

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

**KAELO TECHNICAL AND VOCATIONAL
TRAINING COLLEGE**

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

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



KAELO TECHNICAL AND VOCATIONAL TRAINING 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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Kaelo Technical And Vocational Training College
Annual Report and Financial Statements for the year ended 30th June 2024

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
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
TTC	Teacher Training College
TVC	Technical Vocational College

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Kaelo Technical & Vocational College was established by the Government of Kenya through TVET Act 2013 which sought to establish Technical Training Institutes in every Constituency. Kaelo Technical and Vocational College is located in Antuambui location, Laare Division of Igembe North Sub-County in Meru County. The college opened its doors in September 2019 with 6 trainers and 14 trainees. The college is on a positive growth trajectory having raised its enrolment from 14 trainees in September 2019 to 710 trainees by June 2024. The college is located in an approximately 10 acre piece of land which was donated by Antuambui secondary school and Nkiriana primary school. The institution is now focusing its training programs towards meeting the challenges arising from rapid technological advancement, education policy and labour market changes. Kaelo Technical and Vocational College has prioritized collaborations and partnership, good governance and corporate image in line with MOE goals and other governmental policies. The college is accredited with the following academic departments; electrical and electronics, building and civil engineering, mechanical and automotive, business studies, computing and informatics, institution management and agriculture department. Other departments include; finance, procurement, sports, guiding and counselling, research and development.

(b) Principal Activities

Kaelo tvc management is under the following key organs:

- Board of Governors.
- Accounting officer/ Principal

(c) Key Management

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

- Board of Governors/ Council/ Management etc.
- Accounting officer/ Principal
- Management...;

(d) Fiduciary Management

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

Kaelo Technical And Vocational Training College
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SN.	Designation	Name
1.	Principal	Cecilia Mwongera
3	Deputy principal Academics	Anthony Ndege
4	Registrar	Mark Kajigi
5	Dean of students	Julia Kageni
6	Head of Finance	Moses Kainga
7	Head of supply chain management	Kenneth mwirigi

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

- Audit and risk committee BOG committee
- Finance, Development and Human resource BOG Committee
- Academic and Research BOG committee
- Technical and vocational education and training authority (TVETA)

(f) Entity Headquarters

P.O. Box 262-60601
Laare Mutuati road
MERU, KENYA

(g) Entity Contacts

Telephone: (254) 759,417,000
E-mail: kaelotechnical@gmail.com
Website: kaelotvc.ac.ke

(h) Entity Bankers

Equity Bank
Laare Branch
P.O. Box 75104
City Square 00200
Nairobi, Kenya

(i) Independent Auditors



hjhnhn



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


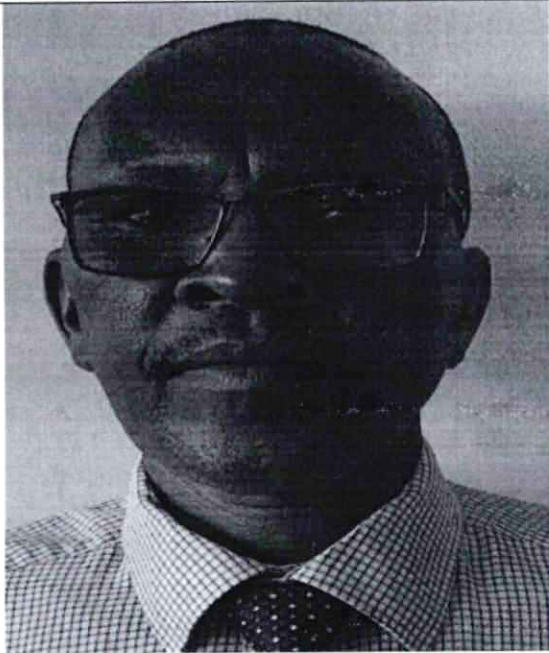
(j) Principal Legal Adviser



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



3.Board of Governors

	Member/ Director	Details
1.	 <p>Patrick Muthee- BOG Chairman Masters in agricultural and applied economics</p>	<p>Mr.Muthee was born on 25th June 1984. He holds masters in Agriculture and applied Economics from Egerton University. Mr.Muthee is assistant lecturer Karatina University. Mr.Muthee has over 10 years of experience. Mr. Muthee was appointed as the Chairman of the Board of Governors on 18th January 2023.</p>
2.	 <p>Hillary Jumba- Member Masters of science in information science</p>	<p>Mr.Hillary Jumba was born on 6th January 1982. He holds masters In Information Science (Records Management and Archives Administration) from Kenyatta University. Mr.Hillary has been assistant registrar at Kenya Methodist University. Mr.Hillary has over 10 years of experience. He is a member of Audit and Risk B.o.G Committee. Mr.Jumba was re-appointed as a member of the Board of Governors on 18th January 2023.</p>



<p>3.</p>	 <p>Nancy Gitonga- Finance Committee Chair</p> <p>Bachelor of commerce</p>	<p>Mrs.Nancy was born on 7th October 1970. Mrs.Nancy holds a bachelor’s of Commerce Management option from African Nazarene University. Mrs.Nancy has over 15 years of experience in banking industry. Mrs.Nancy is the Chairperson of Finance, Development and Humana Resource B.o.G Committee. Madam Nancy was re-appointed as a member of the Board of governors on 18th January 2023.</p>
<p>4.</p>	 <p>Mr Naftaly Kathurima- Member</p> <p>Bachelor of commerce in actuarial science</p>	<p>Mr.Naftaly Kathurima was born in 1984. He holds a Bachelor of Commerce (Actuarial Science) from Kenyatta University.Mr Kathurima has a wide experience in financial management and project management. Mr.Naftaly was appointed as member of the Board of governors on 18th January 2023.</p>



