In addition, the property, plant and equipment balance includes land valued at Kshs.20,000,000 on which the College is built that has no ownership documents.

In the circumstances, the accuracy, valuation and ownership of Kshs.109,231,836 balances of property, plant and equipment could not be confirmed.

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

Emphasis of Matter

Budget Control and Performance

Review of College's approved budget revealed a budgeted revenue of Kshs.38,229,250 against actual revenue realized of Kshs.30,979,741 representing 82% of budgeted revenue or a short fall of Kshs.7,249,509 (18%) of the revenue.

In the circumstances, the underfunding of the budget affected planned activities and may have impacted negatively on service delivery to the public.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on pages iv to xxxii which comprise of Key Entity Information and Management, The Board of Governors, Management Team, Chairman's Statement, Report of the Principal, Statement of

Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors and Statement of the Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of an Imprest Register

The financial statements reflects Kshs.21,016,120 in respect of use of goods and services as disclosed in Note 9. Included in this figure is Kshs.2,690,915 which was spent on travelling and accommodation without keeping an imprest register to track the issued and surrendered imprest contrary to Regulation 93(4)(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that the imprest applicant should be recorded in the imprest register including the amount applied for.

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

2. Direct Procurement of Goods and Services

The statement of financial performance and as disclosed in Note 9 to the financial statement reflects Kshs.21,016,120 in respect of use of goods and services. However, *Report of the Auditor-General on Gatanga Technical and Vocational Training College for the year ended 30 June, 2024*

review of payments revealed that an expenditure amounting to Kshs.1,024,045 was incurred through direct procurement from suppliers. However, no evidence was provided to indicate that the service was procured competitively contrary to the Public Procurement and Asset Disposal Act, 2015, Section 103(2) on guideline on how to qualify for direct procurement.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

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

Responsibilities of the Management and Board of Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance. In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 May, 2025

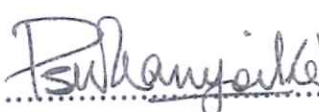
GATANGA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

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

	Notes	Period ended	Period ended
		30 th June 2024	30 th June 2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	5	9,101,486	5,943,000
		9,101,486	5,943,000
Revenue from Exchange transactions			
Rendering of services- fees from students	6	32,347,295	27,676,732
Sale of goods	7	1,720	5,930
Miscellaneous income	8	137,000	125,875
		32,486,015	27,808,537
Revenue from Exchange transactions			
Total Revenue		41,587,501	33,751,537
Expenses			
Use of goods and services	9	21,016,125	10,939,068
Employee costs	10	6,047,106	4,980,894
Board Expenses	11	1,081,261	1,169,922
Depreciation and amortization expense	12	12,774,719	15,351,369
Repairs and maintenance	13	423,325	221,725
Finance costs	14	17,360	9,015
		41,359,896	32,671,993
Total Expenses			
Net Surplus for the year		227,605	1,079,544

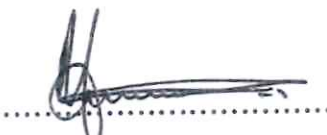
(The notes set out on pages 7 to 26 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 6 were signed by:



Chairman of Board

Date 04/04/2025



Principal

Date 04/04/2025



Finance Officer

ICPAK No. 27230

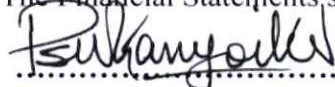
Date 04/04/2025

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

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

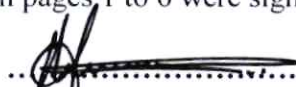
Description	Notes	Period ended	Period ended
		30 th June 2024	30 th June 2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	15	5,504,131	3,109,562
Current portion of receivables from exchange transactions	16	12,574,028	12,271,910
Receivables from non-exchange transactions	17	3,146,641	3,146,641
Inventories	18	468,622	103,483
Total Current Assets		21,693,422	18,631,596
Non-Current Assets			
Property, plant, and equipment	19	109,231,836	119,474,886
Total Non-Current Assets		109,231,836	119,474,886
Total Assets (A)		130,925,258	138,106,482
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions(Prepaid fees)	20	813,278	1,092,827
Refundable deposits from Students(Caution)	21	1,181,830	750,230
KUCCPS	22	1,552,000	157,000
KNEC(Examination)	23	579,495	742,739
CDF	24	0	10,000
HELB and Scholarship	25	251,287	0
Total Current Liabilities		4,377,890	2,752,796
Total Liabilities (B)		4,377,890	2,752,796
Net Assets (A-B)		126,547,368	135,353,686
Represented By:			
Accumulated Surplus		9,002,972	8,775,367
Capital Fund		109,231,836	119,474,886
Net Assets		118,234,808	128,250,253

