

REPUBLIC OF KENYA



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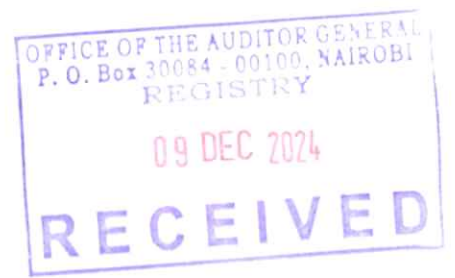
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**THE AUDITOR-GENERAL**

ON

**TECHNICAL AND VOCATIONAL  
EDUCATION AND TRAINING  
AUTHORITY**

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



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**TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2024**

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

***TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY***  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024.**  
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**1. Acronyms, Abbreviations and Glossary of Terms**

**A: Acronyms and Abbreviations**

AGPO	Access to Government Procurement Opportunities
ARC	Audit and Risk Committee
BeTA	Bottom-up Economic Transformation Agenda
CEO	Chief Executive Officer
CBET	Competence Based Education and Training
CBETA	Competence Based Education Training and Assessment
CBK	Central Bank of Kenya
DG	Director General
FGPC	Finance and General-Purpose Committee
GPA	Group Personal Accident
HR	Human Resource
ICPAK	Institute of Certified Public Accountants of Kenya
IEC	Information Education and Communication
IPSAS	International Public Sector Accounting Standards
KJ of TVET	Kenya Journal of TVET
KRA	Key Result Area
MTP	Medium Term Plan
NP	National Polytechnic
NT	National Treasury
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
ODeL	Open Distance and e-learning
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
PSPMU	Public Service Performance Management Unit
PWPER	Presidential Working Party on Education Reforms
QA	Quality Assurance
QMS	Quality Management System
RPL	Recognition of Prior Learning
SAGAs	Semi-Autonomous Government Agencies

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SC	State Corporations
TC	Technical Committee
TVC	Technical and Vocational College
TVET	Technical and Vocational Education and Training
TVETA	Technical and Vocational Education and Training Authority
TQF	Trainer Qualification Framework
VTC	Vocational Training Centre
WIBA	Work Injury Benefit Act

**B: Glossary of Terms**

**Fiduciary Management:** Members of Management directly entrusted with the responsibility of financial resources of the organisation

**Comparative Year:** Means the prior period.

**Accreditation:** Process by which the Board formally recognizes and confirms by certification that an institution has met and continues to meet the standards of academic, training and competence excellence set by the Board in accordance with the provisions of the TVET Act, 2013.

**Quality Audit:** Methodical examination of TVET institutions' quality to assure conformance to Quality Standards

**Quality Assurance:** The processes of ensuring that specified standards or requirements for teaching, learning, education administration, assessment and the recording of achievements have been met.

**Almanac:** Board calendar of activities

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**2. Key Authority Information and Management**

**(a) Background information**

The Technical and Vocational Education and Training Authority (TVETA) is a State Corporation established by the Technical and Vocational Education and Training (TVET) Act No 29 of 2013 (*Kenya Gazette Supplement* No. 44) which commenced on 24 June 2013. TVETA's mandate is to regulate and coordinate the TVET sector through accreditation of institutions, programs and trainers as well as assure quality, access, equity and relevance in training; development and enforcement of standards, regulations and guidelines. TVETA is domiciled in the Ministry of Education, State Department for Technical, Vocational Education and Training.

**(b) Principal Activities**

**Vision Statement**

To deliver competent workforce for sustainable development

**Mission Statement**

To develop a TVET system that meets national needs and aspirations.

**Strategic Objectives**

The Authority is currently operationalizing the following strategic objectives:

- Enhance TVET quality and relevance
- Promote access, equity and Inclusivity in TVET
- Strengthen governance and management
- Mobilize financial resources for the Authority
- Enhance efficiency in service delivery through Technology integration.

Section 7 of the TVET Act, 2013 gives the powers and functions of the Authority. The Authority's functions are therefore to inter alia:

- i) Regulate and coordinate training under TVET Act, 2013;
- ii) Inspect, register and license training institutions.
- iii) Accredite and inspect programmes and courses.
- iv) Assure quality and relevance in programmes of training.
- v) Prescribe the minimum criteria for admission to training institutions and programmes to promote access, equity and gender parity.
- vi) Collect, examine and publish information relating to training.
- vii) Determine the national technical and vocational training objectives.
- viii) Recognize and equate qualifications awarded by local or foreign technical and vocational education institutions in accordance with the standards and guidelines set out by the Authority from time to time; and

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- ix) Undertake, or cause to be undertaken, regular monitoring, evaluation and inspection of training and institutions to ensure compliance with set standards and guidelines.
- x) Advise and make recommendations to the Cabinet Secretary on all matters related to training.
- xi) Promote access and relevance of training programmes within the framework of the overall national socio-economic development plans and policies.
- xii) Develop plans, and guidelines for the effective implementation of the provisions of this Act;
- xiii) Establish a training system which meets the needs of both the formal and informal sectors as provided under this Act.
- xiv) Advise on the development of schemes of service for trainers.
- xv) Liaise with the national and county governments and with the public and the private sector on matters relating to training.
- xvi) Mobilize resources for development of training.
- xvii) Ensure the maintenance of standards, quality and relevance in all aspects of training, including training by or through open, distance and electronic learning (ODEL)

**(c) Key Management**

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

- The Board of Directors
- The Director General/ Chief Executive Officer
- Heads of Directorates/Sections

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Director General	Dr. Kipkirui Langat
2.	Director Accreditation & Outreach Services	Fred Oanda
3.	Director Strategy, Planning & Research	Timothy Nyongesa
4.	Ag. Director Standards, Compliance & Enforcement	Dr. Paul Wanyeki
5.	Deputy Director Finance and Accounts	CPA. Emmanuel Korir
6.	Ag. Corporation Secretary/ Deputy Director Legal Services	Sylvia Akoto
7.	Senior Internal Auditor	CPA. David Njoroge

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**Key Authority Information and Management (continued)**

**(e) Fiduciary Oversight Arrangements**

The Authority has 3 Board Committees:

- Technical Committee
- Finance and General-Purpose Committee
- Audit and Risk Committee

**i. Technical Committee**

The roles and responsibilities of the technical committee includes:

- Recommending formulation of policies for sound management.
- Review and make recommendations to the Board quarterly reports on the core mandate, strategies and the progress of the implementation of the Strategic Plan 2023 – 2027.
- Recommending for review TVET training regulations, standards and guidelines.
- Recommending for approval of qualifications awarded by local or foreign technical and vocational education institutions.
- Ensure implementation of quality management systems.
- Such other duties or functions as may be assigned by the Board, which are relevant to the Authority's core mandate.

**ii. Finance and General-Purpose Committee**

The Committee has the responsibility to review and recommend to the Board:

- Proposed annual work plan, procurement plan and budget.
- Progress of implementation of the strategic plan and performance contract.
- Quarterly financial performance of the Authority before submission to the Ministry of Education and The National Treasury.
- Annual financial reports before submission to the Ministry of Education, The National Treasury and Office of the Auditor General
- Disposal of assets as set out in the Public Procurement and Assets Disposal Act.
- The Organizational structure and ensure it meets the needs of the organisation and strategy
- Systems to ensure sound public financial management and internal controls, policies, laws, regulations, procedures, plans and ethics

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**iii. Audit and Risk Committee**

The committee has the following responsibility:

- Evaluate adequacy of management procedures with regard to issues relating to risk management, control and governance.
- To review and assess the adequacy and compliance of the Authority's policies and procedures for identifying, assessing and managing risks (Financial, legal, ethical, safety, reputational or other). For the purposes of this paragraph, 'risk' is defined as any circumstance that may prevent the Authority from achieving its objectives.
- Review and approve the audit charter where applicable and the internal audit annual work plans.
- Review the internal and external audit findings and recommendations and proposing corrective and preventive actions where necessary.
- Review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics.
- Initiate special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the accounting officer/CEO
- Advise the board on risk strategy: The committee will serve as a repository of information and expertise on risk and therefore advise the board on risk strategy. The committee will inform the board of risk exposure and advise the board on future risk strategies.

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**(f) Authority Contacts**

**Head Office**

P.O. Box 35625-00100  
Utalii House, 8<sup>th</sup> Floor, Utalii Street  
Nairobi, KENYA

**Mombasa Office**

NSSF Building,  
Ground Floor, Nkuruma Road

**Kisumu Office**

Reinsurance Plaza,  
2<sup>nd</sup> Floor, Oginga Odinga Street

**Eldoret Office**

KVDA Plaza,  
7<sup>th</sup> Floor, Oloo Street

**(g) Contacts**

Telephone: (254) 202392140  
Mobile: (254) 700015440  
E-mail: [info@tveta.go.ke](mailto:info@tveta.go.ke)  
Website: [www.tveta.go.ke](http://www.tveta.go.ke)

**(h) Authority Bankers**

KCB Bank Kenya Ltd.  
Kipande House Branch  
P.O. Box 30012-00100  
Nairobi, Kenya

**(i) Independent Auditor**

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

**(j) Principal Legal Adviser**

The Attorney General, State Law Office and Department of Justice  
Harambee Avenue  
P.O. Box 40112 - 00200  
Nairobi, Kenya

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**3. The Board of Directors**



**Prof. Florence Ngesa Indede (Chairperson) from 6<sup>th</sup> October 2021**

Born on 26<sup>th</sup> September 1966, Prof. Indede was appointed as the Board Chairperson on 7<sup>th</sup> October 2021. She holds a PhD degree in Kiswahili Studies from Maseno University which benefited from a DAAD scholarship studies at Bayreuth University – Germany; Master’s Degree in Kiswahili Studies and Bachelor of Education degree from The University of Nairobi.

Prof. Indede is an active participant in Dialogue for Innovative Higher Education Strategies (DIES) programs since 2003 when she underwent University Staff Development (UNISTAFF) training in Germany, and the International Deans Course (IDC) (2013/2014) in Germany and Africa. She was the National Chairperson of Kenya DAAD Scholars Association (KDSA) since 2015 – 2019 having been the Vice Chairperson of KDSA from 2009-2015. Prof. Indede is actively involved in research, national and international collaboration and partnership.

She is also the coordinator of collaborative activities between Maseno University- Kenya and Linnaeus University-Sweden since 2012. Prof. Indede was the Chairperson MAGAART publication Committee and Chief Editor Globe Special Issue 2018: A Journal of Language, Culture and Communication. She has successfully organised and participated in local, national and international seminars, workshops and conferences. She has Successfully taught, supervised and graduated several undergraduate, master’s and PhD candidates and has had immense contribution to the community. She was the Chairperson Kima Integrated Community Initiative Program (NGO) from 2005 –2016 and served on several school boards of Management.



**Dr. Esther Gacicio (Independent Director-Chair Finance General-Purpose Committee)**

Born on 7<sup>th</sup> June 1970, Dr. Esther Gacicio was appointed to the Board on 26<sup>th</sup> June 2020. She is an Edtech Consultant & Co-Founder of eLearning Solutions (eLS), a company leveraging on digital technology to design, deliver and deploy learning and training solutions, across the spectrum, to the youth, institutions and corporates.

She holds a doctorate degree in ICT in Education and Master’s from University of Nairobi, Bachelor’s degree in education from Moi University and a Graduate Diploma in Leadership

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Development in ICT and Knowledge Society from the Dublin City University, Ireland. She is trained and certified in New Learning Technologies by tele-akademia and in eLearning Technology by University of Colombo School of Computing, Colombo, Sri Lanka. She has also undergone the Strategic Leadership Development Program (SLDP) by Kenya School of Government in 2011.

Esther is a former and a long serving employee of the Kenya Institute of Curriculum Development (KICD) where she rose through the ranks to Senior Assistant Director specializing in education technology. She is an accomplished eLearning Specialist, Instructional and Curriculum Designer, Trainer/Facilitator with experience spanning over 25 years with passion for digital literacy systems and their impact in education and capacity building. Esther was involved in the development of the Competency Based curriculum (CBC) and served as a member of secretariat for the taskforce on enhancing access, relevance, transition, equity and quality for effective curriculum reforms and implementation of CBC.

She holds several accolades among them Global Award for Excellence in eLearning at the World Education Congress Global and Awards 2015 as well as the 2011 Technology in Government in Africa (TIGA) Award by United Nations Economic Commission of Africa (ECA) and was a finalist at the Africa Prize for Engineering Innovation 2017/2018; a program ran by Royal Academy of Engineering United Kingdom. She is also a Metis Fellow having successfully completed the Metis Fellowship Programme in 2018. She led the KICD team in scooping an award for excellence in Service Delivery during the Kenya Public Service Day 2017 for the Kenya Education Cloud and again recognized for her excellence in public service innovation 2011 edition in “Development of Policy, Strategy and Leadership”.

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**Dr. Julius Kipkogei Keter (Independent Director-Chair Technical Committee)**

Born on 16<sup>th</sup> June 1975, Dr. Julius Keter was appointed to the Board on 15<sup>th</sup> March 2024. He is an accomplished academic with extensive experience in the field of Technology Education, particularly within the realm of Technical and Vocational Education and Training (TVET).

He holds a PhD in Technology Education from the University of Eldoret, his research has significantly contributed to the understanding of partnerships' influence on the quality of education in TVET institutions in Kenya. He also has a master's degrees in public administration and management, with a focus on public policy, and a Master of Philosophy in Technology Education specializing in Building and Civil Engineering and a Bachelor of Education in Technology from Moi University. Dr. Keter's scholarly work includes impactful research on public-private partnerships, accessibility of vocational training disabled individuals, and the challenges facing TVET in East Africa.

Currently he serves as a lecturer and Ag. Quality Assurance Coordinator at the Open University of Kenya, he has previously held significant roles such as the Chairman of the Department of Technology Education at Moi University and the Head of the Department of Construction Management at Kigali Institute of Science and Technology. His leadership skills were further exemplified during his tenure as Acting Dean for the Faculty of Technology and Applied Sciences at Umutara Polytechnic in Rwanda. Dr. Keter's leadership has been pivotal in pioneering the establishment of new academic programs, overseeing departmental activities, and ensuring the successful completion of numerous construction projects in Kenya and Rwanda.

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**Mr. Hassan Rajab Sumba (Independent Director - Chair Audit & Risk Committee)**

Born on 22<sup>nd</sup> October 1980, Mr. Hassan Sumba was appointed to the Board on 15<sup>th</sup> March 2024. Mr. Sumba holds a B.Sc. in Computer Science from Ajman University, UAE, MBA (Strategic Management) from University of Nairobi & currently, pursuing PhD in BA (Strategic Management).

He is a Management Strategist and a Chartered Institute Marketer with over 17 years professional experience in marketing, business development, commerce, ICT and financial services. He has worked in both the private and public sector in various designations such as Business Development Manager, Head of Commercial, Director Trade and Tourism & GM - Business. He also has a Professional Marketing Diploma (CIM) in Digital Strategy. Mr. Sumba is passionate about youth affairs and has offered various Entrepreneurship Trainings. He has mentored and trained the youth on Blue Economy, Professionalism, Digital Marketing, and Work-Life Balance.