<p>5.</p>		<p>She was born on 13th August 1979. Mrs.Cecilia holds a bachelor of Education Science from Kenyatta University. Mrs.Cecilia has over 11 years of experience in management. She is the Secretary to the B.o.G and the Accounting Officer.</p>		
<p>Cecilia Mwongera- BOG Secretary/Principal</p>		<p>6.</p>		<p>Eng.Joachim Mbarua was born on 31st/12/1964. He holds a Bachelor of Science in Civil Engineering University of Nairobi. Eng.Joachim Mbarua is a senior Principal superintending Engineer (Roads) Ministry of roads and transport. Eng.Joachim has over 20 years overall experience in design and construction supervisor. Eng.Joachim Mbarua is a member of Finance, Development and Hr Committee</p>
<p>Joachim Mbaarua- Member</p>		<p>Bsc Civil engineering</p>		

7.	 <p>Peter Kaume-County Director Tvet</p>	<p>County Director of education Member</p>
8.	 <p>Dr Joy Riungu- Academic committee Chair PHD in sanitary engineering</p>	<p>Dr.Joy Riungu was born on 3rd December 1974. Dr.Joy Riungu holds a PHD in Sanitary Engineering. Dr.Joy is currently a lecturer at Meru University of Science and Technology. Dr.Joy Riungu is the Chairperson of the Academics and Research Committee of B.o.G. She was appointed in the B.o.G on 18th January 2023. Dr.Joy Riungu has done many Academic Projects across the continent.</p>



<p>9.</p>	 <p>Ann Chelangat- Audit committee chair</p> <p>Bachelor of Business Management Accounting option</p>	<p>Ms. Ann Chelangat was born in 5th August 1978. Ms Ann Chelangat holds a Bachelor in Business Management (Accounting Option). Ms. Ann is CPAK holder and a member of ICPAK. Ms Ann has worked as an accountant at KTDA holdings since 2009. She is the Chairperson of the Audit and Risk B.o.G Committee. Ms. Ann has over 15 years of experience in accounting field. She was appointed in the B.o.G 18th January 2023</p>
<p>10.</p>	 <p>Dr jane kathuku- Member</p> <p>PHD in strategic management</p>	<p>Dr. Jane Karambu was born on 28th March 1974. Dr. Jane Karambu holds a PHD in Strategic Management from Jomo Kenyatta University of Science and Technology. Dr. Jane Karambu is the CEO Kenya Cooperative Coffee exporters Dr. Jane Karambu has over 15 years of experience in Strategic Management. Dr. Jane Karambu is a member of Academics and Research B.o.G on 18th January 2023.</p>

4. Key Management Team

No.	Member/ Director	Details
1.	 <p>Cecilia Mugito-BOG Secretary/Principal</p>	<p>DOB 13/08/1979</p> <p>Bachelor of education science</p> <p>Over 10yrs of work experience</p>
		<p>DOB 23/12/1975</p> <p>BSC Agriculture with Post graduate diploma in TVET</p> <p>Over 23yrs of experience 18yrs in agricultural sector and 5 year in public sector</p>

2.	Anthony Ndege-Deputy Principal Academic	
3.	 <p>CPA Moses kainga-Finance Officer Bachelors of commerce finance option And CPA (K)</p>	<p>DOB 30/06/1980</p> <p>Bachelors of Commerce Finance Option</p> <p>CPA (K)</p> <p>More than 10years of experience</p>
4.		<p>DOB 13/05/1989 Bachelor of technology ICT</p> <p>6YEARS OF EXPERIENCE</p>
	Mark Kajigi- Registrar	

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	 <p>5. Julia Kageni- Dean of students</p>	<p>DOB 10/04/87</p> <p>Bachelors of Technology in Mechanical Engineering</p>
	 <p>6. Kenneth Mwirigi- Procurement officer</p>	<p>DOB 1993</p> <p>Bachelors of Commerce Procurement option</p> <p>Over 5 years</p>

5. Chairman's Statement

I am pleased to present the annual report and financial statement of Kaelo KTVC for the year ended June 30th 2024

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

During the financial year 2023-2024 period, key achievements were realized, these are

- Increased student's enrolment from 375 at the beginning of the year to 710 by end of June 2024.
- Establish and Strengthened collaboration and liaison with key local industries where the college can attach its trainees.
- Established public private partnership to address the shortage of accommodation spaces for the increased population growth.
- Enhanced marketing strategies which have prompted population growth.

During this 2023-2024 financial year, financial commitment was geared towards physical development of the institute infrastructure.

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

- Growth in student's numbers,
- Competitive recruitment of staff both trainers and other support staff.
- Development of the infrastructure to support academic programs.

The college received HELB loans /bursary and GOK capitation and scholarships for the college trainees'. This funding has enabled the college to achieve its core mandate of ensuring trainees are equipped with relevant skills. 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 work closely with all the stake holders in order to realize further development. The board is pleased with efforts of the KTVC to ensure prudent management of resources and the level of compliance with the government regulations and statutory requirement.

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



Mr Patrick Muthee Ngore
Chairman Board of Governors

6. Report of the Principal

Kaelo Technical and Vocational College is located at Antuambui Location Laare Division of Igembe north Sub-county. The college is located 300m from Kaelo market off – Laare – Mutuati road.

The college is located in a 10acre piece of land donated by the Antuambui Secondary School and Nkiriana Pry School.

The College has a total of twenty one (21) public service trainers, twelve (12) B.O.G trainers and five (5) non-teaching staff who assist Kaelo TVC achieve its core mandate of providing quality technical training.

Kaelo TVC embrace good co-operate governance at all times which has led to achieving quality training and related services that are market driven. The institution has upheld excellence performance in National examinations and co-curriculum activities.

The college is accredited with the following academic departments: mechanical and automotive engineering, electrical and electronics engineering, computing and Informatics, Business, Institution Management and agriculture. Other departments include Finance, Procurement guiding and counselling, Research and Innovation.

Key achievements during the financial year:

- Increasing enrolment from 387 to 710.
- Implementation of competency based curricular across all departments.
- Operationalization of Jitume lab with 100 computers.
- Construction of three classrooms funded by the government of Kenya through enhanced capitation.
- Recruitment and employment of five (5) public service commission trainers increasing the number of trainers to fifteen (15).

