

REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT

DATE: 23 JUL 2025

DAY.
Wednesday

TABLED
BY:
OF

Hon. (Dr.) Robert Rukose
on behalf of the Leadership Majority Party

CLERK-AT
THE-TABLE:

Halima Suliman

THE AUDITOR-GENERAL

ON

**RUIRU TECHNICAL AND VOCATIONAL
COLLEGE**

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

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 JUL 2025

DAY.
Wednesday

TABLED BY: Hon. Owen Baya (Deputy Majority leader)

CLERK-AT THE-TABLE: Anactada



RUIRU TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Ruiru Technical and Vocational College

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



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

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
CPAK	Certified Public Accountant of Kenya
DOB	Date of Birth
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
PSC	Public Service Commission
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TVETA	Technical Vocational Entrepreneurship Training Authority

B. Definition of Key Terms

Fiduciary Management	Members of Management directly entrusted with the College's financial resources.
Comparative Year	The prior period.

2. Key College Information and Management

(a) Background information

Ruiru Technical and Vocational College (RTVC) was registered in accordance to TVET Act of 2013 section 20(1) on 3rd May 2023: Registration Certificate number TVETA- PUBLIC-TVC-008-2023. It is domiciled in Kenya under the Ministry of Education in The State Department of Technical and Vocational Education and Training.

(b) Principal Activities

The principal activity of the Ruiru Technical and Vocational College is to provide quality Technical and Vocational training by skilling trainees and inculcating values and attitude for employability and job creation.

VISION

To be a Centre of Excellence in Competency based training.

MISSION

To offer quality Technical and Vocational Education and Training and as per the TVET Act 2013.

STRATEGIC OBJECTIVES

- (i) Achieve a student enrolment of at least 200 students by 30th June 2024
- (ii) To promote access and equity to Competency based training.
- (iii) To develop a strategic plan by 30th June 2024.

STRATEGIC DESTINATION

To provide quality Technical and Vocational training by skilling trainees and inculcating values and attitude for employability and job creation. Develop trainees with a mind and heart that are engaged, empowered and ethical to the world of work.

CORE VALUES

- **Responsible:** We are accountable, liable and transparent and committed to take responsibility - Accountable.
- **Approachable:** We are welcoming, courteously listen, take action and seek solutions - Responsive
- **Reliability:** We are person of integrity who are honest, fair and trustworthy.
- **Inventive:** We are imaginative in all of our deeds – Innovative
- **Caring:** We take care of ourselves and others.

(c) Key Management

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

- Board of Governors
- Accounting officer/ Principal

Key College Information and Management (Continued)

(d) Fiduciary Management

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

S/No.	Designation	Name
1.	Principal	James C. Chege Irungu
2.	D/ Principal	Alex Kobia
3.	Ag. Registrar	Irene Maina
4.	Ag. Dean of Students, HOD Hospitality & Institutional Management & HOD Sports	Roselyne Okwemwa
5.	Head of ICT	Hannah Kamau
6.	Ag.HOD Electrical and Electronic Department & Ag. Industrial Liaison Officer	Edwin Musyoki
7.	Ag. Head of Department Building & Civil Engineering and Research & innovation Coordinator	Peter Mbate
8.	Examination officer & Environment and greening TVET Champion	Joseph Karanja
9.	Finance Officer	Eddah Muthoni

(e) Fiduciary Oversight Arrangements

Finance, Infrastructure and Strategy Committee:

The Finance, Infrastructure and Strategy Committee is appointed to oversee and monitor the development of the College and report status to the Board and any recommendations for approval and implementation. The committee monitors finance performance and administration of the College.

Training, Research and Human Resource Committee:

The Training, Research and Human Resource Committee monitor the academic performance and human resource development of the College.

The committee is mandated to handle academic issues for the trainers and students.

Key College Information and Management (Continued)

Risk, Audit and Compliance Committee:

The committee monitor the integrity of the financial statements of the Institute, review the Institute's internal financial controls systems and oversee the internal audit function.

Senior Management:

Senior management comprise of Principal, Deputy Principal, Registrar and Dean of Students.

Management:

The management report direct to the senior management. The management comprise of Head of Departments and their deputies. The management is responsible in day to day running of their departments.

Key College Information and Management (Continued)

(f) College Headquarters

Kiambu County, Ruiru Municipality

(g) College Contacts

Ruiru Technical and Vocational College
P.O. Box 416 - 00232
Ruiru, Kenya
Mobile: (254) 746 319919, (254) 789 869499
E-mail: ruirutvc@gmail.com

(h) College Bankers

Cooperative Bank of Kenya,
Ruiru Branch
P.O. Box 2039 -00232
Ruiru, Kenya


(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 Board of Governors

No.	Name	Passport-size photo	Member's date of birth, key qualifications, and work experience. Indicate whether the member is independent or an executive member and which committee the member chairs where applicable.
1.	Engineer Lawrence T. Kuria		<p>Chairman, Board of Governors DOB: 9th September 1957</p> <p>Eng Kuria is a practicing professional Civil Engineer with 45 years' experience. He started working in the civil service rising to the rank of Provincial Water Engineer in then Nyanza Province. He moved to the private sector in 1990. Over the decade of 1990 to 2000, Eng. Kuria offered consultancy services for implementation of infrastructure projects covering roads, dams and water supply throughout the country.</p> <p>Eng Kuria has in-depth knowledge in management and leadership gained from the practice of engineering and management consultancy services for numerous clients for over 30 years. Key clients included GOK and affiliate bodies, the United Nations Organization and its Agencies, international funding agencies and the private sector. He has wide experience gained from working in diverse environments in the eastern and central Africa region.</p> <p>From 2006, he was in the management team of Norken International Ltd, an engineering and management consultancy firm until 2022. Currently he is an engineering and management consultant in Norken to support the execution of the company's business strategy.</p> <p>Eng Kuria's key areas of competence are engineering and technology, procurement, contracts management, project implementation, project operations, maintenance and monitoring and leadership.</p> <p>Academically and professionally, Eng. Kuria has a degree in Civil Engineering from the University of Nairobi obtained 1979, he is registered consulting engineer, a Fellow of the Institution of the Engineers of Kenya and a registered Qualified Water Engineer under the Water Act.</p>