**CPA Benson Mureithi Kinyua (Alternate to Principal Secretary, State Department for Technical, Vocational Education and Training, Ministry of Education from March 2024)**

Born on 1<sup>st</sup> January 1979, CPA Benson Mureithi Kinyua is currently serving as the Senior Deputy Accountant General at the Ministry of Education, State Department for Technical, Vocational Education and Training. He holds a Master of Science in Commerce with a specialization in finance and accounting, along with a Bachelor of Commerce degree focusing on accounting. His professional certifications include being a Certified Public Accountant of Kenya (CPAK) and a Certified Public Secretary (CPS). He is an esteemed member in good standing of the Institute of Certified Public Accountants of Kenya (ICPAK).

He has accumulated a wealth of experience in the field of finance and accounting and has over 20 years' experience in the accounting profession within the public sector. Prior to his current role, he served in various positions of responsibility across different ministries, contributing significantly to public financial management and governance. His career trajectory underscores a deep commitment to financial excellence and public service, making him a seasoned professional in the realm of governmental finance and accounting in Kenya.

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**Ms. Winnie Mwalimu (Alternate to Cabinet Secretary-National Treasury and Economic Planning)**

Born on 1<sup>st</sup> January 1971, Ms. Winnie Mwalimu was appointed to the Board on 1<sup>st</sup> August 2022. She holds a master's degree in economics, Post Graduate Diploma in Banking Management and Business Management. She has worked with the National Treasury and Planning since 2008 as an Economist and has participated in several development project cycles including mobilization of resources from the development partners, particularly the World Bank.

Ms. Mwalimu has over 20 years' experience in Treasury & Financial Management, Procurement, Budgeting and Research. She has grown through the ranks to the current position of the Principal Economist and in-charge of the World Bank Portfolio at the Resource Mobilization Department of the National Treasury. She is an active member of the Economist Society of Kenya. She has participated in several trainings including Treasury Management, Project Management, debt management & budgeting and is currently involved in inter-ministerial, ministerial & project steering committees for policy advisory. Prior to joining the Government, Ms. Mwalimu engaged on market research/Surveys as a research supervisor and analyst.

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**Eng. Dr. Edward O.V. Odhong (Independent Director-Member Technical Committee and Audit & Risk Committees)**

Born on 7<sup>th</sup> April 1968, Eng. Dr. Edward Odhong was appointed to the Board on 15<sup>th</sup> March 2024. He has over 3 decades in TVET based training and work experience in Engineering and Technology.

Eng. Dr. Edward O.V. Odhong has relevant policy formulation experience as a member of MMU senate and development of strategy as CoD in the faculty of engineering. He has a wide experience in TVET sector, having started from National Technical High School before graduating with a Diploma in Automotive Engineering from the then Kenya Polytechnic in 1991.

He holds a Bachelor of Technology, a master's degree and a PhD, all in Mechanical Engineering. Eng. Dr. Odhong has participated in TVET sector as a trainer, academician, researcher and a practicing engineer. Engineer has fit for purpose practical training, Occupational Skills and Standards accumulated over 30 years of service, best engineering practice as a licensed practicing engineer, over twelve (12) years of curriculum development expertise including development of PhD curriculum, and advanced research skills acquired continuously for over 13 years resulting in many publications in reputable journals.

Eng. Dr. Odhong is registered by Engineers Board of Kenya as professional mechanical engineer, and he is also a corporate member of the Institution of Engineers of Kenya as well as a fellow of Institution of Engineering Technologists of Kenya.

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**Ms. Elizabeth Njambi Munene Muchane (Independent Director-Member Finance & General-purpose Committee and Technical Committee)**

Born on 12<sup>th</sup> May 1961, Mrs. Njambi Muchane was appointed to the Board on 15th March 2024. Mrs. Muchane holds a Bachelor of Arts degree in Political Science and International Relations from York University Canada and a Master of Science degree in Entrepreneurship

from the Jomo Kenyatta University of Agriculture and Technology (JKUAT). She is a goal-oriented and self-driven professional with diverse experience in governance, capacity development, enterprise development, leadership, project management, and stakeholder engagement & management roles in both the public and private sector in Kenya.

She has undergone extensive training in the areas of technology assisted learning, human resource development, public administration, policy development, leadership and project management. She is a certified professional Mediator. She has had an illustrious career in both the public and private sector, spanning over twenty years and was instrumental in 2006 in the establishment of the Kenya Development Learning Centre (KDLC) under the Ministry of Public Service as part of a global network of seventeen (17) similar learning institutions in Africa, set up to leverage advanced communication technologies to facilitate inter-country technology transfer and learning across the globe.

In recognition to the distinguished services rendered to the Nation in her work at KDLC, on 12th December 2011, the President of the Republic of Kenya, conferred on Mrs. Muchane the honour of The Order of the Burning Spear M.B.S. She served at the Kenya School of Government (KSG) as the Director of the eLearning and Development Institute (eLDi) until 2015 when she was appointed as a Member of the Intergovernmental Relations Technical Committee (IGRTC).

During her tenure at the IGRTC, Mrs. Muchane served as the Chair of the Cooperation, Consultation and Human Resource & Capacity Development Thematic Area (CCC& HR) for five years and Chair of IGRTC's Dispute and Resolution Committee for three years. The objective of the committee was resolution of disputes between the Two levels of government. Mrs. Muchane also served as co-chair with the Principal Secretary, State Department of Public Service of the Interagency Technical Committee (IATC) on the implementation of the Capacity Assessment and Rationalization of the Public Service (CARPS) program.

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**Mr. Sammy Milgo (Independent Director Up to 9th October 2023- Member Technical Committee)**

Born on 20<sup>th</sup> August 1960, served as a Board member upto 9<sup>th</sup> October 2023. Mr. Milgo holds a BSc. degree in Food Science and Technology (University of Nairobi, 1984), MSc. in Food Science & Technology (State University of Gent, Belgium, 1997), Advanced Certificate in Quality Management (Singapore, 2000) and Executive master's in business administration (MBA - Strategic Management option) (Moi University, 2012) and pursuing a PhD in Climate Change and Adaptation (PhD - CCA) Institute of Climate Change and Adaptation, from the University of Nairobi.

Sammy has over nineteen (19) years' experience in Standardization (Standards, Metrology & Quality Assurance), and Conformity Assessment (Inspection, Testing, Certification, Proficiency Testing) activities having worked for the National Standards Body KEBS, in various functional areas and rising from the position of Assistant Quality Assurance Officer (1985) to Managing Director/CEO of Kenya Accreditation Service (KENAS), a statutory organization of government that reports to the Ministry of Industry, Trade and Cooperatives (MOITC).



**Mr. Burua Sanga (Independent Director up to 9th October 2023 - Chair Technical Committee)**

Born on 1<sup>st</sup> January 1970, Mr. Burua served upto 9<sup>th</sup> October 2023. He was the serving as Business Development Manager at Centum Learning Limited based in Nairobi. He Holds a BSc (Hons) Mechanical Engineering from Jomo Kenyatta University of Agriculture and Technology (JKUAT) and MSc. in Human Resource Development and Performance Management from the University of Leicester, UK.

He has over 20 years of experience in the Oil and Gas industry, with a broad wealth of experience in People Leadership, Performance Supervisory Essentials, Emotional Intelligence, Competence Observation, GAP Analysis, Assessment & verification, and Competence Assurance Management system- CAMS Assessor in the Oil, Gas and Petrochemical industry. His experience was drawn from the Kenya Petroleum Refineries Limited (KPRL), where he served as Refinery Operator and later as Mombasa Terminal Superintendent with Caltex Oil. Thereafter, he took on the role of SOP and Training Specialist with Chevron for East & West Africa, before relocating to the middle East,

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where he worked with SABIC in Saudi Arabia, as well as ADNOC in Abu Dhabi, UAE at BOROUGE Petrochemical.

In his leadership roles, Sanga has initiated the design and delivery of a tailor-made coaching and mentorship program and made it available to coaches/mentors/SMEs to help support employees' development, with the structures, procedures, skills and tools to effectively support the development programs.



**CPA Joseph Kiraita (Alternate to Principal Secretary, State Department for Vocational and Technical Training up to February 2024 (Finance & General-Purpose Committee & Technical Committee))**

Born in January 1960, CPA Kiraita is the Deputy Accountant General at the Ministry of Education (State Department for Technical, Vocational Education and Training). He holds Master of Business Administration Degree (MBA - Entrepreneurship) and Bachelor of Commerce (Hons.)

Degree from KCA University. Mr. Kiraita is a CPA(K) holder of good standing and a registered member of the Institute of Certified Public Accountants of Kenya (ICPAK).

He is a certified Information Systems Auditor (CISA) and holds a certificate in project management (Swaziland). CPA Kiraita has over 30 years' experience as an accountant in the public sector. Prior to his appointment as the Deputy Accountant General in the State Department of TVET, CPA Kiraita worked in various Ministries where he rose through the ranks.



**Dr. Kipkirui Langat (Director General/CEO)**

Born on 19<sup>th</sup> March 1972, Dr. Langat was appointed the first Director General of TVET Authority on 30th April 2015. He holds Bachelor of Education in Technology Education, Master of Philosophy in Technology Education (Automotive Technology) and Master of Business Administration (Strategic Management) all from Moi University, and Doctor of Philosophy in Engineering Systems and Management from Egerton University. He is a fellow member of Institution of Engineering Technologists and Technicians (IET) of Kenya and has widely published in the areas of transport emissions and TVET.

He has a wealth of experience from both public and private sector. He has close to 20 years' experience in TVET sector having joined Rift Valley Training Institute as Assistant lecturer in the Department of Automotive Engineering in 1996. He was promoted to a position of lecturer and

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appointed head of Department in 1998. He joined Eldoret Polytechnic in 2002 as a lecturer in the Department of Mechanical Engineering before being appointed Deputy Dean of students a year later. In 2004 he joined Egerton University as a lecturer in the Department of Industrial and Energy Engineering. While in Egerton University, he was instrumental in implementation and reviewing Bachelor of Industrial Technology programme where he was programme coordinator, and Examination and Timetabling officer until 2008. In 2009, he was appointed programme coordinator for Twinning Programme between Western Michigan University, USA and Egerton University. He was also among a team of experts who developed Bachelor of Technology in Mechanical Engineering and Bachelor of Philosophy in Mechanical Engineering at the Technical University of Kenya. He was a subject panel for Diploma and Higher National Diploma in Mechanical Engineering between 1999 and 2004 at Kenya Institute of Education.

In the last 10 years, Dr. Langat has been working with United Nations Environment Programme (UNEP) in developing policies and guidelines for transport emissions in East Africa Region. He was instrumental in the training of motor vehicle inspectors in Kenya and Rwanda. Since 2014, he has been advising East African Community in harmonization of standards for importation of used motor vehicles in the region. He is a member of Technical Committee on Road Transport Standards at the Kenya Bureau of Standards and a consultant for Boston Garage Equipment UK since 2007.



**CS. Sylvia Akoto (Ag. Corporation Secretary/ Deputy Director-Legal Services)**

CS. Sylvia Akoto is the Ag. Corporation Secretary /Deputy Director Legal Services. Ms. Akoto holds a Bachelor of Laws (LLB) Degree from Moi University, a Post Graduate Diploma in Law from the Kenya School of Law and an Executive Master of Business Administration Degree from JKUAT. Ms. Akoto is an Advocate of the High Court of Kenya, Commissioner of Oaths, a member of the Law Society of Kenya (LSK), a Certified Secretary and a member of the Institute of Certified Secretaries (ICS). Ms. Akoto has the responsibility of driving the Authority's corporate governance agenda, providing legal advice, and support to the Board, Board Committee's and Management to facilitate effective strategy execution.

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**4. Key Management Team**



**Dr. Kipkirui Langat, PhD. FIETK-Director General/CEO**

The Director General is the Chief Executive Officer and the accounting officer and oversees the day-to-day operations of the Authority. He provides visionary leadership in the management of the Authority and is responsible for operations in accordance with the policies specified by the Board. He holds a PhD in Engineering Systems and Management Executive master's in business administration, Master of Philosophy in Technology Education (Automotive Technology), Bachelor of Education (Technology Education). He is a member of Institute of Engineering Technologist and Technicians of Kenya.



**Mr. Fred Oanda- Director Accreditation and Outreach Services**

The Head of Accreditation and Outreach Services oversees accreditation of institutions, trainers, TVET recruitment agencies and training programmes; recognition and equation of TVET qualifications and outreach services. He holds a Master of Science in Information Science, Bachelor of Science in Agricultural Engineering and Diploma in Technical Education. He is a member of Engineering Technologists of Kenya.



**Mr. Timothy Nyongesa -Director Strategy, Planning and Research**

The Head of Strategy, Planning and Research offers a focal point for interpretation of the Authority's mandate and coordination of aspirations in light of national and international policy and legislative frameworks as informed by research. He is in-charge of coordinating planning and policy advisories; initiating and engaging in development of innovative projects; undertaking research and publishing information on TVET. He holds Master of Science in Library and Information Science, Bachelor of Science in Information Science, Post Graduate Diploma in Education, Senior Management Course (SMC), Strategic Leadership Development Program (SLDP)

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**Dr. Paul Wanyeki -Ag. Director Standards Development, Compliance and Enforcement**

The Head of Standards Development, Compliance and Enforcement is responsible for development and review of standards and guidelines, monitoring training for quality assurance and enforcement of compliance with standards. Standards development involves the establishment of benchmarks, requirements and guidelines that must be met by TVET institutions, programs, and trainers to be considered credible and of high quality. Compliance and enforcement involve conducting of periodic quality audits to TVET providers to ascertain whether they operate within the applicable standards and legal frameworks. Dr. Wanyeki holds a PhD in Educational Technology, a Master of Education in Technology Education (Mechanical and Automotive Technology) and a Bachelor of Education in Technology Education.



**CPA Emmanuel Korir -Deputy Director Finance and Accounts**

The Head of Finance and Accounts develops and reviews financial policies and procedures to enhance internal controls as well as ensuring compliance with relevant laws, regulations and procedures in management of financial resources, the office also prepare financial reports to management and advising on financial implications and consequences of management decisions. He holds Master of Business Administration Bachelor of Business Management (Finance & Banking) Strategic Leadership Development Program (SLDP) Senior Management Course (SMC) Collective Bargaining in Public Service. He is a member of Institute of Certified Public Accountants of Kenya (ICPAK)



**CPA David Njoroge-Internal Auditor**

The Head of Internal Audit develops and ensures implementation of Audit strategies, policies and procedures, prepares risk based annual audits and evaluates progress and effectiveness of action taken to implement audit recommendations received from both internal and external audits. He holds Master of Business Administration, Bachelor of Commerce Degree Strategic Leadership Development Program (SLDP), Senior Management Course (SMC). He is a member of Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Internal Auditors (IIA)

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**CS. Sylvia Akoto -Assistant Director Legal Services)**

The head of Legal Services has the responsibility of driving the Authority's corporate governance agenda, providing advisory services and support to the Board, Board Committee's and Management to facilitate effective strategy execution. She holds Executive Master's in Business Administration, Bachelor of Law (LLB), Post Graduate Diploma in Law and Senior Management Course (SMC). She is a member of the Law Society of Kenya (LSK) and a Certified Secretary with the Institute of Certified Secretaries (ICS).

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**5. Chairperson's Statement**

The Financial Year 2023/2024 has been a pivotal period for the Authority as we marked the first year of implementing Strategic Plan 2023-27 amid a few hiccups that were occasioned by fiscal challenges and a volatile political environment towards the end of the year. In the course of the year, the government directed ministries and State agencies to reduce their 2023/2024 budgets by 10 percent to align expenditure with available resources amidst a global economic downturn. Part of the austerity measures included restriction to non-essential travel by State officers to reduce government spending amid biting financial constraints. However, these measures didn't have a major impact on our operations as the Authority diversified its revenue streams to execute its mandate within the available budget.

