REPUBLIC OF KENYA

OAG

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 18 JUN 2025 DAY. WED.
TABLED BY: HON. NAOMI WAQO, MP. DEP. MAJORITY PARTY WHP.
CLERK-AT THE-TABLE: MS. MERCY CHUMO.

PARLIAMENT OF KENYA LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE

FOR THE YEAR ENDED 30 JUNE, 2024

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.
15 MAY 2025
RECEIVED

Revised Template: 30th June 2024

KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE
P.O. BOX 277-90138 Makindu
Cell: 0780484873
Email: kibweziwesttvc@gmail.com

KIBWEZI WEST TECHNICAL & VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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

(Leave page Blank)

Table of Contents

1. Acronyms &Glossary of Terms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
KWTVC	Kibwezi West Technical & Vocational College
FY	Financial Year
NG-CDF	National Government Constituency Development Fund
TVET	Technical Vocational Education and Training
TVETA	Technical Vocational Education and Training Authority
Fiduciary Management	Key management personnel who have financial responsibility in the entity
KNEC	Kenya National Examination Council
CDACC	Curriculum Development Assessment and Certification Council
NITA	National Industrial Training Authority
PSC	Public Service Commission

2. Key Entity Information and Management.

(a) Background information

Kibwezi west technical and vocational college is situated within Makindu Township. The College occupies a 38.5-acre piece of land and is in a predominantly semi-arid region. The Institution was established by the Government of Kenya and the collaboration of NG-CDF Kibwezi West constituency in 2020. The College is registered as a TVET institution by TVETA under the TVET Act on 2013. The College is under the Ministry of Education.

The College has six (6) academic departments, namely Electrical Electronics, Building and Civil Engineering, Business Studies, Hospitality & Tourism management and Information and communication Technology department. The Institute offers a variety of courses to K.C.P.E and K.C.S.E graduates at Artisan, Craft, and Diploma levels. The courses offered are examined by KNEC, NITA, CDACC. Currently, the Institute has 12 PSC trainers and 20 BOG Trainers with student population of 397 students, who are either boarders or commuters.

The Institution is run on day-to-day basis by a Principal who is appointed by the CS, Ministry of Education under the State department Vocational and Technical Training. The College is managed by a Board of Governors (BOG), appointed by the Cabinet Secretary, Ministry of Education as stipulated by the TVET Act (January, 2013). Responsibilities of the Board of Governors include recruitment of support staff, overseeing financial management, upholding of staff and student discipline, maintenance of infrastructure & other assets, and sourcing for finances.

(b) Principal Activities

The principal activity/mission of KIBWEZI WEST TVC is to provide quality training for the production of self driven craftsmen business and technical labour for the local and international market.

Our vision is to be Technical Centre of excellence in business and Technology for all sectors of the economy. Our mission is to provide quality training for the production of self-driven craftsmen, business and technical labour for the local and international market.

The core functions of Kibwezi West TVC include providing directly, or in collaboration with other institutions of higher learning, facilities for technical trainers in technological, professional, scientific education; conduct examinations for and grant such academic awards as provided under the polytechnics order.

(c) Key Management

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

- The Principal

- Deputy Principal
- Registrar
- Ag. Dean of Students
- Finance Officer
  Heads of Departments

(d) Fiduciary Management.

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Principal	**Mr.Benson K. Mbeke**
2.	Deputy principal Academics	**Mr.Peter M. Kiveli**
3.	Registrar (s)	**Mr.Michael N. Muthembwa**
4.	Dean of students	**Md.Hellen Mutheu**
5.	Head of Finance	**CPA Stephen Mutua**

(e) Fiduciary Oversight Arrangements

➢ ***Audit and risk committee activities***

- **Governance Initiatives**:
- Review and provide oversight on governance initiatives established by the BOG and maintained by the organization.
- **Risk Management:**
- Review and provide oversight on the establishment, implementation, maintenance, and effectiveness of risk assessment, risk management, and risk reporting practices.
- **Internal Control Framework:**
- Review and provide oversight on the organization's internal control framework. Keep informed on all significant matters arising from work performed by any governance, risk, and control assurance providers.

- **Audit Activity**:
- Approve and periodically review the organizational audit policy. Review and approve an internal audit plan. The audit plan should be risk-based and supported by appropriate risk assessments.
- **Follow Up On Management Action Plans:**
- The audit committee shall review regular reports on implementation status of approved management action plans resulting from prior internal audit recommendations.
- **Financial Statements And Public Accountability Reporting:**

- The audit committee shall review and provide advice to the BOG on the key financial management and performance reports and disclosures issued to the public.

➢ **Government Oversight Activities**

- The Government of Kenya's oversight role include provision of Grants for both Operations and Development as well as provision of the regulatory framework.
- The audit of the Instructional activities is undertaken by the Office of the Auditor General.

➢ ***Finance and operations committee activities***

The Committee shall exercise all the powers of Board of Governors in financial matters except in relation to the items which are reserved to Board of Governors in these Standing Orders, on which the Committee shall advise Board of Governors.

Terms of Reference

The role of the Committee shall be to monitor the financial status of the Institute on behalf of Board of Governors. In addition to advising Board of Governors on those matters referred to above, the Committee's responsibilities shall include:

- To monitor and facilitate the implementation of the College's strategy with regard to financial matters.
- To receive reports from the Principal and the Finance Officer.
- To monitor implementation of the strategy for the College estate.
- To receive reports of the extent and condition of the College estate including the efficiency of space utilization, the consumption of energy and the adequacy of property insurance arrangements.
- To consider the adequacy of the College estate and proposals for its maintenance and development, including opportunities to dispose of and acquire new properties.
- To determine the fees and charges made for College services and facilities.
- To supervise the financial administration of the College and make recommendations to Board of Governors where appropriate.
- To supervise the arrangements for safeguarding the College's assets.
- To ensure the proper financial evaluation and control of projects.
- To supervise the arrangements for investing the College's funds, including monitoring the performance of investments.
- To ensure the appropriate exploitation of the College's intellectual property.
- To make recommendations to Board of Governors on the financing of projects.
- To supervise the effective and efficient procurement and use of resources in accordance with the objectives of the Institute.
- To supervise the College's purchasing procedures and practices.
- To submit an annual statement on its activities to Board of Governors.
- To keep under review the activities of the College's various departments.

➢ ***Academic committee activities***

The academic committee of the Board is entrusted with the following roles and functions:

- To satisfy itself regarding the content and academic standard of any course of study in respect of any diploma, certificate or other award and to report its findings thereon to the Board.
- To propose regulation for consideration by the Board regarding the eligibility of persons for admission to a course of study,
- To propose regulations for consideration by the Board regarding the standard of proficiency to be gained in each examination for a Diploma, certificate or other award.

- To approve programmes of study, regulate admission of persons to KIBWEZI WEST TVC and determine their continuation or discontinuation in such programmes.
- To determine the Academic policy of KIBWEZI WEST TVC and to advise the Board on the provision of facilities to carry out that policy,
- To direct and regulate the training and instruction within the College subject to the powers of the Board.

Key Entity Information and Management (Continued)

(f) **Entity Headquarters**
P.O. Box 277
Nairobi-Mombasa Highway
MAKINDU, KENYA

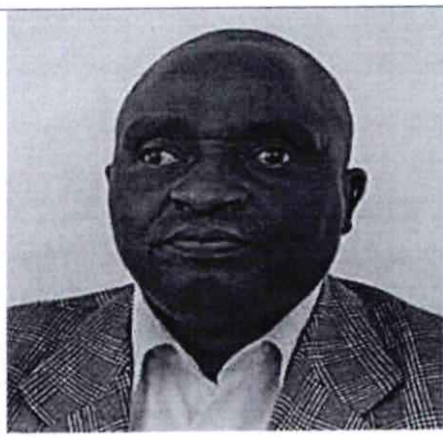
(g) **Entity Contacts**
Mobile Phone Numbers:
+254780484873
+254768284046
E-mails: kibweziwesttvc@gmail.com,
Website: www.kibweziwesttvc.ac.ke

(h) **Entity Bankers**
Kenya Commercial Bank Limited
Wote- Branch
P.O. Box 269-90300
Account No: 1279788674

(i) **Independent Auditors**
Auditor General
Office of Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(j) **Principal Legal Adviser**
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. The Council/Board of Governors.

No.	Member/ Director	Details
1.	 MR. PETER MUTAVI	**Date of Birth** -1971 **Key Qualifications** Holds a Bachelor of science (Electrical & Electronics) **Work experience- 5 years** Standard print manager-5yrs **Responsibility.** Overall management of the board activities Chairperson of the BOG.
2.	 GICHURU MUTULILI	**Date of Birth** -1966 **Qualifications** Bachelor of Education (Arts),and Masters in MIS **Work experience - years** Education sector- County director **Responsibility.** **Represents permanent secretary**
3.	 BENSON K MBEKE	**Date of Birth** -1965 **Qualifications** Masters in business administration **Work experience -29 years** Deputy principal 2 ½ years PC regional coordinator (Rift valley) 9 years PC/ Strategic planning coordinator- 11 years HOD- 12 years DHOD- 8 years **Responsibility.** **In charge of the overall management of the college.** PRINCIPAL/ SECRETARY BOG

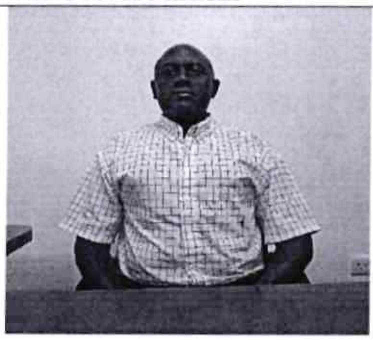
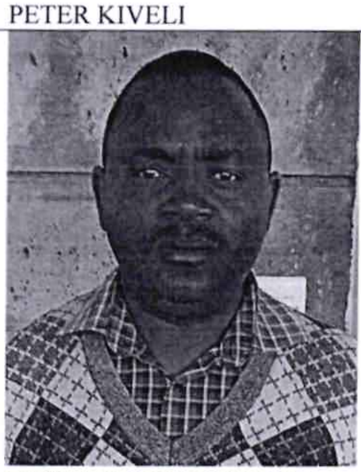
<table>
<tr><td>4.</td><td>
CORNELIA LIKU</td><td><u>Date of Birth</u> -1972
<u>Key Qualifications</u>
Holds a Bachelor of
Science ,
University of Lesotho.
<u>Work experience -22 Years</u>
Lecturer -CUEA
Head of Department.
Responsibility.
Member of the education committee</td></tr>
<tr><td>5.</td><td>
ANN KARIUKI</td><td><u>Date of Birth</u> –1967
<u>Key Qualifications</u>
Bachelor of Technology(Electrical
&Engineering Technology)
<u>Work experience – 5 Years</u>
Consultant.
Responsibility.
Member of the risk and audit committee</td></tr>
<tr><td>6.</td><td>
BENARD OBUYA</td><td><u>Date of Birth</u> – 1990
<u>Key Qualifications</u>
Bachelor of Engineering industrial Textile
Engineering.
<u>Work experience –5 Years</u>
Mechanical Engineer.
Responsibility.
Member of the finance committee</td></tr>
<tr><td>7.</td><td>
DANISH RAYOLA</td><td><u>Date of Birth</u> – 1981
<u>Key Qualifications</u>
Diploma in Law ,Kenya School of Law
,LLB(Hons),University of Nairobi
Masters of laws LLM