God bless Kaelo, God bless Kenya



Mrs Cecilia Mugito Mwangera
Principal/ B.O.G Secretary
Kaelo Technical Vocational College

7. Statement of Performance against Predetermined Objectives

Strategic Pillar no	Strategic Pillars	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	College enrolment	To increase number of trainees	Increased enrolment	Marketing	Increase in enrolment
Pillar 2:	Staff number	To increase the number of staff for effective and efficient service	Quality training	Training	Good performance
Pillar 3:	Improve teaching infrastructure	To attract more trainees to join our institution	Improved performance in internal and external exams	Monitoring training activities for trainer and trainees	Improved completion of trainees courses awaiting graduation
Pillar 4:	Quality management system	To ensure all systems are working according to the expected standard	Smooth operating procedures are followed and adhered to	Procurement / finance / staff recruitment	Followed correct procurement by advertising for prequalified suppliers and other adverts
Pillar 5:	Information management system	To ensure confidentiality integrity and availability in delivery of information	Availability of correct information and delivered at the right time	Auditing the information system regularly to ensure conformity	Appropriate filling and backup of information

8. Corporate Governance Statement

As a Board, we believe that a strong corporate governance framework and culture translates to a strong Institute that delivers to its mandate. According to the TVET Act, 2013 members of the board of Governors are appointed by the Cabinet Secretary from the ministry of education from the following Areas;

a). Leadership

- b). Financial management
- c). Industry
- d). Technology
- e). ICT F).
Engineering

The board also seeks other committees to carry responsibility required in the governance of the institute.

The following committees have been in the institute.

Finance development and Human resource

- | | |
|--------------------------|-------------|
| 1. Mrs Nancy Gitonga- | Chairperson |
| 2. Mrs Cecilia Mwongera- | Principal |
| 3. Mr Naftaly Kathurima | Member |
| 4. Mr Joachim Mbarua | Member |
| 5. Peter Kaume | Member |

Audit and risk management

- | | |
|-----------------------|-------------|
| 1. Mrs Ann Chellangat | Chairperson |
| 2. Mr Hillary Jumba | Member |
| 3. Dr joy Riungu | Member |

Academic Committee

- | | |
|-------------------------|--------------|
| 1. Dr joy Riungu | Chair person |
| 2. Dr jane Kathuku | Member |
| 3. Mrs Cecilia Mwongera | Principal |
| 4. Peter kaume | Member |

The following are Board functions as out lined in the TVECT Act.

1. Overseeing the conduct of education and training in the institutions in accordance with the provisions of TVECT Act.
2. Promoting and maintaining standards quality and relevance in advocating and training in the institution in accordance with the act and any other written law.
3. Administering and managing the property of the institution
4. Developing and implementing the institutions strategic plan
5. Preparing annual estimates of the revenue and expenditure of the institution
6. Receiving on behalf of the institution fees, grants and other monies.
7. Determining fees payable and prescribing conditions under which fees may be remitted in part or whole in accordance with the guideline developed under the provisions of this act.

During the year 2023/2024 the table below shows the number of board and committee meetings held.

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Names of Members	Board meetings		Board Committee meetings			Audit, Risk & Governance
			Academic committee	Finance & Administration		
	Scheduled	Special	Scheduled	Scheduled	Special	Scheduled
	4	1	4	4	0	4
Mr.Patrick Muthee Ngore	4	0	0	0	0	4
Mrs.Nancy Gitonga	4	0		4	0	4
Mr.Kathurima Naftaly	0	0		0		0
Mis.Ann Chelangat	4	0				4
Mr.Hillary Jumba	4	0				4
Dr.Joy Riungu	4	0	4			4
Dr.Jane Karambu	0	0	0	0	0	0
Eng.Joachim Mbarua	4	0		4	0	4

9. Management Discussion and Analysis

SECTION (A)

(a) The institute's performance

Revenue

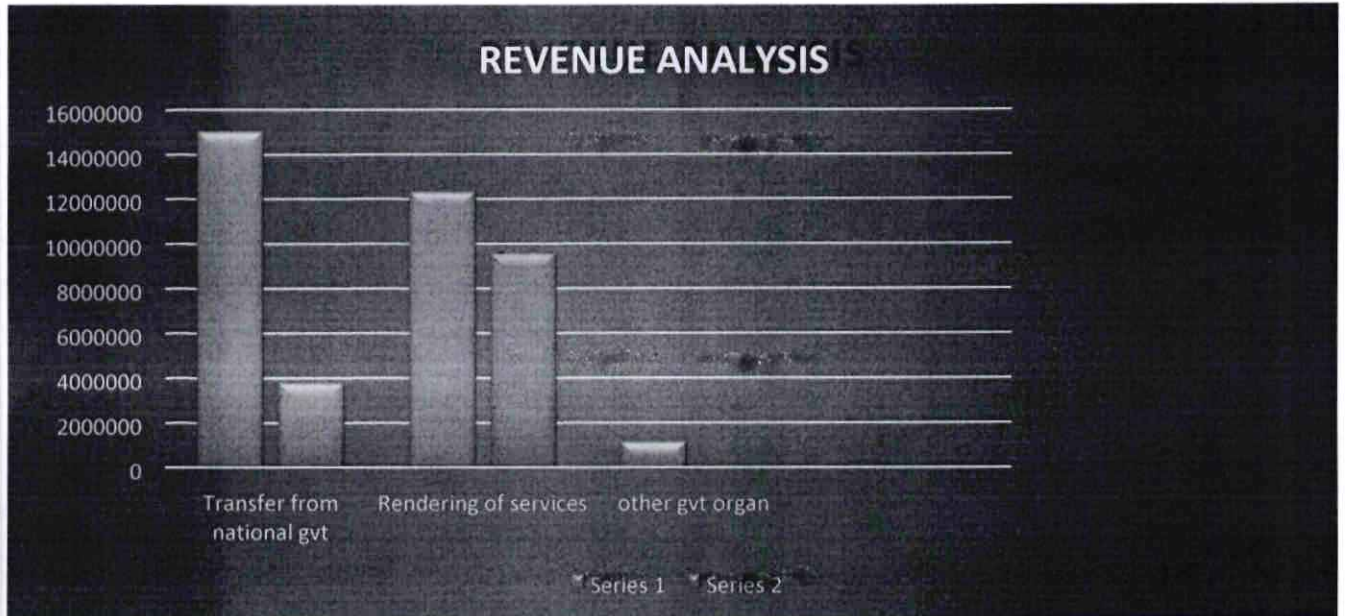
Kaelo technical Sources of funds for financial year 2023/2024 includes