The Financial Statements set out on pages 1 to 6 were signed by:



Chairman of Council/Board

Date 04/04/2025



Principal

Date 04/04/2025



Finance Officer

ICPAK No 27230

Date 04/04/2025

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

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2022	-	7,695,823	133,854,835	141,550,658
Revaluation gain	-	-	-	-
Surplus for the year	-	1,079,544	-	1,079,544
Capital grants received during the year	-	-	971,420	971,420
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(15,351,369)	(15,351,369)
At June 30, 2023	-	8,775,367	119,474,886	128,250,253
At July 1, 2023	-	8,775,367	119,474,886	128,250,253
Revaluation gain	-	-	-	-
Surplus for the year	-	227,605	-	227,605
Capital grants received during the year	-	-	2,531,669	2,531,669
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(12,774,719)	(12,774,719)
At June 30, 2024	-	9,002,972	109,231,836	118,234,808

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

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

Description	Note	Period ended 30 th June 2024	Period ended 30 th June 2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		9,101,486	5,943,000
Rendering of services- fees from students		21,739,540	13,806,046
Sale of goods		1,720	5,930
Miscellaneous income		137,000	125,875
Total Receipts		30,979,746	19,880,851
Payments			
Use of goods and services		18,484,456	10,939,068
Employee costs		6,047,106	4,980,894
Board Expenses		1,081,261	1,169,922
Repairs and maintenance		423,325	221,725
Finance costs		17,360	9,015
Total Payments		26,053,508	17,320,624
Net Cash Flows from operating activities		4,926,238	2,560,227
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(2,531,669)	(971,420)
Net cash flows used in investing activities		(2,531,669)	(971,420)
Cash flows from financing activities			
Net Increase in Cash and Cash equivalents		2,394,569	1,588,807
Cash and Cash equivalents at 1 JULY		3,109,562	1,520,755
Cash and Cash equivalents at 30 JUNE		5,504,131	3,109,562

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference	
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%	
Transfers from other National Government entities	10,500,000	-	10,500,000	9,101,486	(1,398,514)	13%	1
Rendering of services-fees from students	26,044,250	-	26,044,250	21,254,355	(4,789,915)	18%	2
Other Income	1,685,000	-	1,685,000	623,900	(1,061,600)	63%	3
Total Income	38,229,250	-	38,229,250	30,979,741			
Expenses							
Use of goods and services	26,631,850	-	26,631,850	21,016,120	(5,615,730)	21%	4
Employee costs	7,905,400	-	7,905,400	6,047,106	(1,858,294)	24%	5
Board /Council Expenses	2,992,000	-	2,992,000	1,081,261	(1,910,739)	64%	6
Repairs and maintenance	700,000	-	700,000	423,325	276,675	40%	7
Finance Cost	-	-	-	17,360	(17,360)	100%	8
Total Expenditure	38,229,250	-	38,229,250	28,585,172			
Surplus For the Period	0	0	0	2,394,569			
Capital Expenditure				2,531,669			

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(Budget notes)