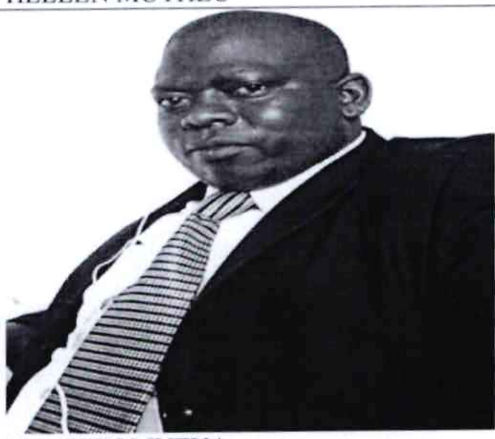
<u>Work experience -5 YEARS</u>
Kenya associate Sumba &Mbogo advocates

Responsibility.
Member of the risk and audit committee</td></tr>
<tr><td>8.</td><td></td><td><u>Date of Birth</u> – 1987
<u>Key Qualifications</u></td></tr>
</table>

<table>
<tr>
<td></td>
<td>
AMOS KAVITA</td>
<td>Bachelor of Electrical and Electronics engineering
<u>Work experience -10 years</u>
Electrical Engineer- Kenya power
Responsibility.
Member of the finance and administration committee</td>
</tr>
</table>

4. Key Management Team

No.	Member/ Director	Details
1.	 BENSON K MBEKE	**Date of Birth** -1965 **Qualifications** Masters in business administration **Work experience -29 years** Deputy principal 2 ½ years PC regional coordinator (Rift valley) 9 years PC/ Strategic planning coordinator- 11 years HOD-12 years DHOD- 8 years **Responsibility.** **In charge of the overall management of the college.** PRINCIPAL/ SECRETARY BOG
2.	 PETER KIVELI	**Date of Birth** -1967 **Qualifications** PGTE **Work experience -18 year** HOD ICT. **Responsibility.** Deputy Principal.
3	 MICHAEL MUTHEMBWA	**Date of Birth** - 30-07-1978 **Qualifications** Bachelors of education in Technology(Electrical & electronics Eng) **Work experience -16 years** **Responsibility.** Ag registrar

4	 HELLEN MUTHEU	**Date of Birth-**...1991 **Qualifications** Higher National Diploma **Work experience-4yrs** Traainer **Responsibility.** **Ag dean of students**
5	 STEPHEN MUTUA	**Date of Birth-**...1984 **Qualifications** CPA K ICPAK Registered **Work experience-11yrs** Kiambani day and boarding primary school. **Responsibility.** **Finance officer**
	*(**Note:** The Principal and the Secretary to the Council/ BoG will feature both under the 'Board' and 'Management').*	

5. Chairman's Statement

The office of the Chairperson of the board of governors of Kibwezi West Technical and Vocational College (KWTVC) has been active during the year under review in managing the affairs of the College. We reckon the existing challenges including the issues of inadequate learning facilities, fewer trainers and training resources. Despite all this, the College has been able to sustain a culture that associates technical training with modern life.
As a board, we have encouraged a change in the mindset of our people as we leveraged on the leaders to sensitize and educate our people to embrace the concept of technical and vocational training for our youth. The board has been and is committed to ensuring that the changing world around is sensitive to the needs of the future of our young men and women. We have continued to collaborate with a number of agencies both public and private sector in our Endeavour to grow the College. Particularly we have collaborated with the Kibwezi west constituency of Makueni on various academic and economic ventures. Our desire to achieve and deliver on our mandate has seen our drive in reaching out to each and every other partner willing to work with us.

Our mandate is to grow the student population through a number of strategies including effective outreach programs geared to popularize the College from within and around the County. During the year under review, the management has carried out an aggressive popularity campaign in Makueni County and its environs.

As a board, we endeavour to continually put in place governance systems to ensure that we not only comply with the PFM Act of 2012 but also engage in prudent leadership practices that creates value for the College. KIBWEZI WEST TVC has remained a good corporate citizen that meets its obligations for its staff and students as well as the national obligations.

The registered remarkable development which commensurate to its resources within one year since its inception .during the period under review in the realization of its mandate with financial support of the Ministry of Education, state department of Vocational and Technical Training in form of Grants and Student Capitation. As a result, the College has now been able to steer its progress through market research, linkages, collaboration and partnerships. We continue to register an overall improvement in our performance due to enhanced resources, physical facilities and infrastructure.

I wish on behalf of the board of governors to thank the State Department of Vocational and Technical Training, Ministry of education, the County Government of Makueni especially Kibwezi west constituency and all other development partners for the support they continue to accord the College without which our achievements would not have been realized. Finally I wish to appreciate my board members and the Kibwezi West TVC management staff for their efforts in supporting the realization of the College mandate.

Peter Mutavi Sign Date.. 19th July 2024……………
Chairman/Board of Governors

6. Report of the Principal.

Pursuant to Section 83 of the Public Finance Management Act, 2012, I take this opportunity to present the College's Annual report and financial statements for the financial year 2023/2024. The report focuses on the Institute's Strategic intent as enshrined in the TVET act 2013 which include Improvement of physical facilities and infrastructure, curriculum development, and advancement of TVET programs by promoting Research & Innovation, Partnership/ linkages and environmental management. Further to this the College envisages to strengthen its financial base through promotion of good governance and effective management.

The above strategic issues are part of broad initiatives undertaken by the institute's planning system in order to impart relevance to current the national TVET reforms. This defines the College's mandate aimed at enhancing quality, competitiveness, creativity and innovativeness in TVET sector. The report is premised on involvement on account of analysis of goals, strategic issues, strategic objectives and activities that the Kibwezi West TVC envisages to pursue in the 2023/2024 Financial year. The mandate of the BOG among other things is to provide apex management towards achieving the institute mandate as per the TVET Act 2013.

To develop a College with excellence in teaching, training, entrepreneurship, research, consultancy, community service, among other educational services and products, Kibwezi West TVC envisages investing in all forms of curriculum development with emphasis on technology. The top management has embraced change by sensitizing the local populace to embrace the concept of technical and vocational training, particularly the youth. During the year under review, we commit to continue to collaborate with a number of agencies both public and private sector in our endeavour to grow the College. Our desire to achieve and deliver on our mandate has seen our drive in reaching out to each and every other development partner desiring to work with us.

During the year under review, there was serious challenges of resources since the college missed fourth quarter grant and capitation. HELB Disbursement was also delayed . Beside,s not all of our legible students received Government capitation.
The institute is an active player in Games and sports and during the year under review participated in games at the regional levels held at Mwala TVC where they emerged 2[nd] runners-up. The institution managed to procure games kits to all participating teams.

The science and innovation team participated in innovations trade fairs up national levels held in Nakuru and emerged position 9 nationally.

Challenges

The College emphasizes on the need for adequate staffing for the effective education in all departments. Majority of the departments do not have sufficient staff to handle the trainees. Shortage of trainers is therefore one of the challenges facing the College. In order to alleviate the shortage, the college has been hiring trainers on BOG terms to teach the trainees. The staff are paid by the college from its meagre resources. During the 2023/2024 financial year, the Institute maintained 20 trainers under the BOG contract but the number is likely to increase due to our increased programs.

Continuous dynamics in the ICT sector is inevitable where both upgrade and updates of website have been made. The college has since procured an MIS for efficient service delivery in the registry and finance departments.

Lack of training equipment has been a serious challenge where the college cannot roll out new technical programs.

Water has been a challenge since the service provider Kibwezi Makindu Water& Sewerage Company pumps water to our college once a week which is too little compared to our demand. As a stop gap measure, the institution has renovated the underground water tank in the college for rain water harvesting.

PRINCIPAL
KIBWEZI WEST TVC
P.O. Box 277-90138
MAKINDU

Benson K. Mbeke Sign.................. Date......19th July 2024
Principal/ Secretary, BOG

7. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act 2012, requires the accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.
Kibwezi West Technical and vocational College seven (7) strategic issues/pillars or thematic areas that it plans to lean on in pursuit of its strategic objectives within the current Strategic Plan for the financial year 2020/2021. The strategic pillars/Issues are as follows:
Thematic Area/Pillar 1. Physical Infrastructure, Facilities and the Environment.
Thematic Area/Pillar 2. ICT Integration
Thematic Area/Pillar 3. Linkages with other institutions.
Thematic Area/Pillar 4. Research and Development.
Thematic Area/Pillar 5. Marketing of the college.
Thematic Area/Pillar 6. Social Welfare.
Thematic Area/Pillar 7. Resource Mobilization.
The college has developed the following objectives under each of the pillars to be pursued as the basis for the realization of its goals;
Pillar 1. Objective- to improve/upgrade infrastructure and facilities.
Pillar 2. Objective - to establish and expand ICT systems for administration and training
Pillar 3. Objective- to promote linkages with other institutions (international, national county government and NGO institutions.
Pillar 4. Objective – to promote research and Development
Pillar 5. Objective – to install and continuously improve marketing of the college and its programs.
Pillar 6. Objective – to create a conducive working and learning environment and promote health and safety of staff, students and all other stakeholders.
Pillar 7. Objective - to strengthen the sourcing, application and of the financial status of the college.
Kibwezi West Technical and Vocational College develops its annual work plans based on the above seven pillars. Assessment of the board's performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets set for the Financial Year 2020/2021perid for its seven strategic pillars, as indicated in the diagram below;