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2.	Maryann A. Hassan		<p>Board Member</p> <p>She holds a Masters in Educational administration and planning. She is currently serving as the Regional Director of TVET</p>
3.	Gladys Nyakerario Nyakweba		<p>Board Member and Finance, Infrastructure and Strategy Committee Chair DOB: 24th August 1981</p> <p>Ms Gladys Nyakerario is a trained professional accountant. She has a bachelor's degree in business management from Moi university, CPA-K and is currently doing a Master's in Finance Administration.</p> <p>She has served as a board member of Moiben Technical and Vocation College as the chair of Finance and HR committee for 5 Years and also 1 year as the chair of Audit and Risk Committee. She has also been a lecturer at Kisii University for a period of 2 years. Currently she works as an Accountant at PeterCrest Academy Eldoret.</p>
4.	Esther Kirigo Muchina		<p>Board Member and in the committee of Risk, Audit and Compliance DOB: 18th September 1989</p> <p>She holds a Bachelor's degree in communication and a Diploma in Nursing.</p> <p>She has worked as a liaison officer in the office of the Governor, Nyeri County. She has also worked as an emergency nurse at Aga Khan hospital.</p>
5.	Dr. Humphrey M. Waweru		<p>Board Member and in the committee of Training, Research and Human Resource Committee. DOB: 15th June 1965</p> <p>Dr. Humphrey M. Waweru is an educationist and a theologian who has great interest in Bible and African Culture. He has an interest in the education of our learners. He has been in teaching profession for all his life. He holds a PhD in Theology and a Post doctorate Diploma in Education from University of Nairobi (PGDE).</p>

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			He is currently a lecturer in Kenyatta University, Department of Philosophy and Religious Studies.
6.	Engineer Elias Kiplangat		<p>Board Member and in the committees of Training , Research & Human Resource and Finance, Infra structure & Strategy DOB: 1984</p> <p>Mr. Elias Kiplangat is a professional Engineer with over 13 years' experience in the civil engineering works and project management with 7 years at the senior management level. He is a member of the Engineer's Board of Kenya (EBK), member of the Engineers of Kenya (IEK) and also a member of the Project Management Institute (PMI). He holds a Bachelor's degree in Engineering from the university of Nairobi. Currently he is pursuing a Masters' degree in Business Administration.</p>
7.	Rahab M. Kibacio		<p>Board Member, Chair of the Training, Research & Human Resource and member of Finance, Infra structure & Strategy committee DOB: 16th August 1972</p> <p>Ms. Rahab M Kibacio is a professional accountant with 19 years of experience. She holds a Masters of science in commerce and a Bachelors degree in Business Management. In addition she is also a CPA K.</p> <p>In the year 2023 She served as an Adhoc Committee Member at County Government of Kiambu, recommending proposed Gatundu Municipality.</p>
8.	William Kabaiku		<p>Board Member and in the committee of Risk, Au dit and Compliance DOB: 19th September 1977</p> <p>William Kabaiku is an Advocate of the High Court of Kenya with over 21 years' experience in Legal Practice. William is a holder of Bachelor of Laws (LLB) Degree from The University of Nairobi and a Diploma in Law from Kenya School of Law. He was admitted to the Bar in 2002 and is a member of the Law Society of Kenya.</p> <p>William is the Managing Partner at the Law Firm of Wainaina Ileri Advocates LLP and the Head of Litigation and Alternative Dispute Resolution. He was appointed as a Member of the Board of Governors of the College in February 2024 as an Independent Member representing the Law and Technology Sector.</p>



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9.	Catherine Asemeit		<p>Board Member and a chair of the Risk, Audit and Compliance committee DOB: 1989 Certified Public Accountant Director, Standards and Technical Services at Institute of Certified Public Accountants of Kenya(ICPAK)</p>
10.	Irungu James Caesar Chege		<p>Chief Executive Officer/ Principal Secretary to the Board of Governors</p> <p>Not yet accredited as member of Institute of Certified Secretaries (ICS) DOB: 3rd September 1968 Mr. Irungu has over 27 years of experience as a Vocational and Technical Education Trainer, teaching Engineering Mathematics. He holds a Bachelors of Science Degree Majoring in Statistics and Post Graduate Diploma in Education. He has administrative experience in Public TVET institutions that transcends a number of positions such as Quality Management Representative, as Registrar, Deputy Principal academics and Principal in other Institutions.</p>

4. Key Management Team

No.	Name of the Staff	Passport photo	Responsibility
1.	Irungu James Caesar Chege		<p>Chief Executive Officer/ Principal Secretary to the Board of Governors</p> <p>Mr. Irungu has over 27 years of experience as a Vocational and Technical Education Trainer, teaching Engineering Mathematics. He holds a Bachelors of Science Degree Majoring in Statistics and Post Graduate Diploma in Education. He has administrative experience in Public TVET institutions that transcends a number of positions such as Quality Management Representative, as Registrar, Deputy Principal academics and Principal in other Institutions.</p>
2.	Alex Kobia.		<p>Mr. Kobia is the Deputy Principal with 18 years of experience as a Vocational and Technical Education Trainer in Electrical and Electronics and has administrative experience in public TVET institutions that transcends a number of positions some of which as Head of Department, Registrar in other Institutions. He holds a Master's Project Planning & Management and Bachelor of Education Technology (Electrical & Electronics) Member of Institute of Electrical Technologist and registered by TVETA as an assessor and Verifier.</p>