In April 2024, the Authority Board received five new directors as we bade farewell to the previous five members who contributed immensely to the oversight role of the Board and giving strategic direction to the Authority. We trust that the new team will take the Authority to higher heights to achieve our mission in delivering high-quality vocational education and training that meets the needs of the labour market and promote sustainable economic development.

As we reflect on the progress made, it is with a sense of pride and accomplishment that I present this annual report as we take a glance at what we have achieved in the past one year. The just ended financial year has been marked by significant advancements in our programs, strategic partnerships, and overall impact on vocational education and training. Our biggest achievement is the roll out of the Strategic Plan 2023 - 2027. In our contribution to national development, our Key Result Areas (KRA) in the strategic plan are Quality and Relevance; Access, Equity and Inclusivity; Governance and management; Funding and Financing; and Technology Integration and Knowledge Management.

The Authority's mandate of coordination and regulation of the TVET sector is premised on the existence of regulatory and training standards and regulations. This is the reason why considerable resources were expended on development and review of TVET standards and regulations with stakeholder participation prioritised. Other key activities undertaken during the year included inspection of institutions for accreditation, quality audit of registered institutions and sensitization of stakeholders through outreach services. Equally, the Authority was able to publish Volume 7 of the Kenya Journal of TVET and the Board of Directors and staff conducted a stakeholders' engagement to disseminate the Quality Audit reports for the FY 2022/23.

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It is refreshing to note that over the year we also established new collaborations with development partners and secured support for some of the programmes we undertook. We received support from ILO, UNESCO, World Bank and other partners to successfully organise the WorldSkills Kenya National Competition that raised a team that will participate in the WorldSkills International Competition in September 2024, in Lyons France. We also received support from ILO to support the establishment and launch of the Kenya Skills Community of Practice. Stakeholders endorsed the formation of Kenya Skills Community of Practice (KSCOP), which among other things will explore ILO's strategy on skills and lifelong learning for 2022-2030, generate ideas that will shape skills development and improve skills systems in the country. We also celebrate our partners who supported us in our other endeavours, especially capacity building and development of standards that are aimed to regulate and coordinate the TVET sector.

As envisaged in our Strategic Plan 2023 - 2027, the Authority shall aim to build on the successes of the past year by strengthening regional offices so that they can carry their programs as per the work plan, enhance compliance enforcement initiatives, continue to review human resource instruments, implement the government budget rationalization as well as enhance resource mobilisation efforts to bridge the gap, and strengthen partnerships with local and international stakeholders.

Finally, I wish to acknowledge my colleagues in the Board and the management team led by the Director General for ensuring achievement of the signed performance targets and the strategic plan. I wish to extend gratitude to all stakeholders, including government agencies, industry partners, staff, TVET institutions, trainers and trainees, whose contributions have been vital to our achievements this year.



**Prof. Florence N. Indede**

**Chairperson**

**TVETA BOARD OF DIRECTORS**

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**6. Report of the Chief Executive Officer**

I am pleased to present this comprehensive report detailing our performance, financial status, and strategic initiatives that underlined the Authority's steadfast focus to coordinate and regulate TVET in Kenya. The year was a period of growth and transformation for the Authority, marked by significant advancements in our programs, operations and partner engagements. Our focus has always remained on ensuring TVET institutions are delivering quality vocational education and training responding to the evolving needs of the labour market.

Our undertakings in the year were guided by the TVET Act 2013 as unpacked in our Strategic Plan 2023 – 2027 and as captured in the annual Performance Contract. The momentum from the previous financial year was sustained as we implemented our core mandate and crosscutting issues. I wish to take the earliest opportunity to appreciate exchequer support from the Ministry of Education of Kshs 390 million. This was in addition to the Kshs 114.7 million collected as A-i-A and Kshs 31.3 million support from development partners. The absorption rate of the allocated funds was 85%.

While the Strategic Plan 2023-2027 was developed during the 2022-2023 Financial Year, the government directed that all strategic plans should be aligned with the new regime's Bottom-Up Economic Transformation Agenda (BETA). The Board and management were able to review and align the strategic plan to the new economic blueprint and in compliance with *Guidelines for Preparation of the Fifth Generation Strategic Plans for Ministries, Departments, Agencies and Counties (MDACs)*. The guidelines are also in line with the *Public Service Commission Performance Management Regulations 2021*. The new strategic plan has a new Key Result Area on Technology Integration and Knowledge Management which resonates with the government's call to digitise services and onboard client-facing services to a common platform.

Coordination and regulation of TVET is premised on the existence of regulatory and training standards and guidelines. The Authority was able to develop three regulatory standards, with stakeholder participation prioritised. The three include the Inclusion and Safeguarding in TVET; Dual Training Standard and Guidelines; Standards and Guidelines for Entrepreneurship and Incubations in TVET.

Other key activities undertaken during the year include the development of two quality assurance tools, accreditation of 5,681 trainers, assessors and verifiers. We also inspected for accreditation 788 TVET institutions surpassing our target of 450. The hike in inspection was largely due to more

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institutions seeking accreditation for CBET programs. Additionally, we evaluated all the 202 CBET curricula that we received and undertook the recognition and equation of TVET qualifications. Further, the Authority was able to publish Volume 7 of the Kenya Journal of TVET and held three stakeholder engagements in the Western Kenya, Nyanza region and Nairobi.

During the Financial Year 2023-2024 we held the inaugural WorldSkills Kenya National Competition, in which over 150 students competed in 19 skill areas. From the competition we raised a team of 8 students who will represent Kenya in seven skill areas during the WorldSkills International Competition in September 2024 in Lyon, France. The competition exposes our trainers and trainees to skills competitions, helps us to improve the quality of the TVET system as well as puts Kenya on the global map of skilled workforce. During the year, the Authority also played a key role in the establishment of WorldSkills Africa during the 37th Assembly of the Heads of State and Government of the African Union in Addis Ababa in February 2024. The Authority also had a fruitful engagement with our partners who supported our activities. We celebrate our partners who supported us in our endeavours, especially in capacity building.

During the financial year, the Authority also hosted a two-day conference for the Africa TVET regulators with the theme "Strengthening Digital Transformation and Governance of TVET Systems in Africa". The conference was attended by the Director Generals and/or the Chief Executive Officers of the TVET regulatory bodies from 17 countries in the African Continent with a special delegate from the TVET Council of Barbados and Chair of the TVET Authorities of the Caribbean states.

Generally, there was enhanced stakeholder awareness, which positively affected the customer satisfaction level, greater compliance with regulatory standards as seen in the comprehensive quality audit report FY 2022/2023 and accreditation reports. It enhanced efficiency in service delivery through the MIS as well as reduction in complaints made against our operations as we realize our mandate. However, the Authority's efforts were affected by a few challenges including increased cost of operations and budget constraints.

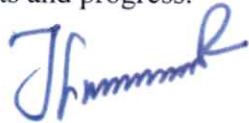
Going forward, the Authority shall continue the implementation of the Strategic Plan 2023 - 2027 by strengthening regional offices, enhancing compliance and enforcement initiatives, reviewing human resource instruments, implementing the Presidential Working Party on Education Reforms (PWPER) report and other policies, and implement the strategic plan with the Bottom-up Economic Transformation Agenda (BETA), and MTP IV. The Authority will also continue to strengthen our

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global partnerships and exploring new funding opportunities. Equally, we will continue to invest in our staff development and organizational capacity.

In conclusion, I would like to extend my sincere thanks to the Board for their unrelenting support and guidance and confirm my commitment to drive the Authority to greater heights. Equally, I want to express my gratitude to the government, industry, development partners, dedicated staff, and all our stakeholders in the TVET sector because their support and commitment has been crucial to our achievements and progress.



Dr. Kipkirui Langat, PhD. FIETK, MBS  
**Director General/ CEO**

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**7. Statement of Performance against Predetermined Objectives for FY 2023/2024**

The Strategic Plan 2023-2027 focuses on distinctive strategic goals, which contribute to carrying out TVETA’s mandate and functions as stipulated in the TVET Act 2013 and addresses key challenges as well as stakeholder expectations. The strategic goals are:

Strategic goal 1: Improved quality and relevance in TVET;

Strategic goal 2: Enhanced Access, Equity and Inclusivity;

Strategic goal 3: Strengthened governance and management;

Strategic goal 4: Sustainable Funding and Financing;

Strategic goal 5: Improved Technology Integration in service delivery and knowledge management.

In FY 2023/24 TVETA developed its annual work plan and performance contract based on the above 5 strategic goals. Assessment of the Authority’s performance against its annual work plan and PC was done quarterly and annually by the Public Service Performance Management Unit (PSPMU). TVETA achieved its performance targets set for the *FY 2023/24* for its 5 strategic goals as indicated in the following table 1:

**Table 1: Performance against Predetermined Objectives for FY 2023/2024**

Projected Output	Activities	Key performance indicators	Target	Achievement
<b>Strategic issue 1: Quality and Relevance</b>				
<b>Strategic goal 1: Improved quality and relevance in TVET</b>				
Department specific quality audit tools	Develop department specific quality audit tools	No. of department specific quality audit tool	2	Two department specific quality audit tools were developed <ul style="list-style-type: none"> <li>• Mechanical (Production)</li> <li>• Electrical and electronics</li> </ul>
Regulatory Standards	Develop regulatory standards	No. of regulatory standards	3	Three regulatory standards were developed which include: <ul style="list-style-type: none"> <li>• Inclusion and Safeguarding in TVET;</li> <li>• Dual training standard and guidelines; Standards</li> <li>• Guidelines for Entrepreneurship and Incubations in TVET</li> </ul>
Quality Assurance tool	Develop Quality Assurance tools	No of Quality Assurance tool developed	2	Two quality assurance tools developed which include: <ul style="list-style-type: none"> <li>• CBET curriculum Evaluation</li> </ul>

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Projected Output	Activities	Key performance indicators	Target	Achievement
				<ul style="list-style-type: none"> <li>Centre of Excellence Implementation Evaluation tool</li> </ul>
Online accreditation registers updated	Update online registers of accredited institutions, trainers and programs	Updated online registers of institutions, trainers and programs	100%	The register of Institutions, trainers and programs was updated and uploaded on the website. <a href="https://www.tveta.go.ke/accredited-trainers/">https://www.tveta.go.ke/accredited-trainers/</a>
Trainers, assessors and verifiers accredited	Accredit trainers, assessors and verifiers	No of trainers, assessors and verifiers accredited	2500	A total of 11,721 applications were received and evaluated, out of which 6,040 applications were sent back for review. 5,681 trainers were approved and Accredited. The variance was as a result of advertised posts for trainers by PSC and with a requirement for TVETA licence for the posts.
Institutions inspected and accredited	Inspection of TVET institutions for registration and licensing	No of institutions inspected	450	788 institutions inspected for accreditation. Variance caused by more institutions seeking accreditation for CBET programs.
CBET Curriculum evaluated	Evaluate TVET curricula	Percentage of curricula evaluated	100%	202 CBET Curricula were received and all of them evaluated.
Recognition and Equation of TVET Qualifications	Undertake recognition and Equation of TVET Qualifications	Percentage of requests for recognition and equation processed.	100%	134 requests for recognition and equation of TVET qualifications received were processed.
Trainers Capacity developed on quality assurance	Capacity develop Trainers on Quality assurance	No. of trainers' capacity developed on Quality assurance	400	595 Internal Quality Assurance officers trained against a target of 400 officers. The target exceeded due to request of capacity development by some stakeholders supported by development partners.
TVET Board Members & Managers capacity developed	Develop capacity of TVET Board Members & Managers on Leadership, Governance and Management	No. of TVET Board Members & Managers capacity developed	300	834 Board Members & Managers capacity developed on Quality Leadership, Governance and Management. Target exceeded due to support from development partners.
Quality Audits conducted	Undertake quality audit of TVET institutions	Number of institutions audited	415	Quality Audits carried out in 417 institutions.

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Projected Output	Activities	Key performance indicators	Target	Achievement
CBET Assessments monitored	Monitor CBET assessment in sampled institutions	Number of institutions monitored	15	Monitoring of CBET assessment was done in 31 institutions.
Dissemination of Comprehensive Reports	Hold regional TVET stakeholder consultative forums to disseminate quality audit Comprehensive Reports	No of regional Stakeholder Engagement forums	2	3 stakeholders forums held at KICC, KS TVET and Busia.
<b>Strategic issue 2: Access, Equity and Inclusivity</b>				
<b>Strategic goal 2: Enhanced Access, Equity and Inclusivity</b>				
TVET EYE Magazines	Publish bi-annual TVET Eye Magazine	No. of TVET Eye Magazine	2	2 bi-annual TVET Eye Magazines published
Promote TVET career guidance and counselling in collaboration with stakeholders	Career guidance and counselling initiatives	No. of initiatives on career guidance	2	One (1) Career Day conducted at Mathenge TTI on 10/02/2024.
Publication of KJ-TVET Vol 7	Publish Vol. 7 of the KJ-TVET	No. of volumes published	1	The Kenya Journal of TVET Vol.7 was printed and launched on 26th June 2024.
Identify and conduct priority research to fill data gaps in TVET	Conduct approved research projects	No. of approved research reports	2	Two research projects conducted: <ul style="list-style-type: none"> <li>• Status of Gender and Disability Mainstreaming in Kenyan TVET Institutions</li> <li>• Awareness and implementation of RPL by TVET providers in Kenya</li> </ul>
Manage institutional annual returns data	Organize and analyse institutional annual returns data	Percentage completion of collecting and analysing institutional annual returns	100%	All institutional annual returns were collected and analysed.
<b>Strategic issue 3: Governance and management</b>				
<b>Strategic goal 3: Strengthened governance and management</b>				
Youth Internships	Offer youth internships	No. of interns engaged	7	7 youths engaged on internships
Youth Attachments	Offer attachments	No. of attaches engaged	9	9 youths engaged on attachment
Competency Development	Undertake a skills gap analysis	Percentage completion of institutional skills gap analysis	100%	Skills gap analysis was completed
Competency Development	Address the identified skills gaps through	No. of staff capacity build.	41	Training Needs Assessment undertaken, and

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Projected Output	Activities	Key performance indicators	Target	Achievement
	capacity building staff members.			recommendations implemented by training 41 staff members
Access to Government Procurement Opportunities	Allocate 30% of the annual procurement budget to Youth, Women and PWD's	Amount allocated to women, youth and PWDS	21,430,324	Kshs. 51,060,316 awarded to Youth, Women and Persons with Disabilities. Additional funds received during supplementary budget
	Reserve 2% out of the 30% procurement budget for PWDs	Amount allocated to PWDS	428,606	A total of procurement opportunities worth Kshs. 3,321,083 was awarded to PWDs. Additional funds received during supplementary budget
Promotion of Local Content in Procurement	Allocate 40% of the annual procurement budget for locally produced goods and services	Amount allocated to local content	28,494,447	Procurement opportunities worth Kshs. 88,111,366 allocated to local content and quarterly reports submitted to Ministry of Investments, Trade and Industry. Additional funds received during supplementary budget
Productivity Mainstreamed	Develop Productivity Metrics	Percentage completion of Metrics development	100%	Productivity metrics developed
	Collect productivity measurement data	Percentage completion of data collection	100%	Productivity data collected
	Compute Productivity Index	Percentage completion of Index computation	100%	Productivity index was computed. The index for productivity was 1.598.
Employee reward framework	Develop employee reward framework	Percentage completion of a framework for TVETA Reward System	100%	Employee reward framework developed
TVETA Strategic Plan 2023-2027	Review TVETA Strategic Plan 2023-2027	Percentage completion of Strategic plan Review	100%	Review of strategic plan was completed. The strategic plan was launched on 26th June 2024. The delay in launching the strategic plan was that it had to be aligned to the new guidelines issued by the National Treasury and the BETA.
<b>Strategic issue 4: Funding and financing</b>				
<b>Strategic goal 4: Sustainable Funding and Financing</b>				
Resource mobilization	Develop and implement resource mobilization strategy	Percentage completion of resource mobilization strategy development.	100%	Resource mobilization strategy developed