Strategic Pillar		Objective	Key performance indicators	Activities	Achievements
Pillar 1.	Physical infrastructure, facilities and environment	To develop/improve infrastructure, facilities and environment.	-More land acquired. -additional classroom -borehole drilled.	-acquire additional land. -acquire additional classrooms. -Construct workshop.	-College compound was fenced. -workshops were equipped. -planting of trees, flowers and compound cleared. Extra

			-Fenced college compound. -equipped workshops. -CCTVs system. -college van -planted trees, flowers and land clearance.	-drilling of a borehole. - Equipping of workshops. -Fencing the college compound -CCTV-security system setting - purchase van - tree planting and beautification. - Acquire title deed for the land.	greening/environmental improvements activities were also undertaken. -title deed acquisition process was initiated. The Geo-survey has been completed. Awaiting response from the ministry of lands. - a van for use in teaching and learning was acquired through a donation. - Completion of the underground water tank was undertaken. - Building and civil engineering workshop expansion was stated and is WIP. -Purchase of Fashion design & cloth making equipment was purchased and installed for use.
Pillar 2.	ICT integration.	To acquire and use modern ICT systems	-laptops bought - purchased printers and photocopiers - Server system purchase and installation. - internet installation - College management system software.	-Acquire laptops -Acquire projectors -purchase printer , photocopiers -purchase servers - Air conditioners	-laptops were bought. -a projector was acquired. -photocopiers and printers were bought. -an internet system was installed. -computer software acquired. -Wifi/internet resource facility was

				-purchase and install a server - purchase and install training computers. - acquire college management software. -Installation of a internet system. - Computer software's purchase.	installed during the year. -The computer room furniture/fittings/security grills were installed. Floor tilling was also done. - Systems developer has been commissioned to prepare and deliver a MIS software for use in the Registry and finance departments. It is work in progress and at an advanced stage.
Pillar 3.	Linkages with other institutions /organizations.	-To establish strong and working links with international, national, county government and NGO organizations.	- established partnerships and other linkages with organizations.	-establish exchange programs. -design and develop MOUs with other institutions	- a member of KATTI. -The institution continues to subscribe to the KATTI membership and participate in the games & sports and other activities organized by the Association.
Pillar 4.	Research and Development.	-To promote research and development.	-research resources required. -Report on research skills. -report on TNA -implemented research recommendations. -list of training participants. -new research facilities.	-allocate funds to research. -strength the research unit. -undertake training needs assessment -train staff in proposal writing and	-During the year, students participated in the science innovations competitions up from the regional level where we were position 2 to the national level where we emerged in the 9th position.

			-implemented findings	data analysis. -circulate proposal for possible funding	
Pillar 5.	Marketing the colleges and its programs.	-To market the college and its programs.	-completed media advert. -	- Advertising the college through various media. -Develop the college magazine. -Hold a graduation ceremony at least once a year. -Print calendars. -establish alumnae association. -conduct an open day. -exhibit in TVET fairs.	-During the year, the college undertook an aggressive marketing campaign using an appropriate marketing mix initiative. This translated into the increased number of students as evidenced by the admissions record for the year.
Pillar 6.	Create conducive working environmen t	-To create a conducive working and learning environment	- reward scheme in place - staff trips - student tours - awareness creation	- document a fair reward scheme - plan and hold staff trips and tours - continuous T&D to	- Capacity building trainings both for the staff and management were undertaken during the year. - Some staff welfare activities were undertaken. - The performance contracting system

				build capacity in performance of duties and in management and leadership	was started during the year and now being applied in guiding staff performance and appraisals.
Pillar 7.	Resource mobilization	-To strengthen the financial and other resources status of the college.	- a food and beverage restaurant constructed - a driving school established as per the NTSA regulations - disposal of the idle assets	- a food and beverage restaurant constructed - a driving school established as per the NTSA regulations - disposal of the idle assets	-the food and beverage restaurant construction was started during the year but stalled due to lack funds. Plans are underway to budget for its completion in the next financial year. In the meantime, part of the existing premises is being furnished a a stop gap measure to act as the food & beverage kitchen & Restaurant.

8. Corporate Governance Statement

The College affirms that good corporate governance is simply good business. The College commits to ensure that there is compliance with the statutory and all the legal requirements as well as meeting the set deadlines.

i. Appointment of BOG Members

The Cabinet Secretary, MOE appoints members of the Board following recommendations from the B.O.G nominating committee. The board consists of nine members. The Board of Governors for Kibwezi west Technical and Vocational College serves for three years. The Board may set up sub-committees and assign them responsibilities as it may deem fit.

As stipulated by the Ministry of Education through the TVET Act (January, 2013), responsibilities of the Board of Governors include recruitment of support staff, overseeing financial management, upholding of staff and student discipline, maintenance of infrastructure & other assets, and sourcing for finances.

ii. Major roles and Functions of Board of Governors

The functions of the organs set out under section 28 (1) shall include —

a) Overseeing the conduct of education and training in the institutions in accordance with the provisions of this TVET Act and any other written law;
b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this TVET Act and any other written law;
c) Administering and managing the property of the institution;
d) Developing and implementing the institutions' strategic plan;
e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;
f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions TVET Act; 2013 Technical and Vocational Education and Training No. 29
h) Mobilizing resources for the institutions;
i) Developing and reviewing programmes for training and to make representations thereon to the Board;
j) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
k) Approving collaboration or association with other institutions and industries in and outside Kenya
l) Recruiting and appointing trainers from among qualified professionals and practising trade's persons in relevant sectors of industry;
m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the TVET Authority;

n) Making regulations governing organization, conduct and discipline of the staff and students;
o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the ministry
p) Providing for the welfare of the students and staff of the institutions;
q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
r) Discharging all other functions conferred upon it by this Act or any other written law.

iii. Board of Governors Allowances

The College pays allowances to board members to cater for their transport and sitting allowances.

iv. Meetings

a. Full Board Meetings - are held once every term, but if there is an urgent need, a meeting can be convened.
b. Board Committee Meetings, or working committees are held once every term

v. Appointment of BOG Members

The Cabinet Secretary, MOE appoints members of the Board following recommendations from the B.O.G nominating committee. The board consists of nine members. The Board of Governors for Kibwezi West Technical and Vocational College serves for three years. The Board may set up sub-committees and assign them responsibilities as it may deem fit.

vi. Role and Functions of Board of Governors

The functions of the organs set out under section 28 (1) shall include —

a. Overseeing the conduct of education and training in the institutions in accordance with the provisions of this TVET Act and any other written law;
b. Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this TVET Act and any other written law;
c. Administering and managing the property of the institution;
d. Developing and implementing the institutions' strategic plan;
e. Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;
f. Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
g. Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions TVET Act; 855 2013 Technical and Vocational Education and Training No. 29
h. Mobilizing resources for the institutions;
i. Developing and reviewing programmes for training and to make representations thereon to the Board;
j. Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;

k. Approving collaboration or association with other institutions and industries in and outside Kenya
l. Recruiting and appointing trainers from among qualified professionals and practicing trade's persons in relevant sectors of industry;
m. Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the TVET Authority;
n. Making regulations governing organization, conduct and discipline of the staff and students;
o. Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the ministry
p. Providing for the welfare of the students and staff of the institutions;
q. Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
r. Discharging all other functions conferred upon it by this Act or any other written law.

vii. Board of Governors Allowances

The institute gives cash allowances to board members to cater for their transport and sitting allowances.

viii. Meetings

c. Full Board Meetings - are held Once Every Term
d. Board Committee Meetings- Once Every Term
e. Executive Board Meeting- Once Every Term.

9. Management Discussion and Analysis

(a) Financial performance.

During the FY 2023-2024 institutions' enrolment grew tremendously to 398 students against the projected 300 students. This increase is attributed to vigorous marketing activities which were carried out during the financial year under review.

The increase in the number of students led to increase in revenues. During the financial year the institution realized Appropriation In Aid (AIA) totaling to **ksh 19,188,918.00**The amount was realized as follows:

i) Rendering of services- fees from students amounting to ksh 14,081,538.00
ii) Sale of tender documents amounting to ksh 56,000.
iii) Cafeteria sales ksh.2,080
iv) Management training ksh.328,800
v) Revenue from non-exchange transactions totaling to ksh 4,720,500 comprising mainly of government capitation and recurrent grants.

During the year under review, the institution expenditures amounted to ksh 15,023,132.25 where by use of goods and services was the main expenditure vote head totaling to ksh 8,944,790, where employees cost which includes the salaries for the institution employees amounted to ksh 5,095,906.00.

At the end of the financial year 2023/2024 the institute realized a surplus of **2,286,823.00**. The surplus amount was committed as a reserve to cater for BOG staff salaries and purchase of exam materials in the subsequent year.

At the end of the financial year exchange receivables from rendering of services amounted to ksh **1,972,869.00** and trade and other payables amounted to ksh.**1,472, 020.20**

(b) **College compliance with statutory requirements**.

Kibwezi West Tvc has registered with the following government agencies: NHIF, NSSF and KRA. The institute submits the relevant returns to the agencies on or before 9th of the following month or when they fall due.

(c) **Major risks facing the entity**.

The following are some of the major problems that the institute has currently been facing:

- Students uncertainty to their sustainability in the college
- In adequate training materials and equipment as the college
- Being occasioned by delayed disbursements of the government capitation.
-

(d) Material arrears in statutory and financial obligations.

At the end of the financial year under review the institute had NIL creditor's bills and had no any arrears related to any compliance with the state regulations.

10. Environmental and Sustainability Reporting Statement

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

Sustainability strategy and profile

Kibwezi West Technical and Vocational College is strategically placed along Nairobi-Mombasa highway opposite KMTC Makindu campus opposite Makindu Agricultural Show ground in Makueni County.

The Vocational Training Sub-sector, despite being a major producer of self & formal employment opportunities, has not been able to perform as anticipated due to a number of reasons. To address the above a normally the College wishes to put diverse efforts in place to make sure the College performs as mandated. One such effort is to develop a Sustainability Growth Plan (SGP). The main aim of the intervention is to map out a sustainable growth plan to increase access to diverse training opportunities and increase trainees' enrolment and retention to a realistic number of 1000 by the end of 2025.