3.	Irene Maina.		<p>Irene Maina. Ms Irene Maina is the Ag. Registrar with 22 years of experience in Technical and Vocational Training, she holds a degree in Education Technology (Electrical and Electronics) and is a trained internal auditor. Previously, she has served as head of quality assurance and head of department Electrical and Electronic Engineering at Kabete National Polytechnic.</p>
4.	Roselyne Bitengo Okemwa		<p>Ms. Okemwa is the Ag. HOD, Hospitality & Institutional Management and Ag Dean Of Students. She has 6 years training experience in TVET institution. Holds a Degree in Hospitality and Hotel Management, Diploma in Hotel and Tourism Management, and a Postgraduate Diploma in Education. She is a registered TVET Trainer by TVETA and an accredited Assessor and Verified by TVET CDACC.</p>
5.	Hannah Wangeci Kamau		<p>Ms Hannah Wangeci Kamau is a trained trainer with 20 years of teaching experience. She has previously served as head of the computer section for 15 years. She is the Ag. HOD of Computing and Informatics. She holds a Master's Degree in Management Information System and a Bachelor's Degree in Information Technology</p>

6.	Edwin Musyoki		<p>Mr. Musyoki is the Ag.Head of Department Electrical & Electronics Engineering and Industrial Liaisons officer with 2 years of training in a TVET Institutions.</p> <p>He holds a Diploma in electrical and Telecommunication Engineering and Higher National Diploma in Electrical Engineering (power option). He is a member of the Institution of technicians and technologists (IET) of Kenya and a registered class B Electrical Technician by EPRA and a NITA Electrical (power) assessor.</p>
7.	Peter Ndumbu Mbate		<p>He is the Ag. HOD, Building and Civil Engineering and Research and Innovation Coordinator. He has 5 years of training experience in TVET Institutions.</p> <p>He Holds a Diploma in Building Technology, a craft certificate in Plumbing and a Diploma in Technical Education from Kenya School of TVET (KSTVET). He is also a member of Institute of Technology (IET).</p>
8.	Joseph Karanja Nganga		<p>Mr. Karanja is the Examinations officer and Environmental & Greening TVETs Champion. He has 2 years of training experience in TVET Institutions.</p> <p>He holds a Bachelor of Education Technology (Electrical and Electronics).</p> <p>Responsibilities: In charge of Internal and External Examinations and ensures that the College is greened.</p>

9.	Eddah Muthoni	 A portrait photograph of Eddah Muthoni, a woman with dark hair pulled back, wearing a blue top and a gold necklace. She is looking directly at the camera with a neutral expression.	<p>She was appointed in September 2024 as the Finance Officer of Ruiru TVC. She holds a degree in Bachelor of commerce finance option, CPA Part 2 and Diploma in Accountancy.</p> <p>Responsibilities: Preparation and execution of budgets, maintaining accounting records, preparing and recommending policies and procedures</p>
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5. Chairman’s Statement

It is my pleasure to present the College’s annual report and financial statement for the year ended 30th June 2024.

The College’s Board of Governors appreciate the continued support of the Government and all other stakeholders in the daily running of the College.

The College is in its first year of operations and the Board is optimistic that the College is on the upward trend in students’ enrolment as student population has grown from 104 students in September 2024 to the 152 students as at 30th June 2024. As the first Chairman of the College, I feel proud for the milestones the College has achieved so far.

The College has progressed in terms of equipping the workshops to ensure quality training so as to fulfil our mandate to educate and train at TVET level for self-reliance.

The College received the Government scholarships, HELB loans and Bursaries through the Ministry of Education. I take this opportunity to thank the Government for the support both in financial and policy direction. I also wish to note that the funds together with the fees collected directly from the trainees and other sponsors were prudently utilised as it is evidenced in the financial statements in this report.

Special gratitude to Board of Governors members and management team of the College for the oversight, continued support and selfless commitment of the team. The teams unwavering determination were instrumental in the realisation of the achievements made. We are therefore synergized to navigate any challenges that may come our way and seize opportunities that may arise.

We look forward to discussing this report further, addressing any questions that may arise and noting areas of improvement for the benefit of Ruiru TVC.

Sign. 
Engineer Lawrence T. Kuria
Chairman, Board of Governors

Date 21/4/2025

6. Report of the Principal

I present Ruiru Technical and Vocational College financial statements for the financial year 2023/2024 ending 30th June 2024 in accordance to accrual basis of accounting method under the International Public Sector Accounting Standards (IPSAS)

I appreciate the growth the College has realised in the last one years in its operation. The College admitted its first batch of 104 students between May to September 2023 in Electrical & Electronics Engineering, Building & Civil Engineering, Fashion Design & Cosmetology, Hospitality & Tourism and Computing & Informatics Departments. The College has recorded growth in trainee population and programmes with 13 programmes currently licensed by TVETA; The student enrolment as at 30th June 2024 stood at 152 students.

During the year under review, the College registered 77 candidates for June/July 2024 TVET-CDACC assessment series.

On co-curricular activities, the College participated and hosted KATTI Nairobi Region TVET Fair. The College also participated in Music and Drama Festival, World Skills National Competition and regional games and sports competitions: football and volleyball. This led to motivation and exposure of both staff and students.