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Projected Output	Activities	Key performance indicators	Target	Achievement
Preparation of Financial statements Quarterly and Annually	Prepare financial statements	Percentage completion of financial statements preparation	100%	Financial Statements for FY 2023-2024 prepared
Revenue collection	A-in-A (Kshs.)	Funds collected	Ksh. 150,000,000	Ksh. 114,735,537 collected from Accreditation fees, Quality Assurance fees, Recognition & Equation of qualifications and Kshs 31,325,667 Income from Collaborations & Research. The variance relates to donor support that will be funded in the FY 2024-2025 that were included in the signed contracts.
Payment of Bills	Ceiling for Pending Bills as a proportion of the total approved budget	% of pending bills	0	The Authority does not have any pending bills.
<b>Strategic issue 5: Technology Integration and Knowledge Management</b>				
<b>Strategic goal 5: Improved Technology Integration in service delivery and knowledge management.</b>				
e-Board system	Establish e-Board system to automate Board meetings	Percentage completion of e-Board system development	100%	e-Board system fully developed
Bulk SMS Solution and SSID code	Establish a Bulk SMS system	Percentage completion of Bulk SMS Solutions and SSID code in place	100%	Bulk SMS fully implemented
Google digital map for TVET institution	Mapping of institutions	Percentage completion of google digital map for TVET institutions.	100%	Link created for mapping TVET institutions <a href="https://www.google.com/maps/d/u/0/viewer?mid=1pALERzr09z0Cc0VJNVUBQILnstF3W2A&amp;ll=-1.9545328887191%2C38.55531207499998&amp;z=6">https://www.google.com/maps/d/u/0/viewer?mid=1pALERzr09z0Cc0VJNVUBQILnstF3W2A&amp;ll=-1.9545328887191%2C38.55531207499998&amp;z=6</a>
Services onboarded on e-citizen.	Onboard services on e-citizen platform	No. of service onboarded on e-citizen	3	Application for accreditation of trainers; assessors and verifiers onboarded to the e-citizen platform

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*Figure 1: Chairperson and Director General during Strategic Plan 2023-2027 Launch*

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**8. Corporate Governance Statement**

The Authority is committed to ensuring compliance with the principles of corporate governance as enshrined in the Constitution of Kenya 2010, the State Corporations Act, Cap (446), TVET Act no. 29 of 2013, and the Mwongozo Code of Conduct for State Corporations. The Authority conducted its operations in adherence to the principles of Corporate Governance such as transparency and disclosure, accountability, risk management, internal controls, ethical leadership and good corporate citizenship. During the FY the Authority received five (5) new Board members.

**The Role of the Board**

The Board is collectively responsible for the effective implementation of the Authority's vision, strategic direction, its values and governance. The role and responsibilities of the Board are detailed in the TVET Act, Mwongozo, the strategic plan, the annual work plan and the Board Charter. New members, once appointed, are given these documents to familiarise themselves with the roles and responsibilities as outlined in the law.

**Board Size, Composition and Appointment**

The Board consists of nine (9) directors out of whom six (6) are independent non-executive directors including the Chairperson. The constitution of the TVETA Board is stipulated under Section 8(1) of the TVET Act 2013. It is composed of the Chairperson, five [5] independent directors as per section 8(1)(e) of the TVET Act and two [2] directors representing the CS National Treasury and PS State Department for Vocational and Technical Training as well as the Director General. The Board composition draws a good skills mix, experience and proficiencies in various fields.

**Board Charter**

The Board's Charter outlines powers and responsibilities of the Board and its members, appointment, remuneration, term of the Board members, conduct of meetings, committee's terms of reference, conflict of interest among others. The Charter is premised on the Mwongozo Code and best Corporate Governance Practices

**Board meetings and attendance**

During the year, the Authority experienced transitional moments where new five (5) Board members were appointed. Cumulatively, during the FY 2023/2024 the Board held nineteen (19) meetings as summarised below:

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**Table 2: Number of meetings attended by individual Board members out of the total number of meetings held**

Name	Board Position	FB	FGPC	TC	ARC	Other
Prof. Florence Indede	Chairperson	6/6	-	-	-	12
***Mr. Sammy Milgo	Independent Director	4/6	3/5	2/4	-	6
***Mr. Burua Sanga	Independent Director	4/6	-	1/4	3/4	6
Ms. Esther Gacicio	Independent Director	2/6	2/5	2/4	-	7
Ms. Winnie Mwalimu	Alternate to CS National Treasury	5/6	4/5	-	3/4	6
***Mr. Joseph Kiraita	Alternate to PS-VTT)	4/6	3/5	2/4	3/4	5
**Mr. Victor Momanyi	Representative-ISC	1/6	-	-	-	2
Eng. Dr. Edward Odhong	Independent Director	2/6	-	1/4	1/4	8
Dr. Keter Julius	Independent Director	2/6	-	2/4	-	8
Mrs. Elizabeth Muchane	Independent Director	2/6	1/5	2/4	-	8
Mr. Hassan R. Sumba	Independent Director	2/6	-	-	1/4	8
Mr. Benson Mureithi	Alternate to PS-State Department-TVET) from 13 <sup>th</sup> March 2024	2/6	1/5	-	1/4	7
**Ms. Valerie Akinyi	Co-opted member of the Technical Committee GoG Representative	-	-	-	-	1
Dr. Kipkirui Langat	Board Secretary	6/6	5/5	4/4	4/4	12

\*\* Indicates meeting attendance by the member was on invitation and is not a member of the committee

\*\*\* Former Board Members who served within the FY 2023/24

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**Table 3: Other Meetings**

No	Date	Meeting Name
1	14/08/2023	Special Board & Management meeting to deliberate on the outcome of consultative meeting of chairpersons & CEOs of public entity
2	15/08/2023	Special Board meeting held at the Boma Hotel
3.	29/08/2023	Board Evaluation Hybrid meeting
4.	14/09/2023	Special Finance & General-purpose Committee meeting
5.	15/09/2023	Special Audit & Risk Committee Meeting
6.	22/09/2023	Special Full Board Meeting
7.	02/04/2024	Board Inauguration meeting held at TVETA Boardroom
8.	02/04/2024	Board Inauguration held at Naivasha from 2-5 April 2023
9.	23/04/2024	PASET Conference held at Safari Hotel Park Hotel from 23-24 April 2023
10.	06/05/2024	Special Technical Meeting
11.	15/05/2024	Special Full Board Meeting
12.	26/06/2024	Board Attendance- Launch of TVETA Strategic plan held at Boma Hotel

**Board Committees**

To ensure efficiency and effectiveness in executing its mandate of providing strategic direction and oversight, the Board reconstituted the various Committees. The re-constitution of the Committees took into consideration diversity of members, skills, expertise, and experience required to execute their responsibilities. The Committees operate in accordance with specified terms of reference. The Committees include Audit and Risk Committee, Technical Committee and Finance and General-Purpose Committee.

**Board Remuneration**

Board remuneration and payable allowances are determined by the Salaries and Remuneration Commission and circulars issued by the relevant Government agencies from time to time. Details of Board and committee allowances are included in these financial statements.

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**Table 4: Board remuneration schedule for FY 2023/2024**

No	Name	Remuneration (Kshs)
1.	Prof. Florence Indede	2,674,000
2.	CPA. Benson Kinyua	282,800
3.	Ms. Winnie Mwalimu	567,000
4.	Mr. Hassan Sumba	855,800
5.	Eng. Dr. Edward Odhong	1,182,720
6.	Dr. Julius Keter	914,671
7.	Mrs. Njambi Muchane	933,352
8.	Dr. Esther W. Gacicio	771,200
9.	Mr. Victor Momanyi	198,800
10.	Mr. Sammy Milgo	1,002,460
11.	Mr. Burua Sanga	1,115,900
12.	Mr. Joseph Kiraita	398,000
13.	Ms. Valarie Akinyi	175,000
14.	Dr. Davidson Mwaisaka	72,800
	<b>TOTAL</b>	<b>11,144,503</b>

**Board Evaluation and Performance**

The Board Evaluation is conducted annually, to assess the performance of the Board collectively and the effectiveness of individual board members. It assesses effectiveness on the oversight role of the Board, execution of the fiduciary duties and performance of the individual members as outlined but not limited to the Board Charter. The State Corporations Advisory Committee (SCAC) facilitated an objective performance evaluation of the Board during the year. In addition, the Board evaluated the Director General/CEO and the Corporation Secretary.

**Succession Planning**

TVETA has established a well thought out succession plan aimed at ensuring business continuity at all levels of the Board and Management. The terms of the members of the Board are scheduled to end at different times.

**Conflict of Interest**

Directors who have an interest on a matter under deliberations are required to inform the Board of any conflicts or potential conflicts of interest they may have. To avoid the conflict, they are required to refrain from participating in any deliberations with respect to the matter of conflict. The Authority maintains a conflict of interest register which is made available in every meeting.

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**Ethics and Code of Conduct**

The Authority demonstrates a positive ethical culture of doing the right thing in the conduct of its business and a commitment to fairness, accountability and transparency and holds itself and its employees to the highest standards of ethical conduct. The staff of the Authority are guided by the Code of Conduct and ethics which is a reference point for value-based decision making and expected behaviour. The Code is the main tool that enables the Board to consolidate and strengthen a culture of integrity and openness to achieve its vision and facilitate the Board in implementing its mandate.

**Board Induction and Training**

Upon appointment of the five newly elected Directors, the Board of Directors underwent a comprehensive induction programme and were provided with a comprehensively in-house tailored induction programme covering the Authority's mandate, operations and regulatory framework to acquaint them with their roles and responsibilities as well as the Authority's strategy and operations. An induction pack was issued that encompassed the Strategic Plan, Board Charter, Organizational Structure, and information about the directorates.

Additionally, the Board members are regularly trained and updated on legal and regulatory changes, best governance practices, the dynamic business environment, business and commercial risks and other matters that may be of interest in the execution of their role. In the period, various capacity building programmes focusing on leadership, corporate governance, finance, risk and other relevant areas were conducted for the Board. Each year the Board of Directors prepares a training calendar where specific training needs are identified and scheduled.

**Governance Audit**

A Governance Audit is an independent assessment of an organization with a view to expressing an opinion on the adequacy and effectiveness of the organization's policies, systems and practices within the legal and regulatory framework and in line with global best practices on corporate governance for the interest of the stakeholders. The Board has scheduled to carry a Governance Audit in the third quarter of the financial year 2024/2025.

The audit will focus on understanding of the Authority's business and governance issues. It will consist of an assessment of the following elements of corporate governance: -

- a) Ethical leadership and strategic management
- b) Transparency and disclosure

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- c) Compliance with laws and regulations
- d) Financial reporting
- e) Board independence and governance
- f) Board policies, systems, practices, and procedures
- g) Stakeholder value enhancement
- h) Corporate social responsibility and investment; and
- i) Sustainability

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**9. Management Discussion and Analysis**

**9.1 Introduction**

This section gives the management’s report on the operational and financial performance of the Authority during the report period. This includes the Authority’s compliance with statutory requirements, major risks facing the organisation, material arrears in statutory and other financial obligations, review of the economy, review of the sector and future developments as well as other information considered relevant to the users of the financial statements.

**9.2 Management Report on Operational and Financial Performance.**

During the FY 2023/24 the Board reviewed the Strategic Plan 2023-2027 in line with the *Revised Guidelines for Preparation of the Fifth Generation Strategic Plans for Ministries, Departments, Agencies and Counties (MDACs)* issued by The National Treasury and the Public Service Commission’s *Performance Management Regulations 2021*. The Strategic Plan provides a strategic model to guide implementation of TVETA mandate in a structured manner and outlines five (5) strategic issues and goals to be realized during the plan period. The FY 2023/2024 marked the first year for the implementation of the Authority’s strategic plan. The strategic model of the Authority for the period 2023-2027 is shown in table 5.

**Table 5: Strategic Model**

<b>Vision:</b>	<b>Strategic Issue</b>	<b>Strategic Goals</b>	<b>Key Result Areas</b>
To deliver competent workforce for sustainable development	Quality and Relevance	Improved quality and relevance in TVET	Quality TVET
			Relevant TVET
<b>Mission:</b> To develop and implement a TVET system that meets national needs and aspirations	Access, Equity and Inclusivity	Enhanced Access, Equity and Inclusivity	TVET Advocacy and Rebranding
			Training programmes accreditation
			TVET in Emergencies and post crisis recovery
			Inclusivity in TVET
	Governance and Management	Strengthened governance and management	Organizational Capacity
	Funding and Financing	Sustainable Funding and Financing	Resource Mobilization and Accountability
	Technology Integration and Knowledge Management	Improved Technology Integration in service delivery and knowledge management.	Automation of processes service and delivery

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As stated in our last report the Authority has continued to make impressive strides in the realization of its mandate. The new Strategic Plan will help Authority entrench TVET reforms through mainstreaming digitalization as laid out in the fifth KRA on Technology Integration and Knowledge Management.

Further in the FY 2023/2024 the Authority mainstreamed productivity by developing the metrics, collecting productivity data and computing the baseline productivity index which stands at 1.598 and targeted to improve to 2.5 by end of FY 2024/2025. The purpose is to continue mainstreaming quality management practices and delivering exceptional customer experience in our endeavour to achieve a competitive TVET system delivering competent workforce for sustainable development.

The Authority is committed to maintain its vanguard status in the implementation of TVET reform agenda which started in earnest with the enactment of the TVET Act 2013. This commitment is at the centre stage of its strategic planning, operations and budgeting. Subsequently, the Authority focused on key priority areas in its performance management framework.

The Board leads in providing oversight and strategic leadership in the fulfilment of the Authority's mandate and has laid out clear goals and initiatives in the Strategic Plan 2023 - 2027 to guide management over the next five years. Through the implementation of this Strategic Plan the Board aspires *"To deliver a competent workforce for sustainable development"*.

### **9.3 Compliance with Statutory Requirements**

Compliance with statutory requirements is crucial for any organization as non-compliance is a costly endeavour and may often lead to disruption of key activities through legal actions, fines, penalties and inability to access important services. The Authority is also alive to the fact that it could equally fail to raise funds from development partners due to non-compliance.

It is from this backdrop that the Authority conscientiously maintained this compliance over the years through timely and accurate submission of all applicable statutory deductions and returns. The various compliance certificates issued to the Authority is a testament to the efforts and dedication towards this end.

The year under review was no exception as the Authority prepared and submitted the annual budget, quarterly financial reports and statements to the State Department of TVET and the National Treasury through the Government Investment Management Information System. In addition, PAYE, NSSF, NHIF, Affordable Housing Levy and NITA levy were submitted to the relevant government agencies.