1. The College received capitation of Ksh 14,000 per trainees who were in session during the financial year instead of Ksh 30,000 for all the trainees as promised by the Government resulting to deficit in revenue from non-exchange transactions.
2. The college did not realize the budgeted population of 600 trainees as there were 497 trainees during the year. This resulted to under realization of the fee that was to be collected as even some of the one who were in session did not clear their fees charged for the year under review.
3. Budget for other incomes was not realized as there was low uptake of computer services plus many trainees were not able to pay their fee in full during the year.
4. A substantial purchase of training materials and equipments were bought under the financial however full utilization of the budget was not realized as the college was unable to get budgeted enrollment of 600 trainees to incur the cost of the whole budget.
5. The college had budgeted to employ an internal auditor plus a receptionist. Services of internal auditor from Michuki Technical training college was sourced i.e. government to government sourcing and this reduced expenditure on employees.
6. The mandatory full committee's meetings were held however their travel reimbursement was covered under Local Travel and Travelling thereby reducing the board allowance expenses. Going forward, the management is well advised to charge all board expenses including facilitation under board allowances expenses.
7. The college did average repairs on her furniture and equipments as many of them were in good condition.
8. The college had not budgeted for the bank charges but going forward this item will be forecasted in subsequent budgets.

Moving forward, the college management has promised to ensure adequate mobilization and marketing of the college in order to increase the enrollment and there will be prudence when making budget for the subsequent years.

19. Notes to the Financial Statements

1. General Information

Gatanga TVC is established by and derives its authority and accountability from TVET Act. Gatanga TVC is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is offering Technical skills to trainees.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *College's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 1 to 5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Gatanga TVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified

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	existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>

iii. Early adoption of standards

Gatanga TVC did not early adopt any new or amended standards in year 2024.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

b) Budget information

The original budget for FY 2023/2024 was approved by the Board on **23/04/2023**. No revisions or additional appropriations were made to the approved budget.

The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under section **ii** of these financial statements.

c) Taxes

Current income tax

The College is exempt from paying taxes as per schedule of the *Income tax 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) Property, plant and equipment

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

Financial assets

Classification

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

to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Trade and other receivables

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

e) Inventories

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

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

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

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

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

f) Related parties

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

g) Cash and cash equivalents

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

h) Comparative figures

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

i) Subsequent events

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

5. Transfers from other National Government entities

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	6,264,425	4,943,000
Operational Grant	1,500,000	1,000,000
Government Scholarship	1,337,061	0
Total unconditional Grants	9,101,486	5,943,000
Total Government Grants and Subsidies	9,101,486	5,943,000

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Technical training	9,101,486	0	0	0	5,943,000
Total	9,101,486	0	0	0	5,943,000

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6. Rendering of Services

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Tuition Fees	11,918,895	12,281,663
Activity Fees	1,549,778	1,472,686
Industrial Attachment Fees	1,576,680	1,360,225
Examination Fees	4,018,908	3,068,180
Registration Fees	99,500	142,900
Electricity, Water and Conservancy	1,437,918	1,378,767
Local Travel and Transport	1,904,508	1,292,606
Repair Maintenance and Improvement	694,445	721,720
Student Welfare	243,000	253,425
T-shirt	12,700	163,200
Caution Money	440,000	0
College ID	455,000	159,200
Personal Emolument	5,710,563	5,048,860
Computer Packages	159,900	333,300
TVETA	573,000	0
KUCCPS	1,552,500	0
Total Revenue from The Rendering of Services	32,347,295	27,676,732

Rendering of services is made of fee charges as invoices to all the trainees who reported during the financial year 2023/2024 as per the fees structure

7. Sale of Goods

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Sale of maize and maize stalk	950	1,700
Sale of bananas	450	1,480
Sale Sukuma wiki and cabbages	70	770
Sales of Carrots	0	1,950
Sales of Onions	0	30
Sales of Plastic bottles	250	0
Total Revenue from Sale of Goods	1,720	5,930

The funds were raised from the sales of College garden

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8. Miscellaneous Income

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Income from sales of Tenders	0	18,000
Mechanical Engineering Works	0	1,200
Mechanical Engineering Training	137,000	78,000
Sales of Disposable materials	0	28,675
Total other income	137,000	125,875