I am very grateful to the training and administrative staff for their generous and selfless efforts in ensuring that training and the overall curriculum implementation was successful during the year. The College has 8 PSC trainers, 3 interns and 3 trainers under Board of Governors terms of service. Due to financial constraints, the College operated with three support staff, the administrative secretary, 2 cleaners. Occasionally, casual staff were hired to supplement the support staff in housekeeping duties and grounds works. The mentoring institution, Kabete National Polytechnic assisted in hiring of security officer in the year and to ensure crucial services were not compromised, other staff were used from Institution or other Government agencies.


I sincerely thank the Government through the Ministry of Education, State Department of TVET for the relentless efforts in ensuring that the College is staffed and operationalized.

During the year under review, the College received Government Scholarship, HELB loans and Bursary from the Government through the Ministry of Education. I thank the Government for the financial and policy direction support. I also note that the funds together with the fees collected directly from the trainees were prudently utilised as it is evidenced in the financial statements in this report. The Board of Governors was instrumental in the realization of the achievements made by the College during the year.

I wish to sincerely thank the Chairman and the members for their oversight and guiding role in the operations of the College. I am very grateful to the Management and staff for their commitment,

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

dedication and discipline to their work and effort that have seen Ruiru Technical and Vocational College move forward in attaining its vision and mission despite the start-up challenges.

Sign. .....
Irungu James Caesar Chege
Principal/Secretary BOG

Date. 21/04/2025.....

7. Statement of Performance against Predetermined Objectives

Ruiru Technical and Vocational College is in the process of developing its five-year Strategic Plan from Financial Year 2023/2024 to 2024/2029.

The performance against predetermined objectives report will be provided during implementation of Strategic Plan.

8. Corporate Governance Statement

The Board of Governors of Ruiru Technical and Vocational College were appointed on 12th February 2024, by the Cabinet Secretary, Ministry of Education. It was inaugurated on 6th March 2024. The Board induction is planned to be held in the financial year 2024/2025. The Board of Governors consists of seven members drawn from various field of expertise. The Board has a representative of Principal Secretary, Ministry of Education and who is not a board member. The Principal of RUIRU Technical and Vocational College is the Secretary to the Board. The Board meetings are scheduled once per every quarter with an allowance of emergency meeting as need arises. The Board met once during the year, Finance, infrastructure and Strategy met twice, Risk, Audit and Compliance committee and Training, Research and Human Resource Committee met once during the year. The Board members earn a sitting allowance for every meeting attended.

The Board of Governors has three sub-committees, that is,

- i. Finance, Infrastructure and Strategy committee;**
- ii. Training, Research and Human Resource Committee;**
- iii. Risk, Audit and Compliance Committee.**

Functions of the Board of Governors include:

- Discuss and Approve the budget for each financial year;
- Approve financial reports for every quarter and for each year.;
- Negotiate and Approve performance contracts for each year;
- Administer and Manage property of the Institution;
- Develop and Implement the College Strategic Plan;
- Determine the fees payable and method of payment;
- Receive on behalf of the Institution, fees, grants, subscriptions, donations, bursaries;
- Recruit and appoint trainers from among qualified professionals;
- Determine suitable terms and conditions of service for support staff, trainers and remunerate staff of the College;
- Provide the welfare of the students and staff of the College;
- Prepare annual financial statements and submit to the relevant authority.

9. Management Discussion and Analysis

The College’s operational and financial performance

The College has an enrolment of 120 students pursuing courses in Building Technology, Electrical and Electronics Engineering, Hospitality, Institutional Management and Fashion Design, Computing and Informatics

S. No	Department	Male	Female	Current Total
1.	Electrical and Electronics Engineering	43	4	47
2.	Building & Civil Engineering	38	1	39
3.	Hospitality, Institutional Management and Fashion Design	5	23	28
4.	Computing and Informatics	4	2	6
	Total	90	30	120

The College received operational grants during the period amounting to Ksh. 1,500,000, Government sponsorship of Ksh. 2,076,140 and HELB funding amounting to Ksh. 1,622,671. The College is facing financial constraints due to low student enrolment as there is high competition among TVET institutions which disadvantage the small institutions among them, Ruiru TVC. The new financing model is a challenge to the institution towards financial stability, as students await their financing from the relevant government institutions. The management is optimistic that this will improve as the government is committed to fully support TVET institutions.

College’s compliance with statutory requirements

The College has complied with the statutory requirements. The College is fully accredited with TVETA. All statutory remittances are paid to the respective authorities and in due time.

Key projects and investment decisions the College is planning/implementing

The College has no sewer connectivity. Currently, the college is using a soak pit to manage its waste. However, the matter is being pursued with the relevant government offices to ensure sewer connectivity. There is a need to have internet connectivity and install a management information system to manage office operations.

Major risks facing the College

Ruiru Technical and Vocational College

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

During the year, the college did not manage to employ qualified personnel to carry out procurement and finance functions due to limited financial resources. It operated with interns seconded by Public Service Commission.

The college has not obtained title deed for the land it's sitting on. The matter is being pursued with the relevant authority.

Material arrears in statutory/financial obligations

The College has no material arrears in statutory and or financial obligations

The College's financial probity and serious governance issues

The College has no governance issue. However, title deed for the land has not been obtained from the County Government of Kiambu.

10. Environmental and Sustainability Reporting Statement

Ruiru TVC exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, putting the Customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

Provide market driven and competency based training for students.

The college has continued to apply effective training methods geared towards producing competent graduates for a globally competitive market. The college's main focus being students' has ensured that the training meets the students' expectations through acquisition of required knowledge, attitudes and competencies.

Promote good governance and efficient Service Delivery Culture

The college has established systems processes which are focused towards the achievement of the set targets and objectives.

Establish Partnerships, Linkages and Collaboration

The college is working closely with relevant partners to share knowledge and experiences.