Environmental performance

Land Issue

The entity has an issue of land 15 Ha which is not sufficient enough for any meaningful growth to cater for expansion and future development of the College. The land has got no Title Deed to prove ownership. The only land ownership document available is an Allotment Letter. The entity is committed to continuously pursue with the County Government to allocate more land by re-locating the showground to the County Headquarters.

Water

The entity is predominantly in an arid zone. In order to solve the problem of water shortage in the College, the entity resolved to collect all the rain water and increase water tanks from ONE to TEN and also to rehabilitate a water ground tank which was initially used by the contractor to collect more rain water

Employee welfare

The entity is in a process of coming up with a Human Resource Management policy which will guide the hiring process, procedures, regulations and other administrative procedures relating to hiring of human resources. Over the years, the Board of Governors (BOG) has continued to hire the services of non-teaching staff on permanent basis according to the College's needs and ability to pay salaries. Over the one year, the BOG staffs have continued to suffer poor remuneration due to inadequate resources. With the realization of the high cost of living, the board is unable to review their salaries due to meagre resources. However, the Board has maintained salaries that are affordable considering the low fee payable by parents for personal emolument.

Specifically, the policy manual on progress intents to: -

- Ensure adherence to the Constitution as the supreme reference document and other government regulations.
- Ensure a common understanding by KWTVC Staff of stipulated standards and procedures in monitoring their performance for continued improvement.
- Achieve optimum utilization of staff' skills and talents, in enhancing career development.
- Create a conducive working environment, positive relations, parity treatment of all cadres of staff and work life balance

As guided by the Constitution of Kenya, the ultimate objective of recruitment for the Board is to secure the highest standard of efficiency, competence and integrity without discrimination as to race, religion, colour, ethnic origin, political affiliation, sex or sexual orientation, pregnancy, marital status, disability, health or social status.

The authority to recruit and appoint the Board staff is vested on the Board and the recruitment is carried on a national competitive basis. Without prejudice to the recruitment of new staff at all levels, priority will be given to suitable employees. The Board commits to adhere to the equal opportunity principles. The Board believes that the diversity of staff contributes to its intellectual strength and effectiveness as an organization and therefore endeavor to operate an efficient system for distributing advertisements and position announcements to women and men nationwide, and to make selection of staff without discrimination. The Board offers a working environment which is sensitive to the needs of both male and female employees and recognizes the reward and recognition policy.

The entity has a strong policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.

Market place practices-

We build trust with all stakeholders by ensuring that ethical decision making guides responsible procurement day to day activities. The College will be advertising its annual tenders every two years through College website, social media platform, etc and ensures that the tendering process is run openly and fairly to select the best suitable vendors. Staffs are guided by the code of conduct and procurement ethics thus ensures no unwanted information lands to unintended user. Our clients are free to make inquiries and seek clarifications when need arises.
The College conduct due diligence on the vendors we engage with to avert the high risk of transacting with blacklisted companies.

The college has great record in managing good supplier relation. We give timely orders to avoid unnecessary rush and panic buying which brings about misunderstanding. Once deliveries are done, the payment process starts and payment is done on the stipulated times in our service charter. Our suppliers are accorded professional service to ease operations. There are regular meetings held do to supplier evaluation to ensure the best is achieved and in case of any challenges they are ironed out

The College applies ethical marketing in relation to standard of fairness or moral rights to what is of best interest to the college. We ensure good publicity with our clients occasionally there are paid adverts in Posters and radios.

Corporate Social Responsibility / Community Engagements.

The institution undertook a stakeholder mapping and analysis, and held consultations with Key Stakeholders (Strategic Partners) in the Constituency. From the survey in the Constituency there was indication that most of the youths associate themselves in the following activities/occupations.

a) Transport sector e.g. Boda boda, touts
b) Small businesses e.g. Retail, M-pesa, saloons,
c) Agribusiness – farming of Mangoes, oranges and chicken rearing
d) Performing Arts and theatre.

From the above findings, the entity under takes to cooperate with community under the following areas of skills upgrading;
Training the youths on varies area of need based on skills gap and a targeted out come for varying Youth groups.

a) Hair dressing and beauty therapy.
b) Entrepreneurial skills.
c) Employability and life skills.
d) First aid short course for truck drivers

The CSR activities
During the year under review, the entity sought further on the areas requiring intervention through CSR approach. The entity established and empowered the Guidance and Counselling department to seek to help the community on the following areas;

a) Youth in drug and substance abuse – *Muguka*, alcohol and other substances
b) Young mothers – how to focus on empowering young mothers in economic activities.
c) Youth in HIV and AIDs.

Those in need for mentorship programme and career choice

11. Report of the Council/Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the **KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE** affairs.

Principal activities

The core mandate of the College is providing knowledge and skills to the people of Makueni County and the nation at large.

The Mandate of the College is to train, impart skills, knowledge and institutionalize effective research and development geared towards production of competent graduates who will contribute to high and sustainable social-economic development.

The Auditor General is responsible for the statutory audit of **KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE** in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

Results

The results of the entity for the year ended June 30are set out on page 1 up to page 8.

Council/Board of Governors

The members of the Board /Council who served during the year are shown on pages *ix, x & xi*. During the year 2023 -2024 no director retired/ resigned and but the County/Regional director Mr. John Wamae was replaced by Mr. Gichuru Mutulili upon transfers with effect from 23/11/2023.

Auditors

The Auditor General is responsible for the statutory audit of the *Kibwezi West TVC* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year/period ended June 30, 2024.

By Order of the Board

BENSON K. MBEKE

PRINCIPAL
KIBWEZI WEST TVC
P.O. Box 277-90138
MAKINDU

....

Secretary of the Board/Council
Nairobi
Date: 19th JULY 2024

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

Section 81 of the public finance management act 2012 and (section 14 of the state corporation act and section 29 of schedule of the technical and vocational educational and training act 2013) require the BOG members to prepare financial statements in respect of the college which give a true and fair view of the state of affairs of the college at the end of the financial year and the operating results of the college for that year. The BOG members also are required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The BOG members are also responsible for safeguarding the assets of college.

The BOG members are responsible for the preparation and presentation of Kibwezi west TVC financial statements, which give a true and fair view of the state of affairs of the College for and as at the end of the financial year (period) ended on June 30, 2024.

The BOG 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 institute;
(iii).Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
(iv). Safe guarding the assets of the Institute;
(v). Selecting and applying appropriate accounting policies; and
(vi). Making accounting estimates that are reasonable in the circumstances.

The BOG members accept responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act 2013*)*. The BOG members are of the opinion that the Institute's financial statements give a true and fair view of the state of transactions during the financial year ended June 30, 2024, and of the College'*s* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the College, which have been relied upon in the preparation of the College's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The *Kibwezi West TVC's* financial statements were approved by the Board on 19th July 2024 and signed on its behalf by:

PETER MUTAVI

BENSON K. MBEKE

PRINCIPAL
KIBWEZI WEST TVC
P.O. Box 277-90138
MAKINDU

Name
Chairperson of the Board/Council

Name
Accounting Officer/Principal

REPUBLIC OF KENYA

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

OAG
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

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

PREAMBLE

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

A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;

B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,

C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kibwezi West Technical and Vocational College set out on pages 1 to 47, which comprise of the statement of financial position as at 30 June, 2024, the statement of financial performance 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kibwezi West Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Rendering of Services – Fees from Students

The statement of financial performance and as disclosed in Note 10 to the financial statements reflect revenue from rendering of services – fees from students totalling Kshs.14,010,449. However, the balance was not supported with a ledger, nominal roll data and student fee statement to confirm the students were in session for various courses during the year and the respective fees charged per student per session.

In the circumstances, the revenue from rendering of services – fees from students totalling Kshs.14,010,449 could not be confirmed.

2. Non-Valuation of Assets

The statement of financial position and as disclosed in Note 31 to the financial statements reflect Kshs.54,684,388 in respect to property, plant and equipment. However, review of the assets register reflected several tools which were purchased for training in various departments over the years which include furniture and fittings and Information Communication Technology (ICT) equipment. However, the assets had been valued but were not incorporated in the financial statements. In addition, the assets were not labelled/tagged.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.54,684,388 could not be confirmed.

3. Lack of Land Ownership

The statement of financial position and as disclosed in Note 31 to the financial statements reflect Kshs.54,684,388 in respect to property, plant and equipment. Review of records revealed that the College was allocated fifteen point two (15.2) hectares of land by the County Government of Makueni. However, the College has no title deed as proof ownership to the land. In addition, the land had not been valued and incorporated in the financial statements.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.54,684,388 and ownership of land could not be confirmed.

4. Unsupported Trade and Other Payables from Exchange Transactions

The statement of financial position and as disclosed in Note 35 to the financial statements reflect Kshs.1,472,020 as trade and other payables from exchange transaction. However, review of documents revealed that two (2) payments under travel and accommodation totalling Kshs.110,900 were not supported with invitation and approval to attend the meetings, imprest warrants, proof of travel, attendance registers and back to office reports.

In addition, six (6) payments totalling Kshs.635,760 were not supported with request for quotations and evaluation minutes.

In the circumstances, the accuracy, completeness and regularity of trade and other payables from exchange transactions of Kshs.1,472,020 could not be confirmed.

5. Casting Errors in the Financial Statements

5.1 The Statement of Financial Performance

The statement of financial performance reflects total revenue from exchange transactions of Kshs.14,468,418. However, a recast of the components under revenue from exchange transactions revealed a total of Kshs.14,397,029 resulting in unexplained variance of Kshs.71,389. Further, the statement reflects net surplus for the year of Kshs.2,286,823 while a recast of the amounts revealed Kshs.2,215,433 resulting in unexplained variance of Kshs.71,390.

In the circumstances, the accuracy of the statement of financial performance could not be confirmed.

5.2 The Statement of Financial Position

The statement of financial position reflects Kshs.63,631,608 being total net assets and liabilities. However, a recast of the amounts revealed Kshs.56,931,472 resulting in unexplained variance of Kshs.6,700,136.

In the circumstances, the accuracy of the statement of financial position could not be confirmed.

6. Irregularities in Payments

The statement of financial performance and as disclosed in Note 16 of the financial statements reflect Kshs.5,095,906 in respect to employee costs. However, review of the payroll revealed that the net salary paid during the year under review was Kshs.4,032,500 while the amount paid as per the bank statements was Kshs.4,301,887 resulting to unexplained variance of Kshs.269,387. Further, a total of Kshs.146,035 was paid for National Hospital Insurance Fund as per the payroll while the bank statement reflected Kshs.167,850 resulting to unexplained variance of Kshs.21,815.