9. Use of Goods and Services

Description	Period ended 30 th June 2024	Period ended 30 June 2023
	Kshs	Kshs
Teaching and learning materials	8,003,485	4,292,166
Industrial attachment costs	221,611	188,574
Electricity	505,149	465,761
Water	55,550	55,850
Examination fees	4,182,152	2,512,195
Travelling and accommodation	2,690,915	2,409,724
Activity	2,076,404	726,528
Student Welfare	150,417	100,720
T-Shirt	0	64,800
Students College Cards	17,600	32,850
Computer Packages	18,773	14,900
Caution	8,400	7,000
Expenses on Disposal of Materials	0	2,000
Mechanical Training Seminars	35,500	66,000
KUCCPS	157,500	0
TVETA Expenses	361,000	0
Purchase of PPE	2,094,480	0
Work In Progress	437,189	0
Total good and services	21,016,125	10,939,068

10. Employee Costs

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Salaries and wages	4,657,521	3,821,357
NSSF	572,076	528,728
NHIF	171,700	161,600
PAYE	28,266	15,103
HELB	24,926	51,192
Casuals	439,661	395,985
NITA Levy	14,860	6,929
AHL	138,096	0
Employee Costs	6,047,106	4,980,894

11. Board Expenses

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Total	1,081,261	1,169,922

12. Depreciation and Amortization expense

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Property, plant and equipment	11,088,636	13,632,485
Intangible assets(Soft Wares)	182,875	104,000
Buildings	822,477	839,119
Furniture and Fittings	275,307	280,279
Computers and Printers	357,511	439,441
Library Books	47,913	56,045
Total depreciation and amortization	12,774,719	15,351,369

13. Repairs and Maintenance

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Furniture and fittings	423,325	221,725
Total Repairs and Maintenance	423,325	221,725

14. Finance Costs

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Bank Charges	17,360	9,015
Total Finance Costs	17,360	9,015

15. Cash and Cash Equivalents

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Current Account	5,501,001	3,024,507
Cash in Hand	3,130	85,055
Total Cash and Cash Equivalents	5,504,131	3,109,562

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

Financial Institution	Account number	Period ended 30 th June 2024	Period ended 30 th June 2023
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1222518384	5,501,001	3,024,507
Sub- Total		5,501,001	3,024,507
Sub- Total		3,130	85,055
Grand Total		5,504,131	3,109,562

16. Receivables from Exchange transactions

16 (a) Current Receivables from Exchange transactions

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Current Receivables		
Student Debtors	12,271,910	9,838,562
Debtors charged for the year	32,347,295	27,676,732
Fees paid including prepayments	(32,045,177)	925,243,384)
Total Current Receivables c/d	12,574,028	12,271,910

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16(b) Ageing Analysis of Receivables from Exchange transactions

Description	Period ended 30 th June 2024		Period ended 30 th June 2023	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	8,035,957	64%	10,454,209	85%
Between 1- 2 years	3,563,495	28%	1,736,600	14%
Between 2-3 years	893,475	7%	81,101	1%
Over 3 years	81,101	1%	-	-
Total	12,574,028	100%	12,270,910	100%

17. Receivables from Non-Exchange transactions

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Current Receivables		
Capitation Grants*	3,146,641	3,146,641
Total Current Receivables	3,146,641	3,146,641

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

Description	Period ended 30 th June 2024		Period ended 30 th June 2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	2,122,500	67%
Between 1 - 2 years	2,122,500	67%	1,024,141	33%
Between 2-3 years	1,024,141	33%	-	%
Over 3 years	-	%	-	%
Total	3,146,641	100%	3,146,641	100%

18. Inventories

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Consumable stores	458,062	94,689
Cleaning Materials stores	10,560	8,794
Total Inventories at lower of Cost and Net Realizable Value	468,622	103,483