- i. Government capitation-Capitation
- ii. Internally generated funds- Fees from students

During the year, revenue of ksh15, 025,937 was received from the national government as capitation.ksh12, 310,279 from rendering of services, and ksh1, 135,800 from other levels of government. kaelo tvc total revenue increased by 52.7% to Kshs 28,472,016 from

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13,347,920. The variance was attributed to increased student enrolment and increased fees due to changes in the new funding model.



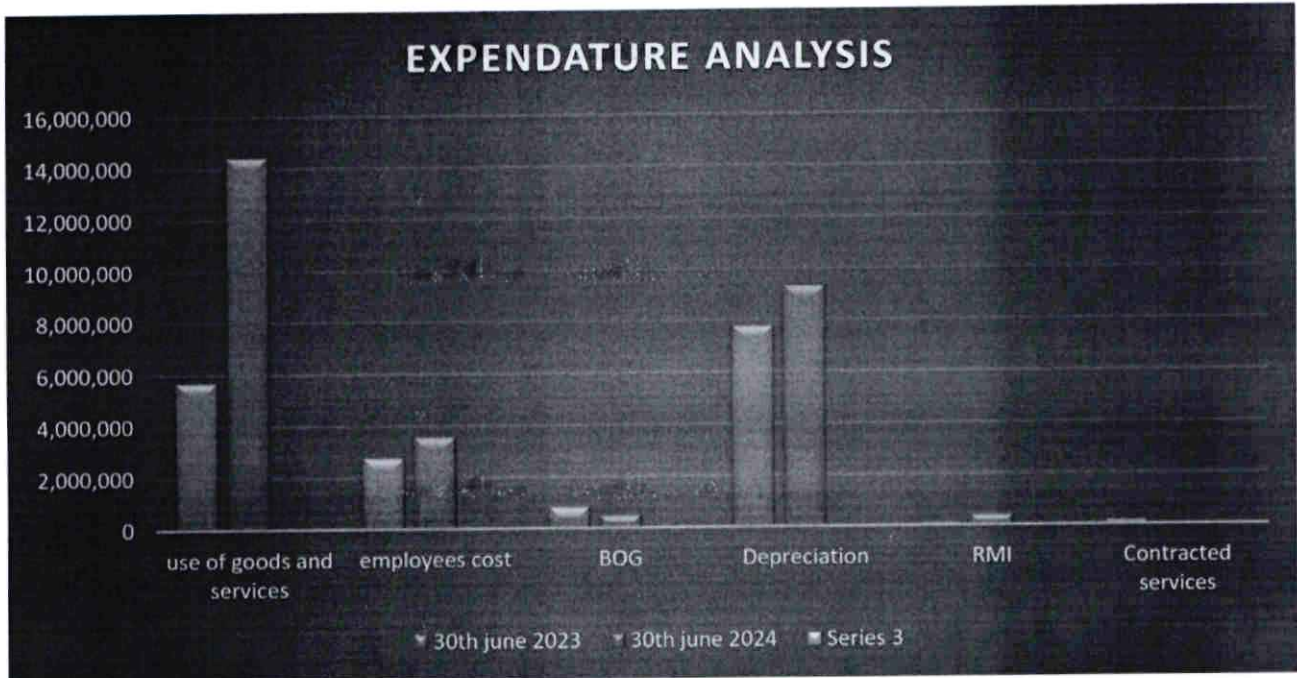
	Transfer from national gvt	Rendering of services – fees from students	Other gvt organs	Totals
30th June 2023	3,784,000	9,563,920		13,347,920
30th June 2024	15,025,937	12,310,279	1,135,800	28,472,016

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Expenditure

The institute’s expenditure comprises of the use of goods and services, employee costs, repairs and maintenance, the board of governors costs and general expenses.

The overall expenditure for the period increased by 61.46% from Kshs 16,700,566 Kshs to Kshs **25,033,983**



	Use of goods and services	Employees cost	BOG	Depreciation	RMI	Contracted services	Total
30 th June 2023	5,711,084	2,782,194	843,560	6,729,528.3	106,200	528,000	16,700,566
30 th June 2024	14,644,116	3,372,262	493000	6,055,685	468,920	0	25,033,983

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During the year 2023/2024 kaelo tvc undertook one major project of constructing three classrooms funded by Government grant.

Major Challenges and risk facing Kaelo tvc

The following are major challenges facing kaelo tvc

No	Challenges	Mitigation
1	Delayed disbursement of capitation funds from national government	Making follow ups including , writing letters and visiting the ministry of education
2	Inadequate water supply	Increasing water tank to harvest rain water
3	Limited infrastructure	Partitioning big rooms to accommodate more Trainees

Material arrears in Statutory or Financial Obligations

Kaelo tvc does not have any loan default, pending bills, tax default, and outstanding staff arrears

Compliance with Statutory Requirements

Kaelo tvc has complied with statutory requirements and has remitted all statutory deductions in the financial year 2023/2024

Proposed projects

No	Proposed Projects	Sources of Funds
1	Construction of ablution block	Internally generated revenue
2	Construction of simple workshops	Internally generated revenue
3	Construction of students canteen with components	Internally generated revenue

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

Kaelo tvc is a learning organization under the Directorate of Technical Vocational Education and Training. In her commitment to produce skilled manpower that fits in the job market, the Institution has continued to comply with the Ministry of Education guidelines and policies. The Institution has identified the potential of the community as key in realizing the growth of the Institution. The Institution has therefore engaged the community through continuous sensitization on the TVET courses and the support given by the government through capitation and application of HELB loans. Further the Institution has reached out to the stakeholders and the political leaders for support in all aspects in the running of the Institution through attending church meetings, community meeting, and upholding support for fees payment through the CDF programmes and bursaries from all levels.