Increase access to and use of ICT

The college has enhanced use of Information and Communication Technology in their day-to-day college operations. Through acquisition of training equipment

Develop Human Resource Capacity and improve Corporate Image

The college has developed and maintained human capital that will reflect a positive image of the organization. The College is in the process of developing Human Resource Manual, Career progression guidelines and Scheme of Service for the management of employee welfare.

Enhance financial sustainability

The college has ensured prudent utilization of the available financial resources. It is also in the process of introducing income generating activities to generate more financial resources for sustainability

Corporate Social Responsibility / Community Engagements

The college did not engage in any corporate social responsibility during the year due to financial constraints. However, the college source unskilled labour from the community on casual basis.

11. Report of the Board of Governors

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

Principal activities

The Principal activity/mission of RUIRU TVC is to teach and train at TVET level as outlined in the TVET Act, 2013.

Results

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

Board of Governors

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

Auditors

The Auditor General is responsible for the statutory audit of the College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the College for the year ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on her behalf.

By Order of the Board



Secretary of the Board
Ruiru, Kiambu

Date: 21/04/2025

12. Statement of Board of Governors Responsibilities

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

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

The Board members accept responsibility for the Ruiru TVC 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). The Board members are of the opinion that the Ruiru TVC financial statements give a true and fair view of the state of Ruiru TVC transactions during the financial year ended on 30th June 2024, and of the Ruiru TVC financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Ruiru TVC, which have been relied upon in the preparation of the RUIRU TVC financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

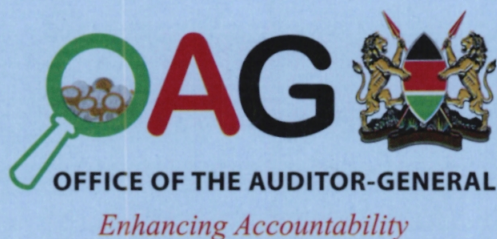
The Ruiru TVC financial statements were approved by the Board on 27th September, 2024 and signed on its behalf by:

Name: Erg. L. T. Kuria
Signature: [Handwritten Signature]
Chairperson of the Board

Name: James C. Imugu
Signature: [Handwritten Signature]
Accounting Officer/Principal

REPUBLIC OF KENYA

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ruiru Technical and Vocational College set out on pages 1 to 31, which comprise the statement of financial position as

at 30 June, 2024, the statement financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 15 to the financial statements reflects a balance of Kshs.4,425,966 as receivables from exchange transactions. However, review of documents provided for audit revealed that there were no invoices raised for school fees charged per intake or semester. Further, there were no individual student ledgers or fee statements maintained and the cashbook did not capture the student's unique identifier or the admission number. In addition, there was inconsistent fees charged for students within the same intake.

In the circumstances, the accuracy and completeness of the receivables from exchange transactions totaling Kshs.4,425,966 could not be confirmed.

2. Valuation and Ownership of Property Plant and Equipment

The statement of financial position reflects a balance of Kshs.56,649,783 in respect of property, plant and equipment. However, the value of land was not included in the property, plant and equipment balance. Further, there were no ownership documents for the parcel of land in which the Institution stands. In addition, the Institution's furniture and fittings and the ICT equipment had not been tagged for effective management and identification.

In the circumstances, the accuracy, completeness and ownership of the property, plant and equipment valued at Kshs.56,649,783 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Ruiru Technical and Vocational College Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.9,375,901 and Kshs.13,023,214 respectively resulting to an over funding of Kshs.3,647,313 or 39% of the budget. Similarly, the statement reflects final expenditure of Kshs.8,761,241 against actual receipts of Kshs.13,023,214 resulting to an under expenditure of Kshs.4,261,973 or 33% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the 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 page i to xxv which comprise of Key Entity Information and Management, The Board of Governors, 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 Ruiru Technical and Vocational 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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Prepare Payment Vouchers

The statement of financial performance and Note 9 to the financial statements reflects use of goods and services payments of Kshs.5,512,007. However, payments amounting to Kshs.2,838,546 were not supported by payment vouchers instead Management used "imprest declaration or claim form for subsistence allowance" paid from the petty cash account. Further, the payments made for use of goods and services were not supported by the appropriate documentations such as the requisition from the user department, the procurement processes, local purchase or service orders, invoices, delivery notes, goods received notes and inspection certificates.

In the circumstances, Management was in breach of law.

2. Non-Compliance with Minimum Requirement on Employee Ethnic Balance

Review of employee records for the College revealed that the dominant ethnic community employed by the College constitutes fourteen (14) or 58% of the total population of twenty-five (25) staff. This is above the provision of National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

3. Lack of Trainers Accreditations

The College had a population of four (4) contracted trainers and resource persons hired by the governing Board. Records provided revealed that there were no records or reports to prove that the trainers were registered and licensed by TVETA.

In the circumstances, the salaries paid to trainers during the year could not be validated and hence the Institution is in contravention of the TVET Act, 2013.

4. Cash Payments in Repairs and Maintenance Expense

The statement of financial performance and Note 13 to the financial statements reflects an expenditure of Kshs.1,167,371 relating to repairs and maintenance. Review of the documents provided for audit revealed that the Institution incurred cash procurements of

Ksh.1,040,778, thus contravening Regulation 92 of the Public Procurement and Disposal Regulations, 2020 which caps Kshs.50,000 per item per financial year for goods and services.

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 effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Poor Cashbook Management

During the audit, it was noted that the College maintained their cashbook in a spreadsheet file that is Microsoft Excel, only. Use of excel as a cashbook can be prone to alterations of financial records as an excel file lacks security features to show who accesses the files and what was edited or updated. Further, without a backup or a data recovery plan, Management risks losing all its data in case the spreadsheet file gets corrupted. Further, the board of survey report for the bank balances was not provided for audit review.