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19. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Soft wares	Library Books	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2022	20,000,000	41,955,957	1,922,091	1,431,304	67,650,478	832,000	63,005	-	133,854,835
Additions	-	-	320,142	33,500	510,948	-	106,830	-	971,420
At 30 th June 2023	20,000,00	41,955,957	2,242,233	1,464,804	68,161,426	832,000	169,835	-	134,826,255
Depreciation And Impairment	0	0.02	0.125	0.3	0.2	0.125	0.33	0	
Depreciation	-	(839,119)	(280,279)	(439,441)	(13,632,485)	(104,000)	(56,045)	-	(15,351,369)
NBV AS AT 30 TH June 2023	20,000,000	41,116,838	1,961,954	1,025,363	54,528,941	728,000	113,790	0	119,474,886
As 1st July 2023	20,000,000	41,116,838	1,961,954	1,025,363	54,528,941	728,000	113,790	0	119,474,886
Additions	0	7,000	240,500	166,340	914,240	735,000	31,400	437,189	2,531,669
At 30 th June 2024	20,000,000	41,123,838	2,202,454	1,191,703	55,443,181	1,463,000	145,190	437,189	122,006,555
Depreciation And Impairment	0	0.02	0.125	0.3	0.2	0.125	0.33	0	
Depreciation	0	(822,477)	(275,307)	(357,511)	(11,088,636)	(182,875)	(47,913)	0	(12,774,719)
Net Book Values 2024	20,000,000	40,301,361	1,927,147	834,192	44,354,545	1,280,125	97,277	437,189	109,231,836
At 30 th June 2023	20,000,000	41,116,838	1,961,954	1,025,363	54,528,941	728,000	113,790	0	119,474,886
At 30 th June 2024	20,000,000	40,301,361	1,927,147	834,192	44,354,545	1,280,125	97,277	437,189	109,231,836

Work in progress was cost incurred for the construction of plumbing workshop and ladies washrooms during the financial year 2023/2024

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19 (a) 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	20,000,000	0	20,000,000
Buildings	44,485,919	4,184,558	40,301,361
Plant And Machinery	102,264,025	57,909,480	44,354,545
Computers and Related Equipment	4,286,600	3,452,408	834,192
Office Equipment, Furniture, And Fittings	3,226,065	1,298,918	1,927,147
Work in Progress	437,189	0	437,189
Library books	265,930	168,653	97,277
Total	174,965,728	67,140,017	107,951,711

19(b) Intangible Assets

Description	Insert Current 2024	Insert Comparative 2023
	Kshs	Kshs
Cost		
At beginning of the year	728,000	832,000
Additions	735,000	0
At end of the year	1,463,000	832,000
Depreciation And Impairment	0.125	0.125
Depreciation	(182,875)	(104,000)
NBV	1,280,125	728,000

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20. Trade and Other Payables (Fee paid in advance)

Description	Period ended 30 th June 2024		Period ended 30 th June 2023	
	Kshs		Kshs	
Fees paid in advance b/d	1,092,827		751,212	
Trainees debtors	279,549		341,615	
Total Trade and Other Payables c/d	813,278		1,092,827	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	813,278	100%	1,092,827	100%
Total (to tie to totals above)	813,278	%	1,092,827	100%

21. Refundable Deposits from Customers/Students(Caution)

Description	Period ended 30 th June 2024		Period ended 30 th June 2023	
	Kshs		Kshs	
Consumer deposits	750,230		432,230	
Caution money	440,000		325,000	
Other refundable deposits	(8,400)		(7,000)	
Total Deposits	1,181,830		750,230	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	440,000	37%	325,000	435%
1-2 years	325,000	28%	237,000	32%
2-3 years	237,000	20%	62,000	8%
Over 3 years	179,830	15%	126,230	17%
Total (to tie to totals deposits above)	1,181,830	100%	750,230	100%

22. Refundable Deposits from (KUCCPS)

Description	Period ended 30 th June 2024		Period ended 30 th June 2023	
	Kshs		Kshs	
Bal b/f	157,000		59,500	
Received	1,552,500		97,500	
Paid	(157,500)		0	
Total Deposits	1,552,000		157,000	

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23. Refundable Deposits from Students(EXAMINATIONS)

Description	Period ended 30 th June 2024		Period ended 30 th June 2023	
	Kshs		Kshs	
Bal b/f	742,739		186,754	
Received	4,018,908		3,068,180	
Paid	(4,182,152)		(2,512,195)	
Bal c/d	579,495		742,739	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	579,495	100%	742,739	100%
Total (to tie to totals deposits above)	579,495	100%	742,739	100%

24. REFUNDABLE DEPOSITS FROM STUDENTS (CDF).

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
CDF Bursary not allocated	0	10,000
Total	0	10,000

25. REFUNDABLE DEPOSITS FROM STUDENTS (HELB AND SCHOLARSHIP)

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Unallocated HELB and Scholarship	251,287	0
Total	251,287	0

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Gatanga TVC also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. Gatanga TVC obligation under the scheme is limited to specific contributions legislated from time to time and currently had no obligation as at 0th June 2024.