The Institution has continued to engage with the Industry to allow linkage for trainees to the industry for industrial attachment and also employment. This has enabled contributions for industry expectation through direct feedback from the Industry.

Benchmarking with other learning Institution and partnering with them remains vital for progressive growth. Attending to relevant trainings and workshops has been key in staff development

Employee welfare

The Institute has been following the procedure of hiring employees into the Institution. The Board identifies the vacancies by analysis of key responsibilities and duties that ought to be done and the staff are not available or adequate. The Board then advertises for the positions and invites qualified candidates to apply. On applications, shortlisting of qualified persons is done basing it on the advert, Gender, Ethnicity and experience. Qualified persons are contacted to attend interviews through mail and telephone calls. The panel engages all interviewees and allocated marks as per the score sheet. The panel then discuss the scores and average for the best candidate to be approved. Once staff are engaged, they are taken through an orientation where the responsibilities are outlined, discussed and the objectives of the organization are laid out. Staff are developed through support given by the BOG to attend relevant workshops and seminars especially the ones organized through the ministry. The Institute is in the process of developing the policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA). Appraisal of staff is done continuously.

Market place practices-

Kaelo tvc does responsible marketing by marketing the Institution and encouraging potential trainees to join the Institution. On courses that the Institute does not offer, she recommends other Institutions to the applicants for consideration. The Institute has not been involved in politics in any way but has welcomed political leaders who have identified in support of the Institution whenever opportunity arises.

The Institute honors contracts by keeping to the commitment to the end where there is no breach. The

Institutes commits to clear all her supplier's debts and keep engaging the debtors even when finances are not available to ensure re-assurance on the commitment.

The Institute gives true information on all advertisements and publicity done. This has provided confidence on the services offered by the Institution without.

All services offered by the Institutes are for the best benefit of the Clients who are our consumers. Offer of services is objectively done to the best interest of the client. The trainees who are the highest number of our clients receive quality training and pass their examinations. This will ensure they remain competitive in the job

Corporate Social Responsibility / Community Engagements

Kaelo technical and vocational college has participated in church harambee (MCK Kaelo) and also supported the less fortunate and needy children in the community

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 *kaelo tvc* affairs.

Principle activities

The principle activities of the entity are:

- a. To conduct training at tertiary level in technical and vocational education and training fields.
- b. To determine curricula appropriate for training of the various manpower category and specialization required by the labour market through careful selection of available syllabi from local or international institutions recognized by the Ministry of Education (MoE).
- c. To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- d. To promote and inculcate Entrepreneurial skills and culture within the institute's staff and students.
- e. To conduct Applied Research.
- f. To undertake income-generating activities through production, consultancy and tailor-made short courses, in-service courses, equipment and facility hiring and hospitality services to compliment Government grants and fees revenue.
- g. Foster spiritual growth among community members both staff and students.

Results

The results of the entity for the year ended June 30 are set out on page 1-29....

Board of Governors

The members of the Board who served during the year are shown on page iv & v During the year there has been no change in the board of governors.

Auditors

The Auditor General is responsible for the statutory audit of the *kaelo tvc* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of *kaelo tvc* for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Cecilia Mugito Mwangera
Secretary of the Board
Date: 22/04/2025

Kaelo Technical And Vocational Training College
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 29 of schedule 2 of the Technical and Vocational Education and Training Act, require the board members to prepare financial statements in respect of kaelo tvc, which give a true and fair view of the state of affairs of the Institute at the end of the financial year/period and the operating results of kaelo tvc for that year/period. The board members are also required to ensure that kaelo tvc keeps proper accounting records which disclose with reasonable accuracy the financial position of kaelo tvc. The board members are also responsible for safeguarding the assets of the kaelo tvc.

The board members are responsible for the preparation and presentation of kaelo tvc financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year (period) ended on June 30, 2024 This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the kaelo tvc;
- (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) Safe guarding the assets of kaelo 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 Institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act 2013 .The board members are of the opinion that kaelo tvc financial statements give a true and fair view of the state of kaelo tvc transactions during the financial year ended June 30june, 2024 and of the Institute's financial position as at that date. The board members further confirm the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of kaelo tvc financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

Kaelo tvc financial statements were approved by the Board on 24/04/2025
signed on its behalf by:



.....
Name Patrick muthee
Chairperson of the Board/Council



.....
Name Cecilia mwongera
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kaelo Technical and Vocational Training College set out on pages 1 to 28, which comprise of the statement of financial

position at 30 June, 2024, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the 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 Kaelo Technical and Vocational Training 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. Unconfirmed Property, Plant and Equipment

The statement of financial position and as disclosed in Note 17 to the financial statements reflects property, plant and equipment balance of Kshs.92,810,657 which includes land, buildings and computers balances of Kshs.15,000,000, Kshs.50,000,000 and Kshs.4,268,828 respectively. However, valuation certificate for the college land was not provided for audit. In addition, as at the time of audit, Management had not acquired the title deed for the land on which the college is built and operates contrary to the requirement of Section 4.9 of the National Treasury policy on Asset and Liability Management in the Public Sector, 2020.

Further, Management did not have documentation on the historical cost of the main building hosting administration, classes and computer lab. No evidence on efforts to obtain the information from the mentor institution or intention to revalue the building was provided.

The property, plant and equipment balance further include computers amounting to Kshs.6,960,000 donated during the year under review. However, Management did not provide any documented information on donated the computers, including purchase price and installation cost. Additionally, there was no evidence of market survey on which the Management relied to value the computers.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.69,268,828 could not be confirmed.