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Quarterly performance reports were submitted to the regulating agencies including Commission on Administrative Justice, National Gender and Equality Commission, Ethics and Anti-Corruption Commission, Public Procurement Regulatory Authority, National Transport Safety Authority, National Aids Control Council and National Council for Persons with Disability.

**9.4 Risk Management**

Risk management is an integral part of all the Authority's planning including governance and performance management processes at both the strategic and operational levels. The Authority in the strategic plan 2023-2027 adopted a Risk Management Framework to help in the management of all anticipated risks. The framework targeted strengthening risk management processes during implementation of the strategic plan and all process owners embraced proactive risk management initiatives to reinforce realization of set objectives.

Risk management structures in place at the Authority include an Audit and Risk Committee of the Board; a risk management committee comprising representatives (risk champions) of all functional areas and an internal audit unit.

All activities and projects in the Authority are subjected to risk assessment at every stage and mitigation measures identified and documented for implementation. The Authority undertakes a comprehensive analysis of the anticipated risks and classify them into the following categories based on the key result areas:

**Table 6: Risks**

<b>Department</b>	<b>Risk</b>	<b>Mitigation</b>
Compliance & enforcement	Inability to meet set targets of compliance audits due to delayed disbursement of funds from exchequer	Diversify revenue streams through QA fee collection and development partners
	Failure to close non-compliant institutions	Established regional offices to enhance surveillance
Accreditation services	Failure to maintain an updated register of registered institutions and licensed trainers	Automation of data management

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<b>Department</b>	<b>Risk</b>	<b>Mitigation</b>
	Failure to evaluate submitted programmes from curriculum developers	Co-opting staff from other departments to bridge capacity gap
Standards department	Failure to review accreditation tools	Harmonized workplan with other sections
	Failure to get stakeholders input and finalize the standard	Increased sensitization activities to stakeholders
	Failure to develop standards for assessment centres	Lobbying for funds for multiple activities
Research & development	Failure to develop Research proposal	Requirement to consult HOD before engaging staff in other activities
	Failure to analyse collected data	Verification of data before picking it from institutions
Strategy & planning	Failure to prepare and submit performance reports	Consultations, early planning
	Failure to prepare Risk profile and mitigation measures	Communication and sensitization
Finance & accounts	Budget overruns, under absorption, loss of funds	Budgetary control
	Delayed submission of financial reports	Scheduling of meetings before date of submitting reports

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**10. Environmental and Sustainability Reporting**

**10.1 Introduction**

The national goals of development, and the legislative and policy framework provide overarching guidance to the Authority in delivering its mandate through implementation of strategies founded on the following core values: Integrity, Professionalism, Accountability, Public participation, Teamwork and Efficiency.

Below is a brief highlight of the Authority's achievements in the following four sustainability pillars: sustainability strategy and profile, environmental sustainability, employee welfare and marketplace practices

**10.2 Sustainability strategy and profile**

To ensure sustainability and optimal performance, the Authority continued to strengthen its resource mobilization and utilization strategies by developing and implementing resource mobilization strategy; strengthening development partner engagement; strengthening engagement with government, industry and other stakeholders. The Authority also deployed a business continuity strategy through onboarding client facing services on e-citizen in line with the presidential directive. The following services were onboarded: Application for accreditation of trainers, assessors and verifiers.

The business continuity strategy is anchored on; a vibrant M&E framework, quality management system and systematic risk management approach. Management endeavours to continuously review the effectiveness and efficiency of the strategy in order to enhance it and ensure sustainability through a robust customer satisfaction index currently standing at 65%.

**10.3 Environmental performance**

The Authority is alive to climate change initiatives as outlined in the BeTA plan and HE the president's rallying call to the nation to grow 15 billion trees by 2032. Subsequently TVETA is keen to be part of this national green revolution and has initiated programmes to ensure environmental sustainability in liaison with TVET providers. In the FY 2023/2024 TVETA led a multi stakeholder team in planting 6,100 trees at the Kajiado West TVC in Kajiado County, Gilgil TVC in Nakuru County and Gitaru dam in Embu County. The technical institutions played a crucial role in selecting tree species that were not only environmentally beneficial but also served as learning tools for students in understanding various aspects of horticulture and ecology.

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**Table 7: Environmental sustainability table (Tree Planting per TVET Institution)**

No	Location	No. of trees
1.	Kajiado West TVC	3,000
2.	Gilgil TVC	1,500
3.	Gitaru dam	1,600
	<b>Total</b>	<b>6,100</b>



**Figure 2: TVETA DG Planting a tree during tree planting holiday in Kajiado west TVC**



**Figure 3: TVETA staff during tree planting in Kajiado West TVC**

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*Figure 4: TVETA Staff and some invited stakeholders during tree planting at Gilgil TVC*



*Figure 5: TVETA staff sensitizing TVET institution on greening.*

Internally we are implementing environmentally friendly processes through economic use of printing paper- print if you must approach and printing on both sides of documents, exchange of e-documents, minimizing disposal of electronic waste, pooling of water dispensers and applying Just in time philosophy for the replenishment of stores to minimise storage of large stocks. Further, the Authority's MIS allows institutions and trainers to generate registration certificates and licences from

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their end. In the FY 2023/2024 the board automated its processes through acquisition of an e-Board system to reduce the use of paper- based processes.

TVETA is also UNESCO-UNEVOC centre implementing the greening of TVET as guided by UNESCO Strategy, the Authority has also signed an MOU with the ICT Authority to have TVET Institutions as e-waste collection centres.

#### **10.4 Employee Welfare**

Employee welfare at TVETA comprises of various plans, policies, and practices aimed at improving the well-being of all staff within the Authority. It included both statutory requirements and voluntary initiatives that were aimed at enhancing the physical, mental, and social conditions of staff. These initiatives included:

- i. Compliance with the relevant laws: such as the Employment Act (2007) which governed all the working conditions of employment. Occupational Safety and Health Act (2007) that ensured safety, health, of all staff by putting in place a Health and Safety Committee who oversee and ensure that the organization complies with all the health and safety measures required in the Act. Work Injury Benefits Act (2007), by ensuring that all staff were safeguarded against injuries and death during the period. The Authority has an elaborate Human Resource Policies and Procedures Manual that guides on all aspects including hiring process in line with Public Service Commission HR policies.
- ii. Health and Safety: where the Authority procured a comprehensive medical cover for staff and their dependents. It also provides a safe working environment with working stations and adequate equipment.
- iii. Welfare programs: where the Authority has established a pension scheme to help employees secure their financial future after retirement and remitted all the amount on time. Employees are allowed to run their own welfare association on a voluntary basis for their own benefit.
- iv. Work-Life Balance: where employees were entitled to various types of leave, including annual leave, maternity/paternity leave, sick leave, and compassionate leave. Employees were also provided with Employee Assistance Programs (EAP) such as counselling services which was within the medical cover.
- v. Training and Development programmes: The Authority has endeavoured to continuously develop and improve staff skills and competences through training. In the FY 2023/24 a

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skills gap analysis was undertaken for all staff and Training Needs Assessment report was implemented. TVETA also undertook Annual Staff Performance Appraisal for all its staff and the various recommendations given are implemented.

**10.5 Marketplace Practices**

The Authority as a responsible corporate citizen maintained good business practices, honoured contracts with suppliers and made payments promptly when due. The following practices were adopted.

**a. Responsible competition practice**

The Authority ensured that all bids prepared contains sufficient information to allow fair and wider competition among those who may wish to submit tenders. All invitations to bid are published as required and guided in the Public Procurement and Assets Disposal Act (PPADA)2015 for each method of procurement. The Authority notifies at the same time both the successful and unsuccessful bidders in accordance with section 87 of the PPADA Act.

**b. Responsible Supply chain and supplier relations**

The Authority procured goods and services within market prices and ensured prompt payments for goods and services that had been supplied. It also honours contractual obligations and is worth noting that the Authority does not have any pending bill.

**c. Responsible marketing and advertisement**

All invitations to bid are published in a nationwide spread newspaper, PPIP portal and the Authority website as required and guided in the PPADA 2015 for a specific method of procurement. For alternative methods of procurement, the Authority procured goods, works and services from maintained list of registered suppliers identified through the prescribed process as per section 71 of the PPADA 2015.

The Authority submitted bi-annual reports to the Public Procurement Regulatory Authority and quarterly reports to National Council for Persons with Disabilities, Ministry of Investments, Trade and Industry, and Ethics and Anti-corruption Commission.

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**d. Product Stewardship**

The Authority ensured that goods procured were accepted to the stores after the Inspection and acceptance committee and user department has confirmed the quantity and quality of the goods, works or services, before they are issued to the respective user department.

The Authority adheres to best practises in procurement of its goods and services by ensuring that it deals with registered businesses with operating licences and or letters of Authorization from manufacturers.

It also disposes its waste products in an environmentally sound way to minimize pollution of the environment.

**10.6 Corporate Social Responsibility / Community Engagements**

TVETA's engagement in Corporate Social Responsibility (CSR) has been borne out of the realization that we must integrate social and environmental concerns into our operations to remain relevant to not only our employees, but also to our clients, community, partners and the society at large. In the FY 2023/2024 the Authority planted over 6,000 trees in various TVET institutions across the country. Further the Authority staff in the North Rift regional office conducted a safety awareness sensitization session for members of the Eldoret Skating Club, in line with our commitment to mainstream road user safety, including skaters.

This initiative aligns with the Presidential Performance Contracting assignment overseen by NTSA across all Government MDAs, emphasizing the critical role of safety in recreational activities. As skating gains popularity amongst the youth, they were advised to prioritize safety concerns to ensure a secure and enjoyable experience for all enthusiasts. The TVETA Road Safety Mainstreaming Committee donated reflector jackets to the skaters.

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*Figure 6: TVETA Mainstreaming Committee led by Julius Serrem (Right Front Row) conducted a safety awareness sensitization session for members of the Eldoret Skating Club*

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**11. Report of the Directors**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Technical and Vocational Education and Training Authority's affairs.

**i) Principal activities**

The principal activities of the Authority are as outlined in Section 7 of the TVET Act, 2013 and include to:

- a. Regulate and coordinate training under TVET Act, 2013
- b. Inspect, register and license training institutions
- c. Accredite and inspect programmes and courses
- d. Assure quality and relevance in programmes of training
- e. Prescribe the minimum criteria for admission to training institutions and programmes to promote access, equity and gender parity
- f. Collect, examine and publish information relating to training
- g. Determine the national technical and vocational training objectives
- h. Recognize and equate qualifications awarded by local or foreign technical and vocational education institutions in accordance with the Standards and guidelines set out by the Authority from time to time
- i. Undertake, or cause to be undertaken, regular monitoring, evaluation and inspection of training and institutions to ensure compliance with set standards and guidelines

**ii) Results**

The results of the Authority for the year ended June 30, 2024, are set out on page 1 to 38

**iii) Directors**

The members of the Board of Directors who served during the year are shown on page x to xix

**iv) Surplus remission**

The Authority did not make any surplus in form of profit during the year (FY 2022/2023) hence no remittance to the consolidated fund.

**v) Auditors**

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

By Order of the Board



Dr. Kipkirui Langat, PhD, FIETK, MBS  
**Board Secretary/Director General**

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**12. Statement of Directors Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act Cap 446, require the Directors to prepare financial statements in respect of the Authority, which give a true and fair view of the state of affairs of the Authority at the end of the financial year and the operating results of the Authority for that year. The Directors are also required to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy the financial position of the Authority. The Directors are also responsible for safeguarding the assets of the Authority.

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

The Directors accept responsibility for the Authority's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act cap 446. The Directors are of the opinion that the Authority's financial statements give a true and fair view of the state of Authority's transactions during the financial year ended June 30, 2024, and of the Authority's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Authority which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control. Nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern for at least the next twelve months from the date of this statement.

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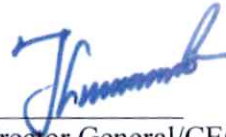
**Approval of the financial statements**

The Authority's financial statements were approved by the Board on **27<sup>th</sup> September 2024** and signed on its behalf by:



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Chairperson of the Board



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Director General/CEO

# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2024**

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### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Technical and Vocational Education and Training Authority set out on pages 1 to 32, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance,

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*Report of the Auditor-General on Technical and Vocational Education and Training Authority for the year ended 30 June, 2024*

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Technical and Vocational Education and Training Authority 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 Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Long Outstanding Accounts Receivables**

The statement of financial position reflects receivables from exchange transactions balance of Kshs.140,816,905 as disclosed in Note 16 to the financial statements. Included in the balance are receivables balance of Kshs.97,692,387 which have been outstanding for more than one (1) year. Further, there was no policy on the impairment for outstanding receivables, casting doubt on the fair statement of the receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.140,816,905 as at 30 June, 2024 could not be confirmed.

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

### **Emphasis of Matter**

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

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.540,000,000 and Kshs.536,085,204 respectively, resulting to underfunding of Kshs.3,914,796. Further, the Authority spent Kshs.5,804,845 against actual capital receipts of Kshs.58,500,000 resulting to under-utilization of Kshs.52,695,155 or 85% of the actual capital receipts.

In the circumstances, the 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 matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

### **Other Information**

The Directors are responsible for the Other Information set out on pages v to liii which comprise of Key Authority Information and Management, The Board of Directors, Key Management Team, Chairperson's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives for the financial year 2023/2024, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE 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 the 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**

#### **Failure to Surrender Excess Appropriation-In-Aid**

The statement of comparison of budget and actual amounts reflects accreditation and other related fees final budget and actual on a comparable basis of Kshs.100,000,000 and Kshs.114,759,538 respectively, resulting in an overperformance of Kshs.14,759,538. However, the excess accreditation and other related fees (AIA) was not surrendered to the National Exchequer, contrary to Regulation 84 of the Public Finance Management (National Government) Regulations, 2015. Further, the adjustment to the accreditation

and other related fees budget of Kshs.65,000,000 was not supported by documentary evidence of approval by The National Treasury.

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

The audit was conducted in accordance with ISSAIs 3000 and 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. Shortage of Staff in the Authority

As previously reported, the Authority's staff biodata indicated staff-in-post of sixty-eight (68) against approved staff establishment of one hundred and twenty (120). Thus, the Authority has a staff shortage of seventy-two (72) staff. Shortage of staff results to non-achievement of the operational goals set by the Authority. In addition, the existing staff are likely to be overworked and become less productive.

In the circumstances, the effectiveness of the existing staff to realize the strategic objectives of the Authority could not be confirmed.

#### 2. Lack of Approved Risk Management Policy

During the year under review, the Board had not approved Risk Management Policy for the Authority. This was contrary to Part 3.2(1a) of the Mwongozo Code of Governance for State Corporations, 2015, which states that 'the board should ensure the development of a policy on risk management, which should take into account sustainability, ethics and compliance risks'. Further, Paragraph (1c) of Mwongozo Code provides that the board should approve the risk management policy and the risk management framework.

In the circumstances, the Board's oversight over development and performance of risk management policy, taking into account sustainability of services, ethics and compliance risks could not be confirmed.