26. Financial Risk Management

Gatanga TVC activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The College 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 College does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

Gatanga TVC financial risk management objectives and policies are detailed below:

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables from exchange transactions	12,271,910	12,271,910	-	-
Receivables from non-exchange transactions	3,146,641	3,146,641	-	-
Bank balances	3,024,507	3,024,507	-	-
Total	18,443,058	18,443,058	-	=
At 30 June 2024				
Receivables from exchange transactions	12,574,028	12,574,028	-	-
Receivables from non-exchange transactions	3,146,641	3,146,641	-	-
Bank balances	5,501,001	5,501,001	-	-
Total	21,221,670	21,221,670	-	-

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(iii) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the 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 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 college's exposure to market risks or the manner in which it manages and measures the risk.

27. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Transactions with Related Parties		
A) Purchases from related parties		
Purchases of electricity from kplc	505,149	465,761
Purchase of water from govt service providers	55,550	55,850
Total	560,699	521,611
a) Grants /Transfers from the Government		
Grants from National Govt-Capitation	6,264,425	4,943,000
Grants from National Govt-Government Scholarship	1,337,061	0
Grants from National Govt-Operational Grants	1,500,00	1,000,000
Total	9,101,486	5,943,000

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Description	Period ended 30 th June 2024	Period ended 30 th June 2023
	Kshs	Kshs
Total	9,662,185	6,464,611

28. Events After The Reporting Period

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

29. Ultimate And Holding Entity

Gatanga Technical and Vocational College is under the State Department for Technical, Vocational Education and Training under the Ministry of Education. Its ultimate parent is the Government of Kenya.

30. Currency

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

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31. 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)
Issue 2 on Ownership of College Land	Lack of Ownership of the College Title deed	The college land is shared by two institution but the management has engaged the relevant ministries and also the Murang'a County Government to address solve this issue	Not Resolved	31/12/2026
Issue 2 on Lawfulness of resources	Employment of Unlicensed Trainers	Trainers were informed to enroll with Kenya School of TVETs to obtain pedagogy and licensing. Contract renewal will be pegged on enrolment to Kenya School of TVETs	Resolved	31/12/2024



Jeremiah M. Mugo
Senior Principal/Sec BOG

Date 04/04/2025

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Appendix II- Inter-Gatanga TVC Confirmation Letter
STATE DEPARTMENT OF TECHNICAL AND VOCATIONAL EDUCATION TRAINING

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Confirmation of amounts received Gatanga Technical and Vocational College as at 30 th June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
9950	03/10/2023	Ksh 1,624,000	0	Ksh 1,624,000	Capitation
10441	03/10/2023	Ksh 500,000	0	Ksh 500,000	Recurrent Grants
11056	22/01/2024	Ksh 1,547,000	0	Ksh 1,547,000	Capitation
11063	22/01/2024	Ksh 500,000	0	Ksh 500,000	Recurrent Grants
11702	07/02/2024	Ksh 1,768,000	0	Ksh 1,768,000	Capitation
11703	07/02/2024	Ksh 500,000	0	Ksh 500,000	Recurrent Grants
12295	29/02/2024	Ksh 1,337,061	0	Ksh 1,337,061	Government Scholarship
13284	10/06/2024	Ksh 1,325,425	0	Ksh 1,325,425	Capitation
Total		Ksh 9,100,606	0	Ksh 9,101,486	Total revenue from Non-Exchange Transactions

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

Head of Accounts Department – State Department of Technical and Vocational Training:
 Name Sign Date

Head of Accounts Department – Gatanga TVC:
 Name ISAAC MT. NJITHIA Sign [Signature] Date 01/04/2025

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Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Fire extinguishers	Servicing of fire extinguishers	Fire	Mitigation	Servicing of 26 fire extinguishers and purchase of 2 dry powder cylinder of 9kg each and a fire blanket	Kshs 50,100	The servicing was done during the financial year 2023/2024