2. Unsupported Revaluation Reserve Balance

The statement of changes in net assets reflects revaluation gain balance of Kshs.57,545,883. However, valuation certificate was not provided for audit.

In the circumstances, the accuracy and completeness of the revaluation gain balance of Kshs.57,545,883 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amount of Kshs.51,966,600 and Kshs.28,621,358 respectively resulting to under-funding of Kshs.23,345,242 or 45% of the budget. Similarly, the College spent Kshs.18,978,298 against actual receipts amount of Kshs.28,621,358 resulting into under-utilization of 9,643,060 or 34% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved prior year matters

In the audit report of the previous year, several issues were raised under report on financial statements and report on lawfulness and effectiveness in use of public resources. However, management had not resolved the issues as at 30 June, 2024.

Other Information

The Management is responsible for the Other Information set out on page ii to xxv which comprise of college information and Management, Chairman's Statement, Report of the Chief Principal, Statement of Performance against the College's predetermined Objectives, Corporate Governance Statement, Management Discussion and analysis, environmental and sustainability reporting, Report of the Council of Governors and the statement of Council's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit of 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 and 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 matter described in the Basis for Conclusion on 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

Non-Compliance with Law on Staff Ethnic Composition

Review of payroll records revealed that fifteen (15) or 71% of the twenty-one (21) PSC staff belonged to the dominant ethnic community in the County. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public offices shall seek to represent the diversity of people of Kenya in employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

Audit revealed that the College had not established an internal audit department to carry out internal audit functions contrary to Section 73(1)(a) of the Public Finance Management Act, 2012. The College was at the time of audit outsourcing internal audit services. However, the Management did not provide a Memorandum of Understanding or contract with the outsourced internal auditor.

In the circumstances, audit could not verify the validity of internal audit reports on the institution processes.

2. Failure to Stagger Appointment and Re-appointment of Members of Board of Governors

The statement of financial performance, as disclosed in Note 11 to the financial statements, reflects Kshs.493,000 in respect of Board of Governors' remuneration. However, review of file of Members of Board of Governors revealed that Cabinet Secretary's appointment of members of the Board of Governors was done on the same date of 18 January, 2023, the appointment of Members of the Board of Governors was not staggered.

In the circumstances, since terms of all the appointed members are bound to expire at the same time, this may significantly endanger continuity in the affairs of the Board.

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

Responsibilities of the Management and the Board of Management

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

In preparing the financial statements, Management is responsible for assessing the College's, ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to 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 Management is responsible for overseeing the College's, financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I 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

05 May, 2025

Kaelo Technical And Vocational Training 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	30th June 2024	30th June 2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	15,025,937	3,784,000
Transfers from other levels of government	7	1,135,800	
		16,161,737	3,784,000
Revenue from Exchange transactions			
Rendering of services- fees from students	8	12,310,279	9,563,920
Revenue from Exchange transactions		12,310,279	9,563,920
Total Revenue		28,472,016	13,347,920
Expenses			
Use of goods and services	9	14,644,116	5,711,084
Employee costs	10	3,372,262	2,782,194
Board /Council Expenses	11	493,000	843,560
Depreciation and amortization expense	12	6,055,685	6,729,528
Repairs and maintenance	13	468,920	106,200
Contracted services			528,000
Total Expenses		25,033,983	16,700,566
Total Other Gains/(Losses)			
Net surplus/(deficit) for the year		3,438,033	(3,352,646)

(The notes set out on pages 1 to 28 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 28 were signed by:



.....
Patrick Muthee
Chairman of Council/Board

Date 24/04/2025



.....
Cecilia Mwangera
Principal

Date 24/04/2025



.....
Moses Kainga
Finance Officer

ICPAK No 26984

Date 24/04/2025

Comparative FY refers to the financial year preceding the current year.

Kaelo Technical And Vocational Training College
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15. Statement of Financial Position as At 30th June 2024

Description	Notes	30th June 2024	30th June 2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	14	6,123,101	969,995
Current portion of receivables from exchange transactions	15(a)	9,791,001	3,681,605
Inventories	16	77,414	
Total Current Assets		15,991,516	4,651,600
Non-Current Assets			
Long term receivables from exchange transactions			826,760
Property, plant, and equipment	17	92,810,657	42,455,799
Biological Assets	18	2,111,300	
Total Non-Current Assets		94,921,957	43,282,559
Total Assets (A)		110,913,473	47,934,158
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	19	3,862,636	2,163,725
Refundable deposits from customers	20	460,000	162,000
Total Current Liabilities		4,322,636	2,325,725
Total Liabilities (B)		4,322,636	2,325,725
Net Assets (A-B)		106,590,836	45,608,433
Represented By:			
Revaluation Reserves		110,598,669	53,054,300
Accumulated Surplus		(4,007,833)	(7,445,866)
Net Assets		106,590,836	45,608,434

The Financial Statements set out on pages 1 to 28 were signed by:





.....
Patrick Muthee
Chairman of Board

.....
Cecilia Mwongera
Principal

.....
Moses Kainga
Finance Officer
ICPAK No 26984
Date 24/04/2025

Date 24/04/2025

Date 24/04/2025

Comparative FY refers to the financial year preceding the current year.