In the circumstances, the accuracy and validity of employee costs totalling Kshs.5,095,906 could not be confirmed.

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

Key Audit Matters

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

Other Information

The Management is responsible for the other information set out on pages iii to xxxi which comprise of Key Entity Information and Management, The Board of Directors, Management Team, Chairman's Statement, Report of the Chief Executive Officer, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors, Statement of Directors Responsibilities, Statement of Performance Against Predetermined Objectives. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Law on Ethnic Composition

During the year under review, the total number of employees of the College was fifty (50) out of which thirty-three (33) or approximately 66% of the total number were members of the dominant ethnic community in the County. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community".

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

2. Non-Adherence to Gender Balance and Inclusion of Persons with Disabilities

Review of staff records revealed that the College had a workforce of fifty (50) members of staff out of which 32 or approximately 64% were men and none had disability. This is contrary to Section B.5 of the Human Resource Policies and Procedures Manual for Public Service, 2016 which states that recruitment will be undertaken on the basis of fair competition and merit; representation of Kenya's diverse communities; adequate and equal opportunities to all gender, youth, members of all ethnic groups, persons with disabilities and minorities.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion, 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

Failure to Hold Meetings by Internal Audit Committee

It was observed that during the year under review, the Audit and Risk Management Committee did not hold any meeting contrary to Regulation 179(1) and (3) of the Public Finance Management (National Government) Regulations, 2015 which requires the Audit Committee to meet at least once in every three (3) months and shall make decisions by resolution.

In the absence of regular meetings, the effectiveness of the oversight from the Audit Committee could not be confirmed.

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

Responsibilities of Management and Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 May, 2025

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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	4,720,500.00	**4,603,000.00**
Grants from donors and development partners	7	000	000
Transfers from other levels of government	8	000	000
Public contributions and donations	9	000	000
Total revenue from non-exchange transactions		**4,720,500.00**	**4,603,000.00**
Revenue from Exchange transactions			
Rendering of services- fees from students	10	14,010,449.00	9,664,910.00
Cafeteria sales/Sale of tender documents	11	58,080.00	3,060.00
Rental revenue from facilities and equipment/Mngt training	12	328,500.00	323,000.00
Finance income	13		000
Miscellaneous income	14		000
Revenue from Exchange transactions		**14,468,418.00**	**9,990,970.00**
Total Revenue		**19,117,529.00**	**14,593,970.00**
Expenses			
Use of goods and services	15	8,944,790.00	9, 684,180.00
Employee costs	16	5,095,906.00	4,369,029.00
Board /Council Expenses	17	567,085.00	503,070.00
Depreciation and amortization expense	18	1,857,046.00	1,615,720.00
Repairs and maintenance	19	67,350.00	66,370.00
Contracted services	20	348,000.00	0.00
Grants and subsidies	21		0.00
Finance costs	22	21,918.00	13,613.00
Total Expenses		**16,902,095.00**	**16,251,982.00**
Other Gains/(Losses)			
Gain on sale of assets	23		0.00
Gain/ Loss on fair value of investments	24		0.00
Impairment loss	25		(0.00)
Total Other Gains/(Losses)			**0.00**
Net surplus for the year		**2,286,823.00**	**(1,658,012.00)**

(The notes set out on pages 9 to 54form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1.to 8 were signed by:

PETER MUTAVI	STEPHEN M. MUTUA	BENSON MBEKE
		PRINCIPAL KIBWEZI WEST TVC P.O. Box 277-90138 MAKINDU
Chairman of Council/Board	**Finance Officer**	**Principal**
	ICPAK No. 18616	
Date: 19th July 2024	**Date:** 19th July 2024	**Date:** 19th July 2024

15. Statement of Financial Position as at 30 June 2024

Description	Notes	2023 -2024	2022 -2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	1,720,635.00	1,081,884.00
Current portion of receivables from exchange transactions	27(a)	1,972,869.00	2,627,440.00
Receivables from non-exchange transactions	28	0.00	0.00
Inventories	29	0.00	0.00
Investments in financial assets	30	0.00	0.00
Total Current Assets		**3,693,504.00**	**3,709329.00**
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	0.00	0.00
Investments	30	0.00	0.00
Property ,plant, and equipment	31	54,684,388.00	56,477,388.00
Intangible assets	32	25,600.00	15,200.00
Investment property	33	0.00	0.00
Biological Assets	34		
Total Non-Current Assets		**54,709,988.00**	**56,492,588.00**
Total Assets		**58,403,492.00**	**61,344,785.00**
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	35	1,472,020.00	3,942,085.00
Total Current Liabilities		**1,472,020.00**	**3,942,085.00**
Non-Current Liabilities			
Total non- current liabilities		0.00	0.00
Total Liabilities		**1,472,020.00**	**3,942,085.00**
Net Assets		**63,631,608.00**	**61,344,785.00**
Accumulated Surplus		3,965,972.00	1,679,149.00
Capital Fund		59,665,635.00	59,665,635.00
Total Net Assets and Liabilities		**63,631,608.00**	**61,344,785.00**

The Financial Statements set out on pages 1 to 7 were signed by:

PETER MUTAVI	STEPHEN M. MUTUA	BENSON MBEKE
		PRINCIPAL KIBWEZI WEST TVC P.O. Box 277-90138 MAKINDU
Chairman of Council/Board	**Finance Officer** **ICPAK No. 18616**	**Principal**
Date: 19th July 2024	**Date:** 19th July 2024	**Date:** 19th July 2024

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2022 *(previous year)*	**0.00**	3,337,161.00	59,665,636.00	**63,002,797.00**
Revaluation gain	0.00	0.00	0.00	**0.00**
Surplus/(deficit) for the year	-	**(1,658,012.00)**	-	**(1,658,012.00)**
Capital grants received during the year	-	-	0.00	0.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	000	(0.00)	**0.00**
At June 30, 2023	**0.00**	**1,679,149.00**	**59,665,636.00**	**61,344,785.00**
	0.00	**1,679,149.00**	**59,665,635.00**	**61,344,785.00**
Revaluation gain	0.00	-	-	0.00
Surplus for the year	-	**2,286,823.00**	-	**2,286,823.00**
Capital grants received during the year	-	-	0.00	0.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0.00	(0.00)	0.00
At June 30, 2024	**0.00**	**3,965,972.00**	**59,665,635**	**63,631,608.00**

Note:

1. *For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*

2. *Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).* Statement of Cash Flows for the Year Ended 30 June 20

0Description	Note	2023-2024 Kshs	2022-2023 Kshs	
Cash flows from operating activities				
Receipts				
Transfers from other National Government entities	6	4,720,500.00	4,603,000.00	
Rendering of services- fees from students	10	14,081,538.00	9,664,910.00	
Sale of goods/tender documents		58,080.00	3,060.00	
Revenue from management training		328,500.00	323,000.00	
Total Receipts		**19,117,529.00**	**14,593,970.00**	
Payments				
Use of goods and services	15	8,944,790.00	9,684,180.00	
Employee costs	16	5,095,906.00	4,369,029.00	
Board /Council Expenses	17	567,085.00	503,070.00	
Repairs and maintenance	19	67,350.00	66,370.00	
Contracted services		348,000.00	0.00	
Grants and subsidies		0.00	0.00	
Total Payments		**15,023,131.00**	**14,652,639.00**	
Net Cash Flows from operating activities	46	**4,165,787.00**	**(58,669.00)**	
Cash flows from investing activities				
Purchase of property, plant, equipment and intangible assets		(101,600.00)	(1,220,702.00)	
Net cash flows used in investing activities		**(101,600.00)**	**(1,220,702.00)**	
Cash flows from financing activities				
Proceeds From Borrowing		000	000	
Repayment Of Borrowings/Finance costs	22	(21,918.00)	(13,613.00)	
Net cash flows used in financing activities		**(21,918.00)**	**(000)**	
Net Increase/(Decrease)in Cash and Cash equivalents		**4,042,268.75**	**(1,194,815.00)**	
CashandCashequivalentsat1 30 JUNE	26	**1,329,478.00**	613,582.00	
Cash and Cashequivalentsat30 JUNE	26	**1,720 ,635.00**	**1,081,884.00**	

(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)

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

Description	Original budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**%**
Transfers from other National Government entities	21,364,872.25	0.00	21,364,872.25	4,720,500.00	16,644,872.25	22.09%%
Grants from donors and development partners	0.00	(0.00)	0.00	0.00	(0.00)	0%
Transfers from other levels of government	0.00	(0.00)	0.00	0.00	(0.00)	0%
Public contributions and donations	0.00	(0.00)	0.00	0.00	(0.00)	0%
Rendering of services- fees from students	11,416,560.00	0.000	11,416,560.00	14,010,449.00	-2,593,889.00	122%
Sale of goods	0.00	(0.00)	0,00	58,080.00	2,080.00.00	100%
Rental revenue from facilities and equipment	0.00	0.00	0.00	328,500.00	328,500.00	100%
Finance income	0.00	0.00	0.00	0.00	0.00	0.00%
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00%
Total Income	**32,781,432.25**	**0.00**	**32,781,432.25**	**19,117,529.00**	**(13,979,394.25)**	**57.36%**
Expenses						
Use of goods and services	20,183,432.25	000	20,183,432.25	8,944,790.00	(11,238,642.25)	44.32%
Employee costs	7,272,000.00	000	7,272,000.00	5,095,906.00	1,828,093.75	74.86%
Board /Council Expenses	1,500,000.00	000	1,500,000	567,085.00	932,915.00	37.81%
Repairs and maintenance	500,000.00	000	500,000.00	67,350.00	432,650.00	13.47%
Contracted services	0.00	0.00	0.00	348,000.00	0.00	0.00%
Finance costs	0.00	0.00	0.00	21,918.00	0.00	0.00%
Total Expenditure	**29,455,432.25**	000	**29,455,432.25**	**15,045,049.00**	**14,432,301.00**	**51%**
Surplus For the Period	**3,326,000.00**	**0.00**	**3,326,000.00**	**3,778,906.75**	**452,906.75**	11.36%

Capital Expenditure	**4,838,300.00**	**0.00**	**4,838,300.00**	**101,600.00**	**4,736,700.00**	2.10%

(Budget notes)

1. The government capitation realized fell short of target by 78 %. The college expectation was based on the revised number of students but the amounts of capitation realized did not match this number. The management has no control over how much capitation can be realized on this item of revenue and therefore the disparity between the two.Even though enrolment improved the amount of capitation realized did not match the growth in numbers.