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

### **Responsibilities of the Management and Board of Directors**

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 Authority'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 Directors are responsible for overseeing the Authority'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 of 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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

**Nairobi**

**13 December, 2024**

**TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY**  
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**14. Statement of Financial Performance for the year ended 30 June 2024**

	Note	2023-2024 Kshs	2022-2023 Restated Kshs
<b>Revenue</b>			
Revenue from non-exchange transactions	6	421,325,667	333,966,595
Revenue from exchange transactions	7	114,759,538	159,981,698
<b>Total revenue</b>		<b>536,085,204</b>	<b>493,948,293</b>
<b>Expenses</b>			
Employee Cost	8	167,165,347	162,470,322
Board expenses	9	17,192,016	20,868,477
Depreciation and amortization expense	10	24,146,822	*27,524,665
Repairs and Maintenance	11	13,888,872	9,625,993
Contracted Professional Services	12	41,277,867	30,808,280
Accreditation, quality assurance & Standards	13	70,076,655	51,963,967
Administration expenses	14	142,086,219	91,267,974
<b>Total expenses</b>		<b>475,833,798</b>	<b>394,529,678</b>
<b>Surplus/(Deficit) for the period</b>		<b>60,251,407</b>	<b>99,418,615</b>

*\*Depreciation and Amortization FY 2022-2023 has been restated as disclosed in note 10 of the financial statements.*

The notes set out on pages 6 to 38 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



Name: Dr. Kipkirui Langat

Director General

Date 09/12/2024



Name: CPA. Emmanuel Korir

Head of Finance

ICPAK M/No:9271

Date 09/12/2024



Name: Prof. Florence Indede

Board Chairperson

Date 09-12-2024

**TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY**  
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**15 Statement of Financial Position as at 30 June 2024**

	Note	2023-2024 Kshs	2022-2023 Restated Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	83,775,153	10,599,979
Receivables from exchange transactions	16	140,816,905	133,727,957
		<b>224,592,057</b>	<b>144,327,935</b>
<b>Non-current assets</b>			
Property, plant and equipment	23	108,272,202	124,522,225
Intangible Assets	24	20,776,593	*22,868,548
		<b>129,048,795</b>	<b>147,390,773</b>
<b>Total assets</b>		<b>353,640,852</b>	<b>291,718,709</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	19	7,989,073	6,318,337
		<b>7,989,073</b>	<b>6,318,337</b>
<b>Total liabilities</b>		<b>7,989,073</b>	<b>6,318,337</b>
<b>Net Assets</b>			
Accumulated surplus	25	156,382,914	96,131,507
Capital reserves	26	189,268,865	189,268,865
<b>Total net assets</b>		<b>345,651,778</b>	<b>285,400,372</b>
<b>Total net assets and liabilities</b>		<b>353,640,852</b>	<b>291,718,709</b>

*\*Intangible Asset FY 2022-2023 has been restated as disclosed in note 24 of the financial statements*

The financial statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



Name: Dr. Kipkirui Langat

Director General

Date 09/12/2024



Name: CPA. Emmanuel Korir

Head of Finance

ICPAK M/No:9271

Date 09/12/2024



Name: Prof. Florence Indede

Board Chairperson

Date 09-12-2024

**TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY**  
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**16. Statement of Changes in Net Assets for the year ended 30 June 2024**

	<b>Accumulated Surplus Kshs</b>	<b>Capital Reserve Kshs</b>	<b>Total Kshs</b>
<b>Balance as at 30 June 2022</b>	<b>(2,603,680)</b>	<b>185,851,725</b>	<b>183,248,045</b>
Surplus/(deficit) for the period	99,418,615	-	99,418,615
Adjustments/restatements	-	3,417,140	3,417,140
Transfers from accumulated surplus	(683,428)	-	(683,428)
Transfer to Capital reserve	-	-	-
<b>Balance as at 30 June 2023</b>	<b>96,131,507</b>	<b>189,268,865</b>	<b>285,400,372</b>
Surplus/(deficit) for the period	60,251,407	-	60,251,407
Adjustments/restatements	-	-	-
Transfers from accumulated surplus	-	-	-
Transfer to Capital reserve	-	-	-
<b>Balance as at 30 June 2024</b>	<b>156,382,914</b>	<b>189,268,865</b>	<b>345,651,778</b>

*The adjustment/restatement of the opening balances relates to the Kenya TVET National skill Gateway system donated by the United Nations Educational, Scientific and Cultural Organization (UNESCO) to the Authority. The initial cost of Kshs 3,417,140 is disclosed at nominal value at balance sheet closing date and amortized for subsequent periods it was in use. The initial year amortization cost of Kshs 683,428 has been adjusted to reduce the accumulated surplus. The Authority will liaise with relevant Government agencies in ICT and Treasury (Directorate of National Assets & Liabilities Management) to have the system valued in FY 2024-2025*

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**17. Statement of Cash Flows for the year ended 30 June 2024**

		2023-2024	2022-2023
	Notes	Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Government Grants	6(a)	390,000,000	315,000,000
Donor Support	6(b)	31,325,667	18,966,595
Accreditation and other related fees	17(a)	110,648,379	30,220,819
<b>Total receipts</b>		<b>531,974,045</b>	<b>364,187,414</b>
<b>Payments</b>			
Employee costs	17(b)	164,803,437	162,600,747
Board expenses	9	17,192,016	20,868,477
Repairs and Maintenance	11	13,888,872	9,625,994
Contracted professional Services	12	41,277,867	30,808,281
Accreditation, Quality assurance and Standards	13	70,076,655	51,963,967
Administration expenses	17(c)	145,268,579	94,780,049
Other payments (Creditors)	20(a)	486,602	12,164,205
<b>Total payments</b>		<b>452,994,029</b>	<b>382,811,721</b>
<b>Net cash flow from operating activities</b>	21	<b>78,980,017</b>	<b>(18,624,307)</b>
<b>Cashflow from investing activities</b>			
Purchase of Property, Plant and Equipment	22	(5,804,845)	(8,397,723)
<b>Net Cash flow from investing activities</b>		<b>(5,804,845)</b>	<b>(8,397,723)</b>
<b>Cashflow from Financing activities</b>			
Increase in deposits		-	-
<b>Net cashflow from financing activities</b>		-	-
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>73,175,174</b>	<b>(27,022,030)</b>
Cash & cash equivalents as start of the year		10,599,979	37,622,008
<b>Cash &amp; cash equivalents as 30 June</b>		<b>83,775,153</b>	<b>10,599,979</b>

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**18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024**

	Original budget		Adjustments		Final budget		Actual on comparable basis		Performance difference		% of Utilization
	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	2023-2024 Kshs.	%	
<b>Revenue</b>											
<b>Non-exchange transactions</b>											
Recurrent Grants	330,000,000		60,000,000		390,000,000		390,000,000		-		100%
Donor Support	-		50,000,000		50,000,000		31,325,667		(18,674,333)		63%
<b>Exchange transactions</b>											
Accreditation & Other related fees	35,000,000		65,000,000		100,000,000		114,759,538		14,759,538		115%
<b>Total Revenue</b>	<b>365,000,000</b>		<b>175,000,000</b>		<b>540,000,000</b>		<b>536,085,204</b>		<b>(3,914,796)</b>		<b>99%</b>
<b>Expenses</b>											
Employee costs	164,112,646		6,600,000		170,712,646		167,165,347		3,547,299		98%
Board expenses	22,000,000		-		22,000,000		17,192,016		4,807,984		78%
Repairs and maintenance	5,938,500		7,900,000		13,838,500		13,888,872		(50,372)		100%
Contracted professional services	29,446,432		11,800,000		41,246,432		41,277,867		(31,435)		100%
Accreditation, quality assurance & Standards	51,000,000		25,800,000		76,800,000		70,076,655		6,723,345		91%
Administration expenses	92,502,422		64,400,000		156,902,422		142,086,219		14,816,203		91%
Capital budget	-		58,500,000		58,500,000		5,804,845		52,695,155		10%
<b>Total expenditure</b>	<b>365,000,000</b>		<b>175,000,000</b>		<b>540,000,000</b>		<b>457,491,821</b>		<b>82,508,179</b>		<b>85%</b>
<b>Surplus for the period</b>	<b>-</b>		<b>-</b>		<b>-</b>		<b>78,593,383</b>		<b>(86,422,975)</b>		

Budget notes

- i. Changes between original and final budget is due to reallocations approved by Board as per the provisions of the Public Finance Management Act 2012 sec 43 and Public Finance Management (National Government Regulations) 2015 sec 48
- ii. Revenue during the period was enhanced by increased level of compliance on remittance of quality assurance fees by TVET Institutions, following a circular issued on 9th January 2024 by the PS State department for TVET.
- iii. Part of the successful proposals approved by development partners will be implemented in the next financial year 2024/2025, these include; Kenya Skills Community of practise by ILO & Young Africa works in Kenya by CICan and Mastercard foundation
- iv. The terms of four (4) Board members expired in June 2023 and October 2023 and their re-appointment/replacement was affected in March 2024.
- v. Capital expenses low absorption rate of 10% was delayed by procurement process on leasing of office space for Mt. Kenya region in Meru and tender award for partitioning of the office. The first tender bid was non-responsive, and the process had to start afresh.
- vi. The difference in surplus in the statement of performance and statement of budget is as a result of Depreciation and Amortization which is a non-cash item & Capital expenses that are recorded in the statement of financial position.

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**19. Notes to the Financial Statements**

**1. General Information**

Technical and Vocational Education and Training Authority is established by and derives its authority and accountability from the Technical and Vocational Education and Training Act 2013. The Authority is wholly owned by the Government of Kenya and is domiciled in Kenya. The Authority's principal activity is to regulate and coordinate the TVET sector through accreditation of Institutions, programs and trainers as well as assure access, quality, equity and relevance in education and training

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

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Authority. The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act cap 446, the TVET act 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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

**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 were no new and amended standards issued in the financial year.

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><b><i>The Authority leases offices spaces, internet connectivity and data storage and this will impact on rent and internet connectivity recognition and measurement</i></b></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><b><i>The Standard is not relevant to the Authority thus has no impact on the financial statements</i></b></p>
IPSAS 45- Property Plant and Equipment	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets,</p>

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Standard	Effective date and impact:
	<p>implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>The Authority does not own any heritage assets or land thus the standard will not have an impact on the financial statements</i></p>
<p>IPSAS 46 Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>The Authority will amend its finance policy to comply with the provisions of the standard once it becomes effective as from 1<sup>st</sup> January 2025</i></p>
<p>IPSAS 47- Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>The Authority will amend its finance policy to comply with the provisions of the standard once it becomes effective as from 1<sup>st</sup> January 2026</i></p>
<p>IPSAS 48- Transfer Expenses</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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</p>

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Standard	Effective date and impact:
	<p>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>The Authority will amend its finance policy to comply with the provisions of the standard once it becomes effective as from 1<sup>st</sup> January 2026</i></p>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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>The Authority will amend its finance policy to comply with the provisions of the standard once it becomes effective as from 1<sup>st</sup> January 2026</i></p>

*iii. Early adoption of standards*

The Authority did not early – adopt any new or amended standards in the financial year

**Notes to the financial statements (continued)**

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Fees, taxes and fines**

TVETA recognizes revenues from fees, taxes and fines when the event occurs, and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Authority and the fair value of the asset can be measured reliably.

**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 Authority and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

**ii) Revenue from exchange transactions**

**Rendering of services**

The Authority 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.

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

**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 Authority.

**Other Income**

Other income as disclosed under note 7 on the financial statements is from the following sources:

- Government of Sierra Leone **Kshs 720,417** towards hosting their guests during a study visit by their officials.
- Sale of various TVETA Standards **Kshs 833,470**

**Other Donor grants**

Other donor grants as disclosed under note 6b is from the following donors:

- Kengen Plc-Kshs 100,000
- World Skills International-Kshs 493,020
- KUCCPS-Kshs 2,000,000
- AKMI International-Kshs 755,768
- Water Sector trust fund-Kshs 500,000
- Regional Centre for project management and evaluation training-Kshs 50,000
- TVET Institutions towards Kenya Skills competition-Kshs 550,120

**b) Budget information**

The original budget for the year under review was approved by the TVETA Board on 26<sup>th</sup> January 2023. 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 Authority upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Authority recorded additional appropriations of Kshs 175 million on the budget. Approved by the Board on 25<sup>th</sup> April 2024.

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

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**e) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Authority. 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 Authority also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Authority 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 Authority. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**f) 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. It is the Authority's policy to charge full depreciation on all its non-current assets in the year of purchase. Kenya Skills Gateway system donated by UNESCO has been recognized at nominal value of USD 29,000 at an exchange rate of Kshs 117.83 to the dollar and will be valued in FY 2024-2025

**g) Research and development costs**

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

- i. The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii. Its intention to complete and its ability to use or sell the asset.

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approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under appendix (IV) of these financial statements.

**c) Taxes**

The Authority is a non-commercial state corporation and is therefore not subject to the corporate tax regime. No corporation tax is therefore provided in these accounts. However, the Authority remits all other applicable taxes as and when they fall due. This includes.

- i. PAYE
- ii. Value Added Tax
- iii. Withholding Tax

**d) Property, plant and equipment**

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

Additionally, depreciation on assets disposed during the financial year is calculated up to the month of disposal. The Authority charges full depreciation on all its non-current assets in the year of purchase.

Depreciation is calculated on reducing balance at the following rates:

<b>Asset</b>	<b>Rate</b>
Motor Vehicles	25%
Furniture & Fittings	12.5%
Tools & Equipment	12.5%
Computers	30%
Intangible Asset	20%

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- iii. How the asset will generate future economic benefits or service potential
- iv. The availability of resources to complete the asset.
- v. The ability to measure reliably the expenditure during development.
- vi. 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.

**h) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Authority does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the financial statements. A financial instrument is any contract that gives rise to a financial asset of one Authority and a financial liability or equity instrument of another Authority. At initial recognition, the Authority 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.

**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. For the Authority this relates to invoices issued for quality Assurance fees

**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 Authority 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.

**a) Financial liabilities**

**Classification**

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

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**i) 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.

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Authority.

**j) Provisions**

Provisions are recognized when the Authority 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. 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.

<b>Current Provisions</b>			
<b>Description</b>	<b>Gratuity Provision</b>	<b>Provision for Audit fees</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Balance b/f</b>	<b>4,473,424</b>	<b>500,000</b>	<b>4,973,424</b>
Additional provisions	4,454,070	500,000	4,954,070
Provision Utilized	(2,296,732)	(500,000)	(2,796,732)
Change due to discount and time value for Money	-	-	-
Transfers from non-current provisions	-	-	-
<b>Total provisions year end</b>	<b>6,630,762</b>	<b>500,000</b>	<b>7,130,762</b>

**k) 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 Authority recognises a social benefit as an expense for the social benefit scheme at

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the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the Authority will incur in fulfilling the present obligations represented by the liability.

**l) Contingent liabilities**

The Authority 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.

**m) Contingent assets**

The Authority 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 Authority 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.

**n) Nature and purpose of reserves**

The Authority creates and maintains reserves in terms of specific requirements.

i. Revenue Reserves

This is made up of all accumulated surplus for the year arising from non-Utilization of allocated grants and other income surplus

ii. Capital Reserves

The purpose of the reserve is recognizing capital grants received from the Government to enable the Authority procure Assets used to run the operations of the Authority. The is usually made up of surplus retained revenues

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

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

**p) Employee benefits**

**Retirement benefit plans**

The Authority provides retirement benefits for its employees. 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

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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.

The Authority remits these funds to Jubilee Insurance at 20% of employee's basic pay and to the Director of Pensions at 31 % of basic for staff who are seconded from the Civil service. The Authority also remits statutory National Social Security funds (NSSF) monthly.