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

Description	Revaluation reserve	Accumulated Fund	Total
At July 1, 2022 (previous year)	52,268,060	(4,093,220)	48,174,840
Revaluation gain	784,726	0	784,726
Surplus/(deficit) for the year	-	(3,352,646)	-3,352,646
At June 30, 2023	53,052,786	(7,445,866)	45,606,920
At July 1, 2023 (current year)	53,052,786	(7,445,866)	45,606,920
Revaluation gain	57,545,883		57,545,883
Surplus/(deficit) for the year		3,438,033	3,438,033
At June 30, 2024	110,598,669	(4,007,833)	106,590,836

Kaelo Technical And Vocational Training 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		30th June 2024	30th June 2023
	Not e	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	15,025,937	3,784,000
Transfers from other levels of government	7	1,135,800	
Rendering of services- fees from students	8	12,459,621	9,563,920
Total Receipts		28,621,358	13,347,920
Payments			
Use of goods and services	9	14,644,116	5,711,084
Employee costs	10	3,372,262	2,728,194
Board /Council Expenses	11	493,000	843,560
Repairs and maintenance	13	468,920	106,200
Contracted services			16,240
Total Payments		18,978,298	9,405,278
Net Cash Flows from operating activities	22	9,643,061	3,942,642
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		4,489,955	4,019,513
Total Cash flows from investing activities		4,489,955	4,019,513
Net Increase/(Decrease) in Cash and Cash equivalents		5,153,106	(76,871)
Cash and Cash equivalents at 1 JULY 2024	14	969,995	1,046,866
Cash and Cash equivalents at 30 JUNE 2024	14	6,123,101	969,995

Kaelo Technical And Vocational Training College
Annual Report and Financial Statements for the year ended 30th June 2024

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Rendering of services- fees from students+	18,494,000	13,665,600	32,159,600	12,945,126	19,214,474	60
Transfers from other National Government entities	21,000,000	(15,000,000)	6,000,000	8,525,937	(2,525,937)	(42)
Income from school farm	100,000	-	100,000	48,345	51,655	52
Registration of students and kuccps	1,360,000	-	1,360,000	601,950	758,050	56
Drilling of borehole	4,438,361	(4,438,361)	-	-	-	
Construction of perimeter wall	4,566,479	633,521	5,200,000		5,200,000	100
Computer packages	1,200,000	(1,053,000)	147,000		147,000	100
Grants	57,000,000	(50,000,000)	7,000,000	6,500,000	500,000	7
Total Income	108,158,840	(56,192,240)	51,966,600	28,621,358	23,345,242	45
Expenses						
Use of goods and services	101,132,492	(56,243,836)	44,888,656	14,644,116	30,244,541	67
Employee costs	4,089,348	51,596.00	4,140,944	3,372,262	768,682	19
Board /Council Expenses	2,317,000		2,317,000	493,000	1,824,000	79
Repairs and maintenance	620,000		620,000	468,920	151,080	24
Total Expenditure	108,158,840	(56,192,240.00)	51,966,600	18,978,298	32,988,303	63
Surplus For the Period	-	-	-	9,643,061	(9,643,061)	

(Budget notes)

1. This is because some of our trainees did not receive government scholarship
2. Some of our trainees did not receive capitation from the government
3. The depreciation of 6,055,685 included in the performance is not included in the budget comparison

19. Notes to the Financial Statements

1. General Information

Kaelo tvc is established by and derives its authority and accountability from TVT Act 2013. Kaelo tvc is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is training.

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 kaelo tvc 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 8. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *kaelo tvc*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act, the TVET Act 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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.

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

Standard	Effective date and impact:
IPSAS 43: Leases	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 45: Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>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</p> <p>17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g.</p> <p>Valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets. <i>State the expected impact of the standard to the Entity if relevant</i></p>
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>

	<p>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.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></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.</p> <p>This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></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> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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The original budget for FY 2023/2024 was approved by the Council or Board on **09/09/2022**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of **10,245,250** on the FY 2023/2024 budget following the Council/ Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page **1** under section **xxx** of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service

potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

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

g) Intangible assets

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

h) Research and development costs

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

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

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

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

Kaelo 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.

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

Inventories (Continued)

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

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of kaelo tvc.

k) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate

can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

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

l) Social Benefits

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

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

Kaelo tvc provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further

contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

o) Foreign currency transactions

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

p) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

q) Related parties

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

r) Service concession arrangements

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

Kaelo tvc also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

s) Cash and cash equivalents

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

t) Comparative figures

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

u) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Kaelo tvc based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

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

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6. Transfers from other National Government entities

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	8,525,937	2,784,000
Operational Grant	1,500,000	1,000,000
Development grants	5,000,000	
Total unconditional Grants	15,025,937	3,784,000

(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	2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of technical training	10,025,937	-	5,000,000	15,025,937	3,784,000
Total	10,025,937	-	5,000,000	15,025,937	3,784,000

The details of the reconciliation have been included under appendix ii

7. Transfers from Other Levels of Government

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Transfer from County gvts and other bursaries	1,135,800	
Total Transfers	1,135,800	

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8. Rendering of Services

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Tuition Fees	10,572,304	7,154,420
Activity Fees	86,800	158,800
Industrial Attachment Fees	87,000	164,000
Examination Fees	951,230	1,019,250
Computer packages	58,800	64,200
Kuccps	178,500	466,500
Students Id	59,500	163,000
Facilities And Materials	97,800	244,750
Registration Fees	60,000	164,000
Income from farm	48,345	
Income from short courses	110,000	
Total Revenue from The Rendering of Services	12,310,279	9,598,920

9. Use of Goods and Services

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Training materials	2,055,717	641,945
Local travel	1,778,632	771,920
Exam	1,911,710	1,094,180
Security	768,000	-
Administration expense	1,403,985	332,010
General expense		61,800
Training and workshop	314,075	319,800
Staff meals	518,699	319,125
Registration expense	42,500	-
Jitume lab	1,425,191	-
Delivery and postage	8,391	115,805
Stationary	784,810	263,885
Sport activities	1,296,865	686,270
E,w,c	316,751	247,729
Internet and networking	514,675	102,385

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Airtime	127,700	-
Subscriptions and registration	395,700	157,700
Insurance		1,850
Farm expense	63,255	57,550
Students Id	52,500	61,800
Advertising Marketing	418,261	373,320
Students welfare	228,535	-
Auditing services	61,000	11,000
Attachment expense	111,253	51,610
Bank charges	45,911	39,400
Total good and services	14,644,116	5,711,084