Revenue from rendering of services to students increased due to the high enrolment realized. This resulted in revenue realized exceeding the set targets. Our expenditures were all with the budgetary allocations due the application of the budget as a control tool. Management was deliberate in ensuring that costs did not exceed budgetary allocations while at the same not compromising quality services to stakeholders.

2. During the financial period under review there were no compelling reasons to review the original budget thus it remained the same throughout the period.

18. Notes to the Financial Statements

1. General Information

Kibwezi West Technical & Vocational College is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is provission of education and training

2. Statement of Compliance and Basis of Preparation

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	**Applicable: 1st January 2023:** The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. ***(State the impact of the standard to the Entity)***
IPSAS 42: Social Benefits	**Applicable: 1st January 2023** The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. ***(State the impact of the standard to the Entity if relevant)***
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	**Applicable: 1st January 2023:** a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.

Standard	Effective date and impact:
	c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. ***(State the impact of the standard to the Entity if relevant)***
Other improvements to IPSAS	***Applicable 1st January 2023*** • *IPSAS 22 Disclosure of Financial Information about the General Government Sector*. Amendments to refer to the latest System of National Accounts (SNA 2008). • *IPSAS 39: Employee Benefits. Now* deletes the term composite social security benefits as it is no longer defined in IPSAS. • **IPSAS 29: Financial instruments: Recognition and Measurement.** Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. ***State the impact of the standard to the Entity if relevant***

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

Standard	Effective date and impact:
IPSAS 43	***Applicable 1st January 2025*** 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. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. ***State the expected impact of the standard to the Entity if relevant***
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** 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: 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. ***State the expected impact of the standard to the Entity if relevant***

iii. Early adoption of standards

(*The entity*) did not early-adopt any new or amended standards in year 20xx./the entity adopted standard xx and xx. The impact of these standards on entity's financial statements is xx.*(amend appropriately)*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

c) Taxes

Current income tax
The entity is exempt from paying taxes as per schedule ***xxx*** of the ***xxx*** Act.

Sales tax/ Value Added Tax

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

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

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

Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued

d) Investment property

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

e) Property, plant and equipment

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

" The estimates of the residual value and useful life of the College's fixed assests shall be revied at each financial year end for its relevance, appropriateness, any changes in the residual value and useful life of the assets, shall be accounted for prospectively as provided for in IPSAS 3 'Changes in accounting estimates'."

Exclusion from Depreciation.
The KWTVC shall not depreciate the following assets.

i. *Inventories, as they are held at lower of cost and net realisable value.*
ii. *Land holdings, where its service potential is not expected to diminish with time or use.*
iii. *Works in progress assets, as depreciation only begins when an asset is available for use in the location and condition necessary for it to be operated in the manner intended by management.*

"KWTVC shall depreciate her assets using the straight line method overs the expected estimate of its life.
The following assets shall be depreciated as per the criteria set out below;

- *Buildings 2.5%*
- *Furniture, Fixtures and Fittings12.5%*
- *Motor vehicles 12.5%*
- *ICT Equipment 30%*
- *Plant & Equipment 2%*

Verification or the annual physical count of assets will be organized in the College and a representative from the Finance Section shall be among the verification team. It shall be the responsibility of the Finance department in conjunction with Procurement Department to reconcile the assets register to the annual physical count results. Losses and exceptions noted shall be reported in writing to the responsible officers and copied to the Accounting Officer" ***KWTVC Finance Policy and Procedure Manual, 7.10, 7.11.***

f) Leases

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite .intangible assets with an indefinite useful life are assessed for impairment at each reporting date. *Kibwezi West Technical and vocational College are impaired at the rate of 20% of the cost value.*

h) Research and development costs

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

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

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

i) Financial instruments

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

k) Provisions

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

Contingent liabilities

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

Contingent assets

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

l) Social Benefits

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

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

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

p) Borrowing costs

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

q) Related parties

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

Notes to the Financial Statements (Continued)

r) Service concession arrangements

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

s) Cash and cash equivalents

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

t) Comparative figures

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

u) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

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

6. Transfers from other National Government entities

Description	2023-2024 Kshs	2022—2023 Kshs
Un conditional Grants		
Capitation Grants	2,720,500.00	2,603,000.00
Operational Grant	2,000,000.00	2,000,000.00
Total unconditional Grants		**4,603,000.00**
Conditional Grants amortised/ recognised in revenue		
Total Government Grants and Subsidies	**4,720,500.00**	**4,603,000.00**

(a)Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year 20233/2024	Comparative FY2022/2023
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	**4,720,500.00**	000	000	**4,720,500.00**	**4,603,000.0000**
Total	**4,720,500.00**	**000**	**000**	**4,720,500.00**	**4,603,000.00**

(Ensure that the amount recorded above as having been received from the Ministry fully reconciles to the amount recorded by the sending Ministry. An acknowledgement note/receipt should be raised in favour of the sending Ministry.)

**Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached.*

(NB: Total of column 1 should tie to the first part of note 6 on unconditional grants)

The details of the reconciliation have been included under appendix III

Notes to the Financial Statements (Continued)

7. Grants from Donors and Development Partners

Description	2023-2024	2022-2023
	Kshs	Kshs
JICA- Research Grant	000	000
Total Grants from Development Partners	**000**	**000**

(a) Reconciliations of grants from donors and development partners

Description	2023-2024	2022-2023
	Kshs	Kshs
Balance unspent at beginning of year	**000**	**000**
Conditions Yet To Be Met - Remain Liabilities	**000**	**000**

(The institution did not receive grants from donors & development partners)

8. Transfers from Other Levels of Government

Description	2023-2024	2022-2023
	Kshs	Kshs
Total Transfers	**000**	**000**

9. Public Contributions and Donations

Description	2023-2024	2022-2023
	Kshs	Kshs
Total Donations and Contributions	**000**	**000**

(Provide brief explanation for this revenue)

Notes to the Financial Statements (Continued)

10. Rendering of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Total student invoices	14,010,449.00	9,664,910.00
Total Revenue from The Rendering of Services	**14,010,449.00**	**9,664,910.00**

(This is the total charged/invoiced to the students during the financial period under review ie. FY 2022/2023. The sub elements of the individual invoices comprised all the relevant services that the students would benefit from the college during the year. Such included, tuition, examination, activity/games and sports, student Id etc.)

11. Sale of Goods

Description	2023-2024	2022-2023
	Kshs	Kshs

Cafeteria sales	2,080.00	3,060.00
Other sales –Tender documents	56,000.00	0'00
Total Revenue from cafeteria sales	**58,080.00**	**3,060.00**

(This income was generated through the sale of food and drinks by the cafeteria operated by the hospitality training department and sale of tender documents

12. Rental revenue from facilities and equipment/Management training

Description	2023-2024 Kshs	2022—2023 Kshs
Management training	328,500.00	323,000.00
Total	**328,500.00**	**323,000.00**

(*This income was realized from sister institutions that were invoiced for both training and hosting services*

Notes to the Financial Statements (Continued)

13. Finance Income

Description	2023-2024 Kshs	2022-2023 Kshs
Total finance income	000	**000**

(Provide brief explanation for this revenue.)

14. Miscellaneous Income

Description	2023—2024 Kshs	2022-2023 Kshs
Total other income	000	000

(*NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified.)*

Notes to the Financial Statements (Continued)

15. Use of Goods and Services

Description	2023-2024	2022-2023
		Kshs
Teaching and learning materials	1,506,161.00	1,313,375.00
Industrial attachment costs	149,578.00	142,779.00
Electricity & Water & conservation	309,176.00	644,016.00
Audit, Professional and consultancy services	320,000.00	880,800.00
Subscriptions to KATTI & other orgns.	120,000.00	206,300.00
Marketing /Advertising	541,440.00	622,570.00
KNEC Examination fees	1,521,780.00	1,395,980.00
General Admin. expenses	988,795.00	699,565.00
Facility improvement/greening	175,775.00	0.00
Staff welfare	10,925.00	1,230.00
Travelling and accommodation	1,658,160.00	1,702,260.00
Licenses and permits	87,000.00	0.00
Telephone & Postage	100,905.00	58,500.00
Printing and stationery	147,075.00	341,825.00
Kuccps	0.00	58,500.00
Students Ids	0.00	26,400.00
Activity/Skills development levies	441,350.00	309,280.00
Management training expenses	803,870.00	583,900.00
Fines and penalties	0.00	10,000.00
IEBC hire of equipment	0.00	78,000.00
Students refunds	62,800.00	30,300.00
Policy documents expenses	0.00	580,000.00
Total good and services	**8,944,790.00**	**9,684,180.00**

Notes to the Financial Statements (Continued)

16. Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
BoG Staff Salaries and wages	4,416,754.00	4,286,189.00
Employee related costs-contributions to pensions and medical aids(NSSF, NHIF & PAYE)	679,152.00	82,840.00
Employee costs	**5,095,906.00**	**4,369,029.00**

17. Board/Council Expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Chairman's Honoraria	0.00	0.00
Directors Emoluments	567,085 .00	370,000.00
Other Allowances	0.00	133,070.00
Other Board/Council Expenses	0.00	0.00
Total	567,085.00	503,070.00

18. Depreciation and Amortization expense

Description	2023-2024	2022- 2023
	Kshs	Kshs
Property, plant and equipment	**1,843,446.00**	1,608120.00
Intangible assets	13,600.00	7600.00
Total depreciation and amortization	**1,857,046.00**	**1,615720.00**

19. Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
Property	67,350.00	0.00
Equipment and machinery	0.00	0.00
Furniture and fittings	0.00	66,370.00
Total Repairs and Maintenance	**67,350.00**	**66,370.00**

Notes: To the Financial Statements (Continued)

20. Contracted Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Contracted Security services	348,000.00	0.00
Total contracted services	348,000.00	0.00

21. Grants and Subsidies

Description	2023-2024	2022-2023
	Kshs	Kshs
Total Grants and Subsidies	000	000

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42.