**q) 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.

**r) Related parties**

The Authority regards a related party as a person or an Authority with the ability to exert control individually or jointly, or to exercise significant influence over the Authority, or vice versa. Members of key management are regarded as related parties and comprise the Board of Directors, the Chief executive officer and senior managers

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

The Authority has made assumptions on its trade debtors i.e. amounts due from institutions on quality assurance fees could include fees from Institutions that have ceased operations.

**Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Authority 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 Authority. Such changes are reflected in the assumptions when they occur. *IPSAS 1.140*

**Useful lives and residual value**

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

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

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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

<b>6 Revenue from non-exchange transactions</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>a) GOK Grants</b>		
Quarter 1	82,500,000	78,750,000
Quarter 2	82,500,000	78,750,000
Quarter 3	112,500,000	78,750,000
Quarter 4	112,500,000	78,750,000
	<b>390,000,000</b>	<b>315,000,000</b>

*Gok grants provided by the National Government to support quality assurance programmes*

<b>b) Collaborations and Research fees</b>		
EASTRIP-World Skills Kenya	16,987,859	13,926,176
ILO	9,888,900	2,458,398
Other Donor Grants	4,448,908	2,582,021
	<b>31,325,667</b>	<b>18,966,595</b>

*Donor Support from proposals done towards planned activities not funded by GOK*

<b>Total revenue from non-exchange transactions</b>	<b>421,325,667</b>	<b>333,966,595</b>
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<b>7 Revenue from exchange transactions</b>		
Accreditation fees	41,084,247	17,153,662
Quality Assurance Fees	71,391,283	141,345,500
Other Income	1,553,888	168,816
Capacity Building fees	60,120	968,720
Recognition and Equation of Qualifications	670,000	345,000
<b>Total revenue from exchange transactions</b>	<b>114,759,538</b>	<b>159,981,698</b>

*Service fees charged as per Gazette notice 4983 dated 26<sup>th</sup> May 2017*

<b>8 Employee costs</b>		
Basic pay	87,192,658	85,384,104
House allowances	29,599,742	30,318,338
Commuter allowance	13,157,937	13,428,065
Air-time allowance	5,077,968	5,327,903
Extraneous allowance	2,369,936	2,445,806
Non-Practicing allowance	240,000	240,000
Employer NSSF Contribution	1,514,430	519,517
Leave allowance	2,075,152	2,126,346
Employer Pension Contribution	15,348,298	15,494,808
Over time Allowance	4,143	-
Acting/Special duty Allowance	840,041	-
Housing Levy employer	1,623,246	-
Gratuity	4,454,070	3,420,579
Casual wages	2,832,891	2,584,856
Interns Stipend	834,838	1,180,000
<b>Total employee costs</b>	<b>167,165,347</b>	<b>162,470,322</b>

*Variance relates to NSSF contribution, Special duty and employer contribution towards housing levy*

<b>9 Board Expenses</b>		
Chairman's Honoraria	1,020,000	1,020,000
Sitting and daily subsistence allowance	10,624,131	6,526,200
Capacity building	5,547,885	13,322,277
<b>Total board expenses</b>	<b>17,192,016</b>	<b>20,868,477</b>

*There was a period during the year that the Authority operated with 4 Board Members only*

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	<b>2023-2024</b>	<b>2022-2023</b> <b>Restated</b>
<b>10 Depreciation and amortization expense</b>		
Property, plant and equipment	19,736,866	22,591,720
Intangible Assets	4,409,956	4,932,945
<b>Total depreciation and amortization</b>	<b>24,146,822</b>	<b>27,524,665</b>
<i>FY 2022-2023 Amortization has been restated by Kshs 546,742 on Kenya Skills gateway system not disclosed in the year</i>		
<b>11 Repairs and maintenance</b>		
Building	4,063,067	744,992
Motor Vehicles	9,227,256	8,076,362
Office Equipment	598,549	804,639
<b>Total repairs and maintenance</b>	<b>13,888,872</b>	<b>9,625,993</b>
<i>Repairs and Maintenance costs variance relates to renovations done at Utalii house 8<sup>th</sup> floor</i>		
<b>12 Contracted Professional Services</b>		
Cleaning Services	184,300	567,900
Fumigation & Pests Control Services	345,000	345,000
Insurance of Motor vehicles	2,285,756	1,674,880
Insurance of Office Assets	731,721	490,000
Internet Connection	10,503,859	9,968,273
Medical Insurance	16,614,190	12,596,745
GPA/WIBA	3,017,595	3,023,522
Courier & Postage	283,026	112,700
Legal services	5,452,885	112,260
External Audit Services	500,000	500,000
ISO Certification	1,359,536	1,417,000
<b>Total contracted professional services</b>	<b>41,277,867</b>	<b>30,808,280</b>
<b>13 Accreditation, Quality assurance &amp; Standards</b>		
Accreditation of TVET Institutions	20,156,645	12,155,058
Outreach Services	11,133,331	5,923,469
Standards Development	4,181,360	7,447,027
Compliance & Enforcement	13,984,829	9,932,640
Strategy & Planning	9,137,416	9,180,200
Research and Development	11,483,074	7,325,573
<b>Total accreditation, quality assurance &amp; standards</b>	<b>70,076,655</b>	<b>51,963,967</b>
<i>Variance was due to revision of targets based on revised budget during the year</i>		
<b>14 Administrative expenses</b>		
Printing and advertising	2,837,415	3,984,123
Communication services	3,108,338	832,406
Accessories for Computers and printers	1,607,555	1,057,734
Hospitality Supplies & Services	4,007,340	4,230,378
Local travel and daily subsistence	9,008,956	6,062,383
Foreign travel and daily subsistence	5,281,168	6,974,538
Training	5,902,188	4,803,644
Seminars and Workshops	11,127,455	3,185,120
Office general supplies	6,459,568	3,420,341
Rent	27,862,775	27,821,084
Fuel and Lubricants	9,449,867	7,690,274
International Conference-BILT Conference	-	13,769,262
Annual TVET Conference	52,145,124	5,979,519
Uniform and Clothing	804,390	858,000
Bank Charges	596,757	537,708
Subscriptions to Professional Associations	286,560	61,460
Kenya Skills Community of Practice-KSCOP	1,600,763	-
<b>Total administration expenses</b>	<b>142,086,219</b>	<b>91,267,974</b>

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	2023-2024	2022-2023
	Kshs.	Restated Kshs.
<b>15 Cash and cash equivalents</b>		
A/C No.1164286862-KCB-Operation Account	37,817,296	7,915,315
A/C No.1212502450-KCB-Revenue Account	45,131,749	2,669,431
A/C No.1281901733-KCB-World Skills Account	826,108	15,233
<b>Total cash and cash equivalents</b>	<b>83,775,153</b>	<b>10,599,979</b>
<i>Cash/Bank balances relate to funds for establishing Meru regional Office. The Contract had been signed and the works were ongoing</i>		
<b>16 Receivables from exchange transactions</b>		
<b>a) Current Receivables</b>		
Trade Receivables	133,872,038	129,760,879
Staff Salary Advance	250,432	455,003
Prepayments	6,694,435	3,512,075
<b>Total Current Receivables</b>	<b>140,816,905</b>	<b>133,727,957</b>
<b>b) Ageing Analysis for Receivables from exchange transactions</b>		
Less than 1 year	43,124,518	133,727,957
Between 1-2 years	67,873,451	-
Between 2-3 years	19,067,736	-
Over 3 years	10,751,200	-
<b>Total Current Receivables</b>	<b>140,816,905</b>	<b>133,727,957</b>
<b>17 a) Accreditation and other related fees</b>	<b>114,759,538</b>	<b>159,981,698</b>
Add: Decrease in Trade Receivables	-	-
Add: Increase in Unearned Revenue	-	-
Less: Increase in Trade Receivable	(4,111,159)	(129,760,879)
Less: Decrease in Unearned Revenue	-	-
<b>Total Cash Inflows</b>	<b>110,648,379</b>	<b>30,220,819</b>
<b>b) Employee Costs</b>		
Employee Costs	167,165,347	162,470,322
Add: Gratuity paid in the year	2,296,732	432,951
Less: Accrued Gratuity for the year	(4,454,070)	(3,431,375)
Add: Decrease in Salary Advance	(204,572)	-
<b>Total Cash Employee Costs Paid</b>	<b>164,803,437</b>	<b>159,471,898</b>
<b>c) Administration expenses</b>	<b>142,086,219</b>	<b>91,267,974</b>
Less: Prior Period expenses paid	(3,512,075)	-
Add: Prepaid expenses	6,694,435	3,512,075
Less: Accrued expenses for the year	-	-
<b>Total Cash Administration Expenses Paid</b>	<b>145,268,579</b>	<b>94,780,049</b>
<b>18 Movement in Current receivables</b>		
Trade Receivables	133,872,038	129,760,879
Staff Salary Advance	250,432	455,003
Prepayments (World Skills International)	6,694,435	3,512,075
	<b>140,816,905</b>	<b>133,727,957</b>
As at end of reporting period	140,816,905	133,727,957
As at beginning of reporting period	133,727,957	324,578
<b>Increase in receivables</b>	<b>7,088,948</b>	<b>133,403,379</b>

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19 Trade and other payables from exchange transactions	2023-2024 Kshs.	2022-2023 Kshs.
<b>a) Trade and other payables</b>		
Contractor's retention	858,311	1,344,913
Employee Benefits (Gratuity)	6,630,762	4,473,424
Provision for audit fee	500,000	500,000
<b>Total trade &amp; other payables</b>	<b>7,989,073</b>	<b>6,318,337</b>
<b>b) Ageing Analysis for Trade and Other Payables</b>		
Less than 1 year	7,989,073	6,318,337
<b>Total Current Receivables</b>	<b>7,989,073</b>	<b>6,318,337</b>
<b>20 Movement in Trade Payables</b>		
<b>a) Contractor's retention</b>		
As at end of reporting period	858,311	1,344,913
As at beginning of reporting period	1,344,913	2,880,982
	<b>(486,602)</b>	<b>(1,536,069)</b>
<b>b) Employee Benefits (Gratuity)</b>		
As at end of reporting period	6,630,762	4,473,424
As at beginning of reporting period	4,473,424	1,474,999
	<b>2,157,338</b>	<b>2,998,425</b>
<b>c) Provision for audit fee</b>		
As at end of reporting period	500,000	500,000
As at beginning of reporting period	500,000	1,000,000
	-	<b>(500,000)</b>
<b>d) Trade creditors</b>		
As at end of reporting period	-	-
As at beginning of reporting period	-	13,126,561
	-	<b>(13,126,561)</b>
	<b>1,670,736</b>	<b>(12,164,205)</b>
<b>21 Cash flows generated from operations</b>		
Surplus for the year	60,688,801	99,965,357
<b>Adjusted for:</b>		
Depreciation/Amortization	23,709,428	26,977,922
	<b>84,398,228</b>	<b>126,943,279</b>
<i>Working Capital Adjustments</i>		
Increase in receivables from exchange transactions	7,088,948	133,403,379
Decrease in payables from exchange transactions	(1,670,736)	12,164,205
<b>Total payments</b>	<b>5,418,211</b>	<b>145,567,584</b>
<b>Net cash flow from operating activities</b>	<b>78,980,017</b>	<b>(18,624,305)</b>
<b>22 Purchase of Plant Property and Equipment</b>		
Furniture and Fittings	-	4,934,830
Tools and Equipment	44,800	12,233,054
Computers	3,237,000	1,132,000
Intangible Asset	2,318,000	-
Work in Progress	205,045	(9,902,161)
<b>Total cost of Purchase of Plant Property and Equipment</b>	<b>5,804,845</b>	<b>8,397,723</b>

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**23. Property, Plant and Equipment**

Description	Motor Vehicles	Furniture & Fittings	Tools & Equipment	Computers	Capital Work in Progress	Total
Cost	KShs.	KShs.	KShs.	KShs.	KShs.	KShs.
At 1 July 2022	65,282,771	105,798,581	17,444,419	14,734,667	9,902,161	213,162,599
Additions	-	4,934,830	2,330,893	1,132,000	-	8,397,723
Disposals	-	-	-	-	-	-
Transfers/adjustments	-	-	9,902,161	-	(9,902,161)	-
<b>At 30 June 2023</b>	<b>65,282,771</b>	<b>110,733,411</b>	<b>29,677,473</b>	<b>15,866,667</b>	<b>-</b>	<b>221,560,322</b>
Additions	-	-	44,800	3,237,000	205,045	3,486,845
Disposals	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
<b>At 30 June 2024</b>	<b>65,282,771</b>	<b>110,733,411</b>	<b>29,722,273</b>	<b>19,103,667</b>	<b>205,045</b>	<b>225,047,167</b>
<b>Depreciation and impairment</b>						
At 1 July 2022	(41,884,732)	(19,145,769)	(5,723,263)	(7,692,614)	-	(74,446,378)
Depreciation	(5,849,510)	(11,448,455)	(2,841,539)	(2,452,216)	-	(22,591,720)
Impairment	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
<b>At 30 June 2023</b>	<b>(47,734,242)</b>	<b>(30,594,224)</b>	<b>(8,564,802)</b>	<b>(10,144,830)</b>	<b>-</b>	<b>(97,038,098)</b>
Depreciation	(4,387,132)	(10,017,398)	(2,644,684)	(2,687,651)	-	(19,736,866)
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
<b>At 30 June 2024</b>	<b>(52,121,374)</b>	<b>(40,611,622)</b>	<b>(11,209,486)</b>	<b>(12,832,481)</b>	<b>-</b>	<b>(116,774,964)</b>
<b>Net book values</b>						
<b>At 30 June 2024</b>	<b>13,161,397</b>	<b>70,121,789</b>	<b>18,512,787</b>	<b>6,271,186</b>	<b>205,045</b>	<b>108,272,202</b>
<b>At 30 June 2023</b>	<b>17,548,529</b>	<b>80,139,187</b>	<b>21,112,671</b>	<b>5,721,837</b>	<b>-</b>	<b>124,522,224</b>

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**24. Intangible Assets**

	2023-2024	2022-2023
	Kshs	Restated Kshs
<b>Cost</b>		
At beginning of the year	41,349,946	37,932,806
Additions	2,318,000	3,417,140
<b>At end of the year</b>	<b>43,667,946</b>	<b>41,349,946</b>
Additions-Internal development	-	-
<b>At end of the year</b>	<b>43,667,946</b>	<b>41,349,946</b>
<b>Amortization &amp; Impairment</b>		
At beginning of the year	18,481,397	13,548,453
Amortization	4,409,956	4,932,944
<b>At end of the year</b>	<b>22,891,353</b>	<b>18,481,397</b>
<b>Net Book Value</b>	<b>20,776,593</b>	<b>22,868,548</b>

*The Additions to the intangible Asset includes cost of an E-Board solution acquired in FY 2023-2024 at a cost of Kshs 2,318,000 and the Kenya TVET National skill Gateway system donated by the United Nations Educational, Scientific and Cultural Organization (UNESCO) to the Authority in FY 2021-2022. The amount the Skills Gateway system is disclosed at nominal value of USD 29,000 converted at balance sheet exchange rate of Kshs 117.55 to the dollar in the Initial year or recognition. The asset has been amortized in the subsequent financial years.*

**25. Accumulated surplus**

	Kshs.	Kshs.
Balance at beginning of the year	96,131,507	(2,603,680)
Surplus/(deficit) for the period	60,251,407	99,418,615
Adjustments/restatements	-	(683,428)
Transfer to Capital reserve	-	-
<b>Balance as at end of the year</b>	<b>156,382,914</b>	<b>96,131,507</b>

**26. Capital Reserve fund**

	Kshs.	Kshs.
Balance at beginning of the year	189,268,865	185,851,725
Surplus/(deficit) for the period	-	-
Adjustments/restatements	-	3,417,140
Transfers from accumulated surplus	-	-
<b>Balance at end of the year</b>	<b>189,268,865</b>	<b>189,268,865</b>

**27. Financial Risk Management**

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

**i) Credit risk**

The Authority has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables. Management assesses the credit quality of each customer, considering its financial position, past experience and other factors.