In the circumstances, the internal controls taken to guard against the damage, destruction and falsification of financial records 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 the Management and Board of Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with *International Public Sector Accounting Standards (Accrual Basis)* and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

26 June, 2025

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

14. Statement of Financial Performance for the year ended 30 June 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments-gifts and services-in-kind	6	3,576,140	-
		3,576,140	-
Revenue from exchange transactions			
Rendering of services	7	8,873,093	-
Miscellaneous Income	8	573,981	-
		9,447,074	-
Total revenue		13,023,214	-
Expenses			
Use of Goods and Services	9	5,512,007	-
Employee costs	10	1,090,283	-
Board of Governors expenses	11	486,580	-
Depreciation and amortization expense	12	1,508,212	-
Repairs and maintenance	13	1,167,371	-
Total expenses		9,764,453	-
(Deficit) / Surplus before Tax		3,258,761	-
Taxation		-	-
(Deficit) / Surplus for the period		3,258,761	-

(The notes set out on pages 6 to 36 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 36 were signed by:


 L.T. KUCIA

Chairman of Board

Date: 21/4/2025


 James C. Imungu

Principal

Date: 21/4/2025



Finance Officer

ICPAK No.

Date: 21/4/2025

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

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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	14	116,233	-
Receivables from exchange transactions	15	4,425,966	-
Other Receivables	16	-	-
Inventories	17	-	-
Total Current Assets		4,542,199	-
Non-current assets			
Property ,plant and equipment	18	56,649,783	-
Total non - current assets		56,649,783	-
Total assets		61,191,982	-
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	19	115,325	-
Refundable deposits from customers	20	142,400	-
Mentoring Institution Soft loan	21	708,971	-
Payments received in advance	22	222,501	-
Total current liabilities		1,189,197	-
Non-current liabilities		-	-
Total non-current liabilities		-	-
Total liabilities		1,189,197	-
Net assets		60,002,785	
Reserves		-	-
Accumulated (Deficit) / surplus		2,349,790	-
Capital Fund		57,652,995	-
Total net assets		60,002,785	-

The Financial Statements set out on pages 1 to 36 were signed by:


L. T. KIRIA


Chairman of Board

Date: 21/4/2025


James C. Imugu

Principal

Date: 21/04/2025



Finance Officer

ICPAK No.

Date: 21/4/2025

16. Statement of Changes in Net Asset for the year ended 30 June 2024

	Revaluation reserve	Accumulated Fund	Capital	Total
			Grants/Fund	
Balance b/f as at July 1, 2022	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	-	-	-
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortization from capital fund to Retained earnings	-	-	-	-
Balance c/d as at June 30, 2023	-	-	-	-
				-
Balance b/f as at July 1, 2023	-	-	-	-
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year		3,258,761	-	3,258,761
Capital grants (Cost of Building Financed by the Ministry of Education)		-	57,652,995	57,652,995
Expenses paid for by Kabete National Polytechnic prior to the first year of operations		(908,971)	-	(908,971)
Balance c/d as at June, 30 2024	-	2,349,790	57,652,995	60,002,785

Note**

The amount of Ksh. 908,971 relate to expenses incurred by Kabete National Polytechnic as a mentoring Institution before Ruiru TVC started its operation in this financial year 2023/2024.

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

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

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Cash and cash equivalents at the beginning of the year		-	-
Cash flows from operating activities			
Receipts			
Government grants and subsidies	6	3,576,140	-
Rendering of services	7	4,447,127	-
Miscellaneous income	8	573,981	-
Receipts from student debtors	15	-	-
Refundable deposits received	20	142,400	-
Fees received in advance	22	222,501	-
Total Receipts		8,962,149	-
Payments			
Employees Costs	10	974,958	-
Board of Governors expenses	11	486,580	-
Use of Goods and Services	9	5,512,007	-
Repairs and Maintenance	13	1,167,371	-
Mentoring Institution payment of soft loan	21	200,000	-
Payment of suppliers	19	-	-
Total Payments		8,340,916	-
Net cash flows from operating activities	23	621,233	-
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	18	(505,000)	-
Net increase/(decrease) in cash and cash equivalents		116,233	-
Cash and cash equivalents at end of the period	14	116,233	-

Guiding notes on the adjustments of non-cash items

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Rendering of Services	7	8,873,093	-
Less Accrued revenue	15	(4,425,966)	-
Cash outflow		4,447,127	-

Employee costs	10	1,090,283	-
Less Accrued Expenses as at 30th June	19	(115,325)	-
Cash outflow		974,958	-

Ruiru Technical and Vocational College
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18. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2024

Description	Original annual Budget	Adjustments	Final Annual Budget	Actual Cumulative to date	% of Utilization	Explanation
	a	b	c=a+b	d	e=d/c %	
Revenue	Kshs	Kshs	Kshs	Kshs		
Government grants and subsidies	2,000,000	-	2,000,000	3,576,140	179%	a)
Rendering of services - Fees, Govt funding	5,675,901	1,500,000	7,175,901	8,873,093	124%	b)
Other Income	200,000	-	200,000	573,981	287%	c)
Total revenue	7,875,901	1,500,000	9,375,901	13,023,214		
Expenses						
Development expenditure	-	250,000	250,000	505,000	202%	d)
Use of Goods and Services	4,815,447	1,000,000	5,815,447	5,512,007	95%	e)
Employee costs	1,273,970	-	1,273,970	1,090,283	86%	f)
Board of Governors expenses	850,000	-	850,000	486,580	57%	g)
Repairs and maintenance	936,484	250,000	1,186,484	1,167,371	98%	h)
Total expenditure	7,875,901	1,500,000	9,375,901	8,761,241		
Surplus for the period	-	-	-	4,261,973	0	