22. Finance Costs

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Bank charges	21,918.00	13,613.00
Total Finance Costs	**21,918.00**	**13,613.00**

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

Notes: To the Financial Statements (Continued)

23. Gain On Sale of Assets

Description	2023 -2024	2022 - 2023
	Kshs	Kshs
Total Gain on Sale of Assets	**0.00**	**0.00**

24. Gain/(loss) on Fair Value Investments

Description	2023 - 2024	2022-2023
	Kshs	Kshs
Total Gain	**0.00**	**0.00**

25. Impairment Loss

Description	2023-2024	2022 -2023
	Kshs	Kshs
Total Impairment Loss	**0.00**	**0.00**

26. Cash and Cash Equivalents

Description	2023 – 2024	2022 -2023
	Kshs	Kshs
Current Account Number 1279788674	1,720,635.00	**1,081,884.00**
Others- Cash at hand	0.00	1,081,884.00
Total Cash and Cash Equivalents	**1,720,635.00**	**1,081,884.00**

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

Notes To The Financial Statements (Continued)

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

Financial Institution	Account number	2023 -2024 Kshs	2022 -2023 Kshs
a) **Current Account**			
Kenya Commercial Bank	1279788674	1,720,635.00	1,081,884.00
Sub- Total		1,720,635.00	
Cash in Hand		0.00	
Sub- Total			
Grand Total		**1,720,635.00**	**1,081,884.00**

27. Receivables from Exchange transactions

27(a) Current Receivables from Exchange transactions

Description	2023 -2024 Kshs	2022 -2023 Kshs
Current Receivables		
Student receivables/Debtors	1,972,869.00	2,627,440.00
Less: Impairment Allowance	(0.00)	(0.00)
Total Current Receivables	**1,972,869.00**	**2,627,440.00**

27(b) Long- term Receivables from Exchange transactions

Description	2023-2024 Kshs	2022 -2023 Kshs
Non-Current Receivables		
Total Non- current receivables	**00**	**00**

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2023 -2024 Kshs		2022 -2023 Kshs	
		% of total		**% of the to**
Less than 1 year	0.00	%	000	%
Between 1- 2 years	1,972,869.00	100%	262,7440.00	100%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
Total (a+b)	**1,972,869.00**	**%**	**2,627,440.00**	**%**

27 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	2023- 2024 Kshs	2022- 2023 Kshs
At the beginning of the year	296,793.25	165,421.00
Provisions during the year	0.00	0.00
Recovered during the year	(0.00)	(0.00)
Write offs during the year	(0.00)	(0.00)
At the end of the year	**296,793.25**	**165,421.00**

(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)

28. Receivables from Non-Exchange transactions

Description	2023 -2024 Kshs	2022 -2023 Kshs
Current Receivables		
Capitation Grants*	*0.00*	*0.00*
Total Current Receivables	*0.00*	0.00

*(*Receivables on capitation grants are recognised for monies received after year end but relating to the year under review).*

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

Description	2023 -2024 Kshs		2022 -2023 Kshs	
	Current FY	**% of the total**	**Comparative FY**	**% of the total**
Less than 1 year	0.000		0.00	0.00%
Between 1- 2 years	0.000		0.00	0.00%
Between 2-3 years	0.000		0.00	%
Over 3 years	0.000		0.00	%
Total	0.000		**0.00**	**0.00%**

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

Description	2023 -2024	2022 -2023
	Kshs	Kshs
At the end of the year	0.00	0.00

29. Inventories

Description	2023-2024	2022-2023
	Kshs	Kshs
Total Inventories at lower of Cost and Net Realizable Value	0.00	0.00

Notes to the Financial Statements (Continued)

30. Investments in financial assets

Description	2023-2024	2022 -2023
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Grand Total	0.00	0.00

(Entity should disclose whether the fixed investment financial assets are measured at amortised cost or at fair value through changes in net assets/ equity) Investments in equity should be measured at fair value through surplus or deficit. Other information to be disclosed includes: the interest rates, maturity dates, valuation methodology, and impairment of these investments.

d) Shareholding in other entities

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

Name of Entity where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	2023-2024	2022-2023
	%	%	%	Kshs	Kshs	Kshs
	0.00	0.00	0.00	0.00	0.00	0.00

31. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1July 2021 *(previous year)*	**0.00**	**58,000,000.00**	**0.00**	**397,456.00**	**52,000.00**	**1,169,257.00**	**0.00**	**59,618,713.00**
Additions	0.00	0.00	0.00	**878,875.00**	**631,986.00**		**0.00**	**1,510,861.00**
Disposals	(0.00)	(0.00)	**0.00**	**0.00**	(0.00)	**0.00**	(0.00)	**(0.00)**
Transfers/Adjustments	0.00	(0.00)	**0.00**	(000)	(52,000.00)	**(1,169,257.00)**	**000**	**(1,221,257.00)**
At 30th June 2022	**0.00**	**58,000,000.00**	**0.00**	**1,276,331.00**	**631,986.00**	**0.00**	**0.00**	**59,908,317.00**
Additions	0.00	1,197,202.00	0.00	23,500.00	0.00	0.00	0.00	**1,221,257.00**
Disposals	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	**(0.00)**
Transfer/Adjustments	(0.00)	0.00	0.00	(0.00)	(0.00)	-	0.00	**(0.00)**
At 30th June 2023	**0.00**	**59,197,202.00**	**0.00**	**1,299,831.00**	**631,986.00**	**0.00**	**0.00**	**61,129,019.00**
Additions		**0.00**	**0.00**	**66,600.00**	**13,847.00**	**35,000.00**	**0.00**	**115,447.00**
Disposals		**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**
At 30th June 2024	**0.00**	**59,127,702.00**	**0.00**	**1,366,431.00**	**645,833.00**	**35,000.00**	**0.00**	**61,174,966.00**
Depreciation And Impairment								
At 1 July 2021		**(1,450,000.00)**	**(000)**	**(19,873.00)**	**(5,200.00)**	**(23385.00)**	**(0.00)**	**(1,498,458.00)**
Depreciation	0.00	(1,450,000.00)	(000)	(63817.00)	(63,199.00)	0.00	(0.00)	**(1,577,016.00)**
Disposals	0.00	-	-	-	0.00	0.00	(0.00)	**(0.00)**
Transfer/Adjustment					5,200.00	23,385.00		**28,585.00**
Impairment	0.00	-	-	-	(0.00)	0.00	-	**(0.00)**
At 30 Jun 2022		**(2,900.000.00)**	**000**	**(83,689.00)**	**(63,199.00)**	**(0.00)**	**(0.00)**	**(3,046,888.00)**
Depreciation	0.00	(1,478,192.55)	(000)	(64,991.55)	(56,358.70)	(0.00)	(0.00)	**(1,599,543.00)**
Disposals	0.00	-	-	-	0.00	(0.00)	(0.00)	**(0.00)**
Impairment	0.00	(0.00)	-	-	(0.00)	(0.00)	(0.00)	**(0.00)**
Transfer/Adjustment	0.00	(0.00)	(0.00)		(0.00)	(0.00)	(0.00)	**(0.00)**

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 30th Jun 2023 *(previous year)*	**0.00**	**(4,378,193.00)**	**(0.00)**	**(148,681.00)**	**(119,558.00)**	**(0.00)**	**(0.00)**	**(4,646,431.00)**
Depreciation for the year		**(1,478,193.00)**	**0.00**	**(170,804.00)**	**(193,750.00)**	**(700.00)**	**0.00)**	**(1,843,447.00)**
Transfer/Adjustment	0.00	(0.00)	(0.00)		(0.00)	(700.00)	(0.00)	**(0.00)**
Total Accumulated Depreciation as at 30th June 2024	**0.00**	**(5,856,385.00)**	**(0.00)**	**(319,485.00)**	**(313,308.00)**	**(1,400.00)**	**(0.00)**	**(6,490,578.00)**
Net Book Values								
At 30th June 2022	**0.00**	**55,100,000.00**	**000**	**1,192,642.00**	**568,787.00**	**0.00**	**0.00**	**56,861,429.00**
At 30th June 2023 *(Previous year)*	**0.00**	**54,819,009.00**	**000**	**1,151,150.00**	**507,229.00**	**0.00**	**0.00**	**56,477,388.00**
At 30th June 2024(current year)	**0.00**	**53,271,317.00**	**0.00**	**1,046,946.00**	**332,525.00**	**33,600.00**	**0.00**	**54,684,388.00**

[There was no work in progress]

Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were not revalued during the financial year.

31 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	0.00	0.00	0.00
Buildings	59,127,702.00	(5,856,385.00)	53,271,317.00
Plant And Machinery	35,000.00	(1,400.00)	33,600.00
Motor Vehicles including Motorcycles	0.00	(0.00)	0.00
Computers and Related Equipment	645,833.00	(313,308.00)	332,525.00
Office Equipment, Furniture, And Fittings	1,366,431.00	(319,485.00)	1,046,946.00
Total	**61,174,966.00**	**(6,490,578.00)**	**54,684,388.00**

32. Intangible Assets

Description	2023 -2024	2022 -2023
	Kshs	Kshs
Cost	**68,000.00**	38,000.00
At beginning of the year	39,200.00	38,000.00
Additions	0.00	30,000.00
At end of the year	**39,200.00**	**68,000.00**
Additions–internal development	0.00	0.00
At end of the year	**39,200.00**	**68,000.00**
Amortization and impairment		
At beginning of the year	28,800.00	15,200.00
Amortization 20%x68,000 (cost)	13,600.00	13,600.00
At end of the year	42,400.00	28,800.00
Impairment loss	0.00	0.00
At end of the year	42,400.00	28,800.00
NBV	**25,600.00**	**39,200.00**

Notes to the Financial Statements (Continued)

33. Investment Property

Description	2023 -2024 Kshs	2022-2023 Kshs
At beginning of the year	0.00	0.00
At end of the year	0.00	0.00

(For investment property held at fair value, changes in fair value should go through the statement of financial performance. Where cost model is elected, deprecation and impairment should not be charged. Investment measured at fair value should be evaluated at the end of the reporting period for changes in fair value.). Entity should disclose the independent valuers, rental income from the investment property if any and the direct costs attributed to the investment property. Any charges on the investment property as well as any difficulty in classifying this asset as an investment property.