10. Employee Costs

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Salaries and wages	2,699,581	2,399,163
Nhif	102,200	91,113
Nssf	362,447	246,472
Paye	63,206	18,820
Housing levy	17,970	-
Helb remittance	124,558	26,626
Nita levy	2,300	
Employee Costs	3,372,262	2,782,194

11. Board Expenses

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Directors Emoluments	493,000	843,560
Total	493,000	843,560

12. Depreciation and Amortization expense

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Property, plant and equipment	6,055,685	6,729,528
Total depreciation and amortization	6,055,685	6,729,528

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13. Repairs and Maintenance

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Total Repairs and Maintenance	468,920	106,200
Total Repairs and Maintenance	468,920	106,200

14. Cash and Cash Equivalents

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Current Account	3,949,152	933,148
development account	2,161,084	
cash at hand	12,865	36,847
Total Cash and Cash Equivalents	6,123,101	969,995

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

Financial Institution	Account number	30th June 2024	30th June 2023
		Kshs	Kshs
a) Current Account			
Equity development account	1040279526436	2,161,084	
Equity Bank, etc.	1040278877247	3,949,152	933,314
Sub- Total		6,110,236	933,314
Cash in Hand		12,865	36,847
Sub- Total		12,865	36,847
Grand Total		6,123,101	969,995

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Current Receivables		
Student Debtors	9,791,001	3,681,605
Total Current Receivables	9,791,001	3,681,605

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16. Inventories

Description	30th June 2024	30th June 2023
Consumable stores	77,414	
Total Inventories at lower of Cost and Net Realizable Value	77,414	

17. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Biological Asset	Water Tank	Total
			2.00%	12.50 %	30%	12.50 %		8%
At 1 July 2022 (previous year)		136,233	901,917	513,916	44,954,077	45,000	76,176	46,627,319
At 30 th June 2023 (previous FY)		136,233	901,917	513,916	44,954,077	45,000	76,176	46,627,319
Additions	15,000,000	52,865,916	-	6,960,000	25,000	2,066,300		76,917,216
At 30 th June 2024 (current year)	15,000,000	53,002,149	901,917	7,473,916	44,979,077	2,111,300	76,176	123,544,535
Depreciation And Impairment								-
At 1 July 2022 (previous year)	-	3,493	133,188	808,738	15,711,976		13,824	16,671,219
Depreciation	-	3,406	112,740	154,175	5,619,260		6,094.08	5,895,674
At 30 Jun 2023 (current year)		6,899	245,928	962,913	21,331,236	-	19,918	22,566,893
Depreciation	-	1,059,905	81,999	1,953,301	2,955,980	-	4,501	6,055,685
At 30 th Jun 2024 (current year)	-	1,066,804	327,926	2,916,214	24,287,216	-	24,419	28,622,578
Net Book Values	15,000,000	51,935,345	573,991	4,557,702	20,691,861	2,111,300	51,757	94,921,957
At 30 th Jun 2023 (previous year)	-	136,233	911,411	483,822	40,854,251		70,082	42,455,799
At 30 th Jun 2024 (current year)	15,000,000	51,935,345	573,991	4,557,702	20,691,861		51,757	92,810,657

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17 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	15,000,000	-	15,000,000
Buildings	53,002,149	1,066,804	51,935,345
Plant And Machinery	44,979,077	24,287,216	20,691,861
Water tank	76,176	24,419	51,757
Computers and Related Equipment	7,473,916	2,916,214	4,557,702
Office Equipment, Furniture, And Fittings	901,917	327,926	573,991
Total	121,433,235	28,622,578	92,810,657

18. Biological Assets

Description	30th June 2024	30th June 2023
	Cattle	60,000
Trees	2,051,300	
Total	2,111,300	

19. Trade and Other Payables

Description	30th June 2024		30th June 2023	
	Kshs	% of the Total	Kshs	% of the Total
Trade payables	2,629,393		1,498,965	
Fees paid in advance	767,403		664,760	
Salary advance	5,840			
Caution money	460,000			
Total Trade and Other Payables	3,862,636.26		2,163,725.00	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	3,862,636	100%	2,163,725	100%

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1-2 years			
2-3 years			
Over 3 years			
Total (to tie to totals above)	3,862,636		2,163,725

20. Refundable Deposits from Customers/Students

Description	30th June 2024		30th June 2023	
	KShs		KShs	
caution money	460,000		162,000	
Total Deposits	460,000		162,000	
Ageing analysis:	Current FY	% of the Total	30th June 2023	% of the Total
Under one year	460,000	100%	162,000	100
Over 3 years		%		
Total (to tie to totals deposits above)	460,000	%	162,000	

21. Payments received in advance.

Description	30th June 2024		30th June 2023	
	KShs		KShs	
Fees received in advance	767,403		664,197	
Others (Specify)				
Total	767,403		664,197	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	767,403	100%	664,197	100
1-2 years				
2-3 years				
Over 3 years				
Total	767,403		664,197	

22. Events After The Reporting Period

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

23. Ultimate And Holding Entity

The entity is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of education. Its ultimate parent is the Government of Kenya.

24. Currency

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

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

.....

Name
Accounting Officer
(Enter title of Head of entity)
Date

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Appendix II- Inter-Entity Confirmation Letter

Name of transferring entity Ministry of education State department for technical, vocational education

Name of beneficiary entity... Kaelo technical and vocational training college

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
4378	18/01/2024	500,000		500,000	grants
4376	2/2/2024	500,000		500,000	grants
4380	5/10/2024	1,358,000		1,358,000	capitation
4382	18/01/2024	1,431,500		1,431,500	capitation
4383	2/2/2024	1,636,000		1,636,000	capitation
4504	2/2/2024	5,000,000		5,000,000	enhanced capitation
4379	5/10/2024	500,000		500,000	grants
4764	27/02/2024	80,627		80,627	scholarship
4386	5/2/2024	4,019,810		4,019,810	scholarship
Total		15,025,937		15,025,937	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date 24/04/2024

Head of Accounts Department - Beneficiary Entity:

Name Sign Date...24/04/2024