(Budget notes)

- a) The College received HEF sponsorship grants which was earlier budget for under rendering of services.
- b) The college realized more revenue due to increased number of students from a budget of 80 students to 120 students enrolled.
- c) The College hosted TVET Fair and Robotics realizing a one off revenue of Ksh. 412,600, thus exceeding the target.
- d) Purchase of furniture and equipment were not shown on the budget. Future budgets to reflect needs to procure assets.
- e) The students' enrolment was high than earlier budget for , thus spending more on training activities.
- f) The College did not engage in staff recruitment due to financial constraints
- g) The College Board was inaugurated on 6th February 2024 after half of the financial year had elapsed, thus spending less on Board activities.
- h) The College carried out repairs, renovations and maintenance to create more training rooms and prepare college for admission of students in September 2023, this was not anticipated in the budget.

Budget Reconciliation Note			
Surplus for the year as per budget comparison			4,261,973
Less:			
Depreciation			(1,508,212)
Add:			
Development expenditure(Purchase of Assets)			505,000
Surplus for the year as per Statement of Financial Performance			3,258,761

19. Notes to the Financial Statements

1. General Information

Ruiru TVC is established by and derives its authority and accountability from TVET Act 2013. The Ruiru TVC is wholly owned by the Government of Kenya and is domiciled in Kenya. Ruiru TVC principal activity is training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment. 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 College accounting policies.

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

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> 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 College. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>(The standard has no impact to the College)</i>
IPSAS 44: Non- Current Assets Held for Sale and	<i>Applicable 1st January 2025</i> 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:

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

Discontinued Operations	Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>(The standard has no impact to the College)</i>
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>(The standard has no impact to the College)</i>
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. <i>(The standard has no impact to the College)</i>
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an College shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. <i>(The standard has no impact to the College)</i>
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for

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

	public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. <i>(The standard has no impact to the College)</i>
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>(The standard has no impact to the College)</i>

iii. Early adoption of standards

The College did not early-adopt any new or amended standards in year 2023/2024.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

RUIRU TVC 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 college.

b) Budget information

The original budget for FY 2023/2024 was ratified by the Board on 11th April, 2024. The College budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Taxes

Current income tax

RUIRU TVC is exempt from paying taxes as a public training institution

Sales tax/ Value Added Tax

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

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

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

d) Property, plant and equipment

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

Land and capital work in progress are not depreciated. Capital work in progress relates mainly to the costs of ongoing but incomplete works on buildings and other civil works and installations.

Depreciation on Property, plant and equipment is recognized in the income statement on a reducing balance basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The rates in use are:

Land	-
Buildings	2.5%
Motor vehicles	25%
Furniture and Fittings	12.5%
ICT Equipment	30%
Office Equipment	12.5%

A full year depreciation charge is recognised in the year of asset purchase. Depreciation charge is not recognised in the year of disposal.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) 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

f) Research and development costs

RUIRU TVC expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Ruiru TVC 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 quarterly with any impairment losses recognized immediately in surplus or deficit.

g) Inventories

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

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

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

h) Provisions

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

Where the College expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Nature and purpose of reserves

The College creates and maintains reserves in terms of specific requirements. The College maintains Capital and Revenue reserves.

j) Changes in accounting policies and estimates

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

k) Employee benefits

Retirement benefit plans

The College has not established retirement benefit plan but it may be implemented in future as the college expands.

l) 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.

m) Related parties

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

n) Service concession arrangements

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

o) 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 various commercial banks at the end of the financial year.

p) Comparative figures

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

q) Subsequent events

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

Notes to the Financial Statements (Continued)

5. Significant Judgments And Sources Of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available.

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.

Provision for Depreciation

This caters for reduction in the value of asset with the passage of time, due to wear and tear. The College use reducing balance method to depreciate its assets using the applicable rates of depreciation as given in note 4(d) above.

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

Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Unconditional grants		
Capitation grant	-	-
Operation grant	1,500,000	-
Higher Education Fund Scholarship	2,076,140	-
	3,576,140	-
Conditional grants		
library construction	-	-
Development grants	-	-
Total government grants and subsidies	3,576,140	-

Transfers from other Government entities (Categorized)

Name of the College Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY 2022/2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education, State Department of TVET	3,576,140	-	-	3,576,140	-
Total	3,576,140	-	-	3,576,140	-

Notes to the Financial Statements (Continued)

7. Rendering of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition	3,385,250	-
Electricity, Water and Conservancy	564,815	-
Personnel Emoluments	1,633,221	-
Local Transport and Travel	575,932	-
Repairs, Maintenance and Improvement	479,760	-
Activity Fees	675,715	-
Medical Insurance	352,200	-
Student Council	89,000	-
Student ID	106,800	-
KUCCPS Fees	265,500	-
TVETA Fees	88,600	-
Examination fees	656,300	-
Total revenue from the rendering of services	8,873,093	-

8. Miscellaneous Income

Description	2023-2024	2022-2023
	Kshs	Kshs
TVET FAIR Revenue	412,601	-
Food production sales	5,380	-
KUCCPS Sponsorship	156,000	-
Total Miscellaneous Income	573,981	-

Notes to the Financial Statements (Continued)