34. Biological Assets

	2023 -2024 Kshs	2022-2023 Kshs
Total	0.00	0.00

35. Trade and Other Payables

Description	2023- 2024 Kshs		2022- 2023 Kshs	
Trade payables	1,472,020.00		3,973,437.00	
Total Trade and Other Payables	**1,472,020.00**		**3,973,437.00**	
Ageing analysis:			**2022 -2023**	**% of the Total**
Under one year	1,472,020.20		216,119.75	100%
1-2 years			0.00	%
2-3 years			0.00	%
Over 3 years	0.00	%	0.00	%
Total (to tie to totals above)	**1,472,020.20**	**%**	**0.00**	**%**

36. Refundable Deposits from Customers/Students

Description	2023 -2024 Kshs		2022 -2023 Kshs	
Total Deposits	0.00		0.00	
	0.00		0.00	
Ageing analysis:	**Current FY**	**% of the Total**	**Comparative FY**	**% of the Total**
Under one year	0.00	%	0.00	%
1-2 years	0.00	%	0.00	%
2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
Total (to tie to totals deposits above)	0.00	%	0.00	%

37. Current Provisions

Description	Leave provision Kshs	Bonus provision Kshs	Gratuity Provisions Kshs	Other provision Kshs	Total Kshs
Balance at The Beginning of The Year	xxx	xxx	xxx	xx	xxx
Total Provisions	xxx	xxx	xxx	xx	xxx

38. Finance Lease Obligation

Description	2023-2024 Kshs	2023-2023 Kshs
At the start of the year	**000**	**000**
Discount interest on Lease Liability	000	000
Paid during the year	(000)	(000)
At end of the year	**000**	**000**

Maturity Analysis

Period	Amount Kshs
Total	000

Analysed as:

Description	Amount

	Kshs
Current	**000**
Non- Current	000
Total	000

39. Deferred Income

Description	2023-2024	2022-2023
	Kshs	Kshs
TotalDeferredIncome	000	000

Notes to the Financial Statements (Continued)

The deferred income movement is as follows:

Description	Nationalgovernment	Internationalfunders/ donors	Publiccontributionsand donations	Total
	Kshs	**Kshs**	**Kshs**	**Kshs**
Balance carried forward	000	000	000	000

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

Analysed as:

Description	Amount
	Kshs
Current	000
Non- Current	000
Total	**000**

40. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	Insert Current FY	Insert Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
TotalEmployee Benefits Obligation	000	000	000	000	000

Retirement benefit Asset/ Liability

The entity does not operates a defined benefit scheme for all full-time employees from July 1, 2023. . The principal assumptions used for the purposes of valuation are as follows:

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs

Recognition of Retirement Benefit Asset/ Liability

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

Description	2023-2024 Kshs	2022-2023 Kshs
Remeasurement of the net defined benefit liability (asset)	**000**	**000**

b) **Amounts recognised in the Statement of Financial Position**

Description	2023-2024 Kshs	2022-2023 Kshs

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 1,020 per employee per month. Other than NSSF the entity does not have any otherdefined contribution scheme . Employees contribute 1,020 while employers contribute 1,020 of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

41. Payments received in advance.

Description	2023-2024 Kshs		2022-2023 Kshs	
Fees received in advance	000		000	
Others (Specify)	000		000	
Total	000		000	
Ageing analysis:	**Current FY**	**% of the Total**	**Comparative FY**	**% of the Total**
Under one year	000	%	000	%
1-2 years	000	%	000	%
2-3 years	000	%	000	%
Over 3 years	000	%	000	%
Total	000	%	000	%

42. Non-Current Provisions

Description	Long service leave Kshs	Bonus Provision Kshs	Gratuity Kshs	Other Provisions Kshs	Total Kshs
Balance at the beginning of the year	000	000	000	000	000
Additional Provisions	000	000	000	000	000

Provision utilised	(000)	(000)	(000)	(000)	(000)
Change due to discount and time value for money	000	000	000	000	000
Less: Current portion	(000)	(000)	(000)	(000)	(000)
Totaldeferredincome	000	000	000	000	000

(NB: The current portion deducted in this note should tie to line on current portion transferred from non- current provisions under note 36)

43. Borrowings

Description	2023-2024 Kshs	Insert Comparative FY Kshs
Balance at beginning of the year	000	000
External borrowings during the year	000	000
Domestic borrowings during the year	000	000
Repayments of external borrowings during the year	(000)	(000)
Repayments of domestic borrowings during the year	000	000
Balance at end of the year	000	000

43a) Analysis of External and Domestic Borrowings

Description	2023-2024 Kshs	2022-2023 Kshs
External borrowings		
Dollar denominated loan from 'xxorganization'	000	000
Sterling pound denominated loan from 'yyy organization'	000	000
Euro denominated loan from zzz organization'	000	000
Domestic borrowings	000	000
Kenya shilling loan	000	000
Total balance at end of the year	000	000

43 b) Breakdown of Long and Short-Term Borrowings

Description	2023-2024 Kshs	2022-2023 Kshs
Short Term Borrowings(Current Portion)	000	000
Long Term Borrowings	000	000
Total	000	000

(NB: the total of this statement should tie to note 42 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

44. Service Concession Arrangements

Description	2023-2024 Kshs	2022-2023 Kshs

45. Social Benefit Liabilities

Description	2023-2024 Kshs	2022-2023 Kshs
Total	000	000
Total (tie to totals above)	000	000

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.

Notes to the Financial Statements (Continued)

46. Cash generated from operations.

Surplus for the year before tax	2023-2024 Kshs	2022-2023 Kshs
Adjusted for:	**4,165,786.75**	
Depreciation	1,624,697.40	xxx
Finance Cost	21,918.00	xxx
Working Capital Adjustments		
Increase in Inventory	(000)	(xxx)
Increase in Receivables	(1,170,744.85)	(xxx)
Decrease in Payables	(2,501,416.80)	xxx
Net Cash Flow from Operating Activities	**2,140,240.45**	**xxx**

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

Notes to the Financial Statements (Continued)

47. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023(previous year)				
Total	000	000	000	000
At 30 June 2024(current year)	000	000	000	000
Total	000	000	000	000

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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

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

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

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs

At 30 June 2023 (previous year)				
Total	000	000	000	000

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2023			
Net Foreign Currency Asset/(Liability)	000	000	000

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

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

Foreign currency sensitivity analysis

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

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs

b) Interest rate risk

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

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

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20XX: Kshsxxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20XX – Kshs xxx)

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

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	000	000
Total Funds	000	000
Gearing	000	000

48. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

Notes to the Financial Statements (Continued)

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

Description	2023-2024 Kshs	2022-2023 Kshs
Transactions with Related Parties		
Total	000	000

49. Segment Information

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

Notes to the Financial Statements (Continued)

50. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2023-2024 Kshs	2022-2023 Kshs
Contingent Assets		
Total	000	000

Contingent Liabilities

Description	2023-2024 Kshs	2022-2023 Kshs
Contingent Liabilities	000	000
Total	000	000

(Give details)

51. Capital Commitments

Capital Commitments	2023- 2024	2022-2023

	Kshs	Kshs
Authorised for	000	000
Authorised and Contracted for	000	000
Total	000	000

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

Notes to the Financial Statements (Continued)

52. Events After The Reporting Period

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

53. Ultimate And Holding Entity

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

54. Currency

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

19. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
N/A	N/A	The institution's audited accounts for the previous FY 2022-2023 had not yet been received as at the time of filling this report for the FY 2023/2024.	N/A	N/A

PRINCIPAL
KIBWEZI WEST TVC
P.O. Box 277-90138
MAKINDU

Sign..............................

Name : Benson Mbeke
Principal/Secretary BOG
Date 19TH July 2024

Appendix II: Projects Implemented by Kibwezi West Tvc

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1. Underground Water tank- Construction of the cover slab.	1	Kibwezi West Tvc	2023-2024	N/A	N/A	YES
2.Refurbishment of ICT Lab- Grills and Tilling	2	Kibwezi West Tvc	2023-2024	N/A	N/A	YES

Status of Projects completion

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

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Underground Water tank- Cover slub	30,000	30,000	100%	100,000.00	30,000.00	Exchange transactions funds
2	Refurbishment of ICT Lab	85,800	85,800	100%	768,300.00	85,800.00	Exchange transactions funds
3							

Appendix III- Inter-Entity Confirmation Letter

KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE
P.O. BOX 277-90138 Makindu Cell: 0780484873
Email: kibweziwesttvc@gmail.com

The *Kibwezi West TVC* wishes to confirm the amounts disbursed to you as at 30th June 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

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

		Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Inter–Ministerial (C)	Total (D)=(A+B+C)	Amount Received by [Kibwezi West TVC] (Kshs) as at 30th June 2024 (E)	Differences (Kshs) (F)=(D-E)
1.	11/07/2023	500,000.00	0.00	0.00	500,000.00	500,000.00	0.00
2.	2/10/2023	500.000.00	0.00	0.00	500,000.00	500,000.00	0.00
3.	2/10/2023	763,000.00	0.00	0.00	763,000.00	763,000.00	0.00
4.	18/1/2024	500,000.00	0.00	0.00	500,000.00	500,000.00	0.00
5.	18/1/2024	913,500.00	0.00	0.00	913,500.00	913,500.00	0.00
4.	5/2/2024	500,000.00	0.00	0.00	500,000.00	500,000.00	0.00
5	5/2/2024	1,044,000.00	0.00	0.00	1,044,000.00	1,044,000.00	0.00
Sub-Total		**4,720,500.00**	**0.00**	**0.00**	**4,720,500.00**	**4,720,500.00**	**0.00**
6.	27/2/2024	1,968,637.70	0.00	0.00	1,968,637.70	1,968,637.70	0.00
7.	6/03/2024	416,572.00	0.00	0.00	416,572.00	416,572.00	0.00
8.	31/5/2024	785,827.50	0.00	0.00	785,827.50	785,827.50	0.00

Sub-Total		3,171,037.20			3,171,037.20		
Total		7,891,537.20	0.00	0.00	7,891,537.20	7,891,537.20	0.00

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

Head of Accountants department of beneficiary Entity:

Name: CPA Stephen Mutua Member No. 18616 Sign Date…10/07/2024……

Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Climate change mitigation	Compound greening/ beautification	To mitigate the effects of greenhouse gases.	Planting of trees	100,000.00	0.00	0.00	75,775.00	Exchange transactions	Kibwezi west Tvc

Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Fire prevention	Installation of firefighting equipment	Fire	Preparedness	Fire extinguishers	149,200.00	Fully implemented by the institution