**Financial Risk Management**

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

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal. The board of directors sets the Authority's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

<b>Description</b>	<b>Total Amount Kshs</b>	<b>Fully performing Kshs</b>	<b>Past due Kshs</b>	<b>Impaired Kshs</b>
<b>As at 30<sup>th</sup> June 2024</b>				
Trade debtors	140,816,905	140,816,905	-	-
Bank Balances	83,775,153	83,775,153		
<b>Total</b>			-	-
<b>As at 30<sup>th</sup> June 2023</b>				
Trade debtors	133,727,957	133,727,957	-	-
Bank Balances	10,599,979	10,599,979		
<b>Total</b>			-	-

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**ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Authority's directors, who have built an appropriate liquidity risk management framework for the management of the Authority's short, medium and long-term funding and liquidity management requirements. The Authority manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cashflows payable by the Authority under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cashflows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>Description</b>	<b>Less than 1 Month</b>	<b>Between 1-3 Months</b>	<b>Over 5 Months</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>As at 30th June 2024</b>				
Trade payables	-	-	-	-
Provisions	-	125,000	375,000	500,000
Employee benefit obligation	289,253	866,185	6,630,762	6,630,762
Contractor retention	-	-	858,311	858,311
<b>Total</b>	<b>289,253</b>	<b>991,185</b>	<b>7,864,073</b>	<b>7,989,073</b>
<b>As at 30th June 2023</b>				
Trade payables	-	-	-	-
Provisions	-	125,000	375,000	500,000
Employee benefit obligation	289,253	866,185	4,473,424	4,473,424
Contractor retention	-	-	858,311	858,311
<b>Total</b>	<b>289,253</b>	<b>991,185</b>	<b>5,706,735</b>	<b>6,318,337</b>

**iii) Market risk**

The Authority has put in place an internal audit function to assist it in assessing the risk faced by the Authority on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Authority's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Authority's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Authority's exposure to market risks or the way it manages and measures the risk.

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**a) Foreign currency risk**

The Authority has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Authority manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

**b) Interest rate risk**

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

**Management of interest rate risk**

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

**iv) Capital Risk Management**

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

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Retained Earnings	156,382,914	96,131,507
Capital Reserve	189,268,865	189,268,865
<b>Total Funds</b>	<b>345,651,779</b>	<b>285,400,372</b>

**28. Related Party Disclosures**

**Nature of related party relationships**

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

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**Government of Kenya**

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

**Other related parties include:**

- i) The Parent Ministry.
- ii) Key management.
- iii) Board of directors.

<b>Transactions with related parties</b>	<b>2023-2024</b>	<b>2021-2022</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>a) Purchases from related parties</b>		
Rent expenses paid to Govt agencies for office space	27,862,775	27,821,084
<b>b) Grants from National Government</b>		
Exchequer receipts	390,000,000	315,000,000
<b>c) Key Management Compensation</b>		
Directors' emoluments	17,192,016	20,868,477
Compensation to 7 Key Management	27,527,469	27,988,467
<b>Total</b>	<b>462,582,260</b>	<b>391,678,028</b>

**29. Contingent Liability**

<b>Description</b>	<b>2023-2024</b>	<b>2021-2022</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>Contingent Liabilities</b>		
Court case against the Authority	11,784,215	-
<b>Total</b>	<b>11,784,215</b>	<b>-</b>

*On going Court Case against the Authority by an Officer with regards to belated secondment and transfer of services from the PSC to TVETA.*

**30. Capital Commitments**

<b>Capital Commitments</b>	<b>2023-2024</b>	<b>2021-2022</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Authorized for	47,558,024	-
<b>Total</b>	<b>47,558,024</b>	<b>-</b>

*Capital commitments relate to office partitioning and equipping meru regional office*

**31. Events after the Reporting Period**

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

**32. Ultimate and Holding Authority**

The Authority is a State Corporation under the Ministry of Education, State Department for Technical, Vocational Education and Training. Its ultimate parent is the Government of Kenya.

**33. Currency**

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

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**32. Appendices**

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

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

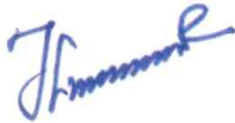
<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
Qualified opinion	Valuation of Intangible Assets.	This platform was developed and handed over to a consortium of stakeholders within the Kenyan government that were involved in the project and collectively/jointly sourced for funds for the project. However, at the end of the project, TVETA offered to host the platform as no other government agency had offered to do the same. Considering that the platform is not owned by TVETA, or its license assigned to TVETA it would be imprudent to have the donation capitalized in TVETA's books of accounts.	Resolved	30 <sup>th</sup> September 2024
	Unsupported Administrative Expenses	Total Kenya was engaged due to its coverage and the fuel was procured at known market/Pump prices after Laps and shortage of fuel at Government's (National oil). The authority has formalized the engagement with existing formal engagement with MS. Total through MS. Conex international, a contracted provider identified through supplies branch Ministry of Public works contracts 2023-2025.	Resolved	

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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)
Basis for Conclusion	Non-Compliance with Law on Accreditation and Registration of Institutions	The Authority regularly follows up on non-compliant Institutions Also Established regional offices in Mombasa, Kisumu and Eldoret to ensure close monitoring of TVET Institutions In the strategic plan 2023-2027 the Authority plans to open an additional 3 regional offices to enhance its oversight and regulatory role.	Resolved	
	Irregularities in procurement of Goods and Services	i. All vendors are pre-qualified as per list that was shared with the Auditor General at the time of Audit including Updated list of AGPO service providers. ii. conference services, the Authority sourced from the market after having failed to obtain response from the advert for registration of suppliers FY 2022-2023& 2024. iii. Find annexed list of identified suppliers with details (Annex I) iv. the professional opinion was not available due to capacity issues in the department currently addressed	Resolved	
	Shortage of staff in the Authority	TVETA Board is engaging with the parent Ministry and the National Treasury to enhance its staffing capacity to be able to deliver on its mandate	Not Resolved	31 <sup>st</sup> December 2024

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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)
	Deficiency in Board Membership	The Board has been fully constituted after a competitive selection process.	Resolved	
	Failure to Optimize on the Capabilities of the Installed MIS System	Management is engaging with the system developer to ensure that all the modules are up and running, the engagements are under the service level agreement.	Resolved	



Director General

Date:

09/12/24

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**Appendix II: Transfers from Other Government Entities**


Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
State Department for TVET	08/08/2023	Recurrent	82,500,000	82,500,000					82,500,000
	08/12/2023	Recurrent	82,500,000	82,500,000					82,500,000
	26/03/2024	Recurrent	112,500,000	112,500,000					112,500,000
	20/05/2024	Recurrent	112,500,000	112,500,000					112,500,000
<b>Total</b>			<b>390,000,000</b>	<b>390,000,000</b>					<b>390,000,000</b>

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**Appendix III- Inter-Authority Confirmation Letter**

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

The *State Department for Technical, Vocational Education & Training* wishes to confirm the amounts *disbursed to you* as at 30 June 2024 as indicated in the table below. Please compare the amounts *disbursed to you* with the amounts *you received* and populate them in column E in the table below. Then please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts <i>Disbursed by (State Department for Technical, Vocational Education &amp; Training)</i> as at 30 June 2024							
		<i>Amounts Disbursed by (State Department for Technical, Vocational Education &amp; Training)</i> as at 30 June 2024				<i>Amount Received by (TVETA) as at 30 June 2023(Kshs)</i> (E)	<i>Differences (Kshs)</i> (F)=(D-E)
Reference Number	Date Disbursed	Recurrent (Kshs) (A)	Development (Kshs) (B)	Inter – Ministerial (Kshs) (C)	Total (Kshs) (D)=(A+B+C)		
FT23220D7PJN	08/08/2023	82,500,000	-		82,500,000	82,500,000	-
FT23342LFSTY	08/12/2023	82,500,000	-		82,500,000	82,500,000	-
FT24086T00QF	26/03/2024	112,500,000	-		112,500,000	112,500,000	-
FT2414184V93	20/05/2024	112,500,000	-		112,500,000	112,500,000	-
<b>Total</b>		<b><u>390,000,000</u></b>			<b><u>390,000,000</u></b>	<b><u>390,000,000</u></b>	
I confirm that the amounts shown above are correct as of the date indicated.							
Head of Accounts Department		 Signature					
Name: Emmanuel Korir							
Date: 19 <sup>th</sup> July 2024							

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**Appendix IV- Reconciliation on Budget, Accrued and actual amounts of financial statement**

Item	Revised Estimates	Actual Accrued as per Statement of Financial Performance	Prepayments b/d	Prepayments c/d	Accruals Paid in FY 2023/2024	Accruals FY 2023/2024	Actual Cash Receipt/Expenditure
	A	B	D	E	F	G	
Revenue	Kshs.	Kshs.	Kshs.				Kshs.
<b>Non -exchange transactions</b>							
Recurrent Grants	390,000,000	390,000,000	-	-	-	-	390,000,000
Donor Support-(BILT, WSK, CICAN & COL)	50,000,000	31,325,667	-	-	-	-	31,325,667
<b>Exchange transactions</b>							
Accreditation and Other related fees	100,000,000	114,759,538	-	-	-	4,111,159	110,648,379
<b>Total Revenue</b>	<b>540,000,000</b>	<b>536,085,205</b>	<b>-</b>				<b>531,974,046</b>
<b>Expenses</b>							
<b>Employee cost</b>							
Basic Salary	88,574,350	87,192,658	204,572				86,988,086
House Allowance	30,498,000	29,599,742					29,599,742
Commuter Allowance	12,996,000	13,157,937					13,157,937
Air-time Allowance	5,412,000	5,077,968					5,077,968
Extraneous Allowance	2,472,000	2,369,936					2,369,936
Non-Practicing Allowance	240,000	240,000					240,000
Employer NSSF Contribution	1,496,800	1,514,430					1,514,430
Employer Housing Levy Contribution	2,000,000	1,623,246					1,623,246
Overtime Allowance	-	4,143					4,143
Acting/Special duty Allowance	-	840,041					840,041
Leave Allowance	2,084,690	2,075,152					2,075,152
Employer Pension Contribution	15,353,100	15,348,298					15,348,298
Gratuity	4,905,706	4,454,070			2,296,732	4,454,070	2,296,732
Casual Wages	3,000,000	2,832,891					2,832,891
Interns Stipend	1,680,000	834,838					834,838

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<b>Sub-Total</b>	<b>170,712,646</b>	<b>167,165,347</b>	<b>204,572</b>	<b>-</b>	<b>2,296,732</b>	<b>4,454,070</b>	<b>164,803,437</b>
<b>Board expenses</b>							
Chair's Honoraria	1,020,000	1,020,000					1,020,000
Sitting Allowances & Daily Subsistence Allowance	8,903,220	10,624,131					10,624,131
Capacity Building & Stakeholder forums	12,076,780	5,547,885					5,547,885
<b>Sub-Total</b>	<b>22,000,000</b>	<b>17,192,016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,192,016</b>
<b>Repairs and Maintenance</b>							
Buildings	4,200,000	4,063,067					4,063,067
Motor Vehicles	8,838,500	9,227,256					9,227,256
Furniture & equipment	800,000	598,549					598,549
<b>Sub-Total</b>	<b>13,838,500</b>	<b>13,888,872</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,888,872</b>
<b>Contracted professional Services</b>							
Cleaning Services	500,000	184,300					184,300
Fumigation & Pest Control Services	400,000	345,000					345,000
Insurance Services-Motor Vehicles	2,000,000	2,285,756					2,285,756
Insurance Services-Other Office Equipment	800,000	731,721					731,721
Internet Connections & Service Level Agreement	9,846,432	10,503,859					10,503,859
Staff Medical Insurance	17,000,000	16,614,190					16,614,190
GPA/WIBA	3,400,000	3,017,595					3,017,595
Courier and Postal Services	300,000	283,026					283,026
Legal Services	5,000,000	5,452,885					5,452,885
External Audit Services (OAG)	500,000	500,000					500,000
ISO Certification Processes	1,500,000	1,359,536					1,359,536
<b>Sub-Total</b>	<b>41,246,432</b>	<b>41,277,867</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,277,867</b>
<b>Accreditation, quality assurance and Standards</b>							
Accreditation of TVET Institutions	15,000,000	20,156,645					20,156,645
Outreach services	11,000,000	11,133,331					11,133,331
Standards development	10,800,000	4,181,360					4,181,360
Compliance and enforcement	15,000,000	13,984,829					13,984,829
Strategy and Planning	13,000,000	9,137,416					9,137,416
Research and development	12,000,000	11,483,074					11,483,074

**TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING AUTHORITY**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024**

<b>Sub-Total</b>	<b>76,800,000</b>	<b>70,076,655</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,076,655</b>
<b>Administration expenses</b>							
Printing and Advertising	4,000,000	2,837,415					2,837,415
Communication, Supplies and Services	2,500,000	3,108,338					3,108,338
Accessories for Computers and Printers	2,000,000	1,607,555					1,607,555
Hospitality, Supplies and Services	5,500,000	4,007,340					4,007,340
Local travel Subsistence & Transport costs	6,000,000	9,008,956					9,008,956
Foreign travel Subsistence & Transport costs	4,000,000	5,281,168					5,281,168
Training Expenses	5,320,000	5,902,188					5,902,188
Retreats/Seminars/Workshops	7,000,000	11,127,455					11,127,455
Office General Supplies and Services	6,500,000	6,459,568					6,459,568
Rent	28,000,000	27,862,775					27,862,775
Fuel, Oil and Lubricants	10,400,000	9,449,867					9,449,867
Shows and Exhibitions	500,000	-					-
Skills Competition expenses	60,000,000	52,145,124	3,512,075	6,694,435			55,327,484
Uniform and Clothing	1,000,000	804,390					804,390
Bank Charges	500,000	596,757					596,757
Subscription to Clubs & Professional Membership	300,000	286,560					286,560
Kenya Skills Community of Practice-KSCOP	-	1,600,763					1,600,763
<b>Sub-Total</b>	<b>143,520,000</b>	<b>142,086,219</b>	<b>3,512,075</b>	<b>6,694,435</b>	<b>-</b>	<b>-</b>	<b>145,268,579</b>
<b>Capital expenses</b>							
Renovation of & equipping regional offices	45,000,000	205,045					205,045
E-Board Solution	2,500,000	2,318,000					2,318,000
Laptops/Tablets	3,000,000	3,281,800					3,281,800
Motor-Vehicle	8,000,000	-					-
<b>Sub-Total</b>	<b>58,500,000</b>	<b>5,804,845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,804,845</b>
<b>Grand Total</b>	<b>526,617,578</b>	<b>457,491,821</b>	<b>3,716,647</b>	<b>6,694,435</b>	<b>2,296,732</b>	<b>4,454,070</b>	<b>458,312,271</b>