9. Use of Goods And Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank charges	19,352	-
Mpesa transaction charges	5,382	-
Local Transport and Travel	1,251,251	-
Telephone and Postage	39,390	-
Electricity, Water and Conservancy	220,268	-
Office expenses	236,350	-
Printing and stationery	119,595	-
Medical Expenses	31,620	-
Registration and Subscription	221,000	-
Staff training, development and capacity building	509,963	-
Tuition expenses	916,143	-
Sports, Games and Music Activities	972,584	-
Examination expenses	493,200	-
Interview and Recruitment expenses	448,700	-
TVET fair activities	27,209	-
Total Use of Goods and Services	5,512,007	-

10. Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
Staff Salaries	908,883	-
Casual wages	181,400	-
Employee costs	1,090,283	-

11. Board Expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Sitting Allowances	428,300	-
BOG chairman Honoraria	20,000	-
Meeting Administration Expenses	38,280	-
Total Board Expenses	486,580	-

Notes to the Financial Statements (Continued)

12. Depreciation and Amortization expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, plant and equipment	1,508,212	-
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	1,508,212	-

13. Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
Property	1,167,371	-
Equipment	-	-
Vehicles	-	-
Other	-	-
Total repairs and maintenance	1,167,371	-

Notes to the Financial Statements (Continued)

14. Cash and Cash Equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Current account	87,816	-
Others(specify)	28,417	-
Total cash and cash equivalents	116,233	-

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

Description	2023-2024	2022-2023
	Kshs	Kshs
a) Current account		
Cooperative Bank	87,816	-
Sub- total	87,816	-
e) Others(specify)		
Cash in Hand	28,417	-
Sub- total	28,417	-
Grand total	116,233	-

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Student debtors B/F	-	-
Less Debtors receipts	-	-
add debtors for the year	4,425,966	-
Student debtors C/F	4,425,966	-

Ruiru Technical and Vocational College
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Notes to the Financial Statements (Continued)

15 (b) Ageing Analysis of Receivables from Exchange transactions

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	FY 2023-2024	% of total	FY 2022-2023	% of the total
Less than 1 year	4,425,966	100%	-	-
Between 1- 2 years	-	0%	-	-
Total	4,425,966	100%	-	-

16. Other Receivables

Staff advance		
Advance B/F	-	-
Additions during the year	20,000	-
Less receipts	(20,000)	-
Advance C/F	-	-

17. Inventories

The College closed the year with nil balances.

Ruiru Technical and Vocational College
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Notes to the Financial Statements (Continued)

18. Property, Plant and Equipment

	Land	Buildings	Furniture and fittings	ICT Equipments	Total
Cost		Shs	Shs	Shs	Shs
At 1st July 2022	-	-	-	-	-
Additions during the year	-	-	-	-	-
Disposals during the year	-	-	-	-	-
At end of year - June 2023	-	-	-	-	-
Additions during the period	-	-	483,500	21,500	505,000
Cost of buildings finance by MOE	-	57,652,995	-	-	57,652,995
Disposals during the period	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-
At end of the period - June 2024	-	57,652,995	483,500	21,500	58,157,995
Depreciation and impairment					
At 1st July 2022	-	-	-	-	-
Depreciation	-	-	-	-	-
On Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
At 30th June 2023	-	-	-	-	-
Depreciation for the period	-	1,441,325	60,437	6,450	1,508,212
On Disposals	-	-	-	-	-
Net book values					
At end of the period - June 2024	-	56,211,670	423,063	15,050	56,649,783
At 30 June 2023	-	-	-	-	-

Note: The college has not obtained the land title deed from The County Government of Kiambu, hence the land has not been valued.

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

Notes to the Financial Statements (Continued)

19. Trade and Other Payables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Balance B/F	-	-
Payments	-	-
Additions	115,325	-
Total trade and other payables	115,325	-

20. Refundable Deposits from Customers/Students

Description	2023-2024	2022-2023
	Kshs	Kshs
Caution Money		
Caution money B/f	-	-
Add receipts for the year	142,400	-
less payments	-	-
Caution money C/f	142,400	-

	FY 2023-2024	% of the Total	FY 2022-2023	% of the Total
Ageing analysis:				
Under one year	142,400	100%	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (to tie to totals above)	142,400	100%	-	-

21. Mentoring Institution Soft Loan

Description	2023-2024	2022-2023
	Kshs	Kshs
Expenses paid for by Kabete National Polytechnic		
Balances brought in	908,971	-
Less payments during the period	(200,000)	-
Balance C/f	708,971	-

Ruiru Technical and Vocational College
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Notes to the Financial Statements (Continued)

22. Payment Received in Advance

Description	2023-2024	2022-2023
	Kshs	Kshs
Balance B/F	-	-
Additions	222,501	-
Less: Prepaid fees B/F utilized during the year	-	-
Balance C/F	222,501	-

	FY 2022-2023	% of the Total	FY 2022-2023	% of the Total
Ageing analysis:				
Under one year	222,501	100%	-	-
1-2 years	0	-	-	-
2-3 years	0	-	-	-
Over 3 years	0	-	-	-
Total (to tie to totals above)	222,501	100%	-	-

23. Cash generated from operations

Description	2023-2024	2022-2023
	Kshs	Kshs
(Deficit)/Surplus for the year before tax	3,258,761	-
Adjusted for:		
Depreciation	1,508,212	-
Working Capital Adjustments		
Increase in Inventory	-	-
Increase in Receivables	(4,425,966)	-
Increase in Payables in operations	115,325	-
Increase in Refundable deposits from Customers	142,400	-
Decrease in mentoring Institution softloan	(200,000)	-
Increase in Payments received in advance	222,501	-
Net Cash Flow from Operating Activities	621,233	-

Notes to the Financial Statements (Continued)

24. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2024				
Receivables from exchange transactions	4,425,966	4,425,966	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	116,233	116,233	-	-
Total	4,542,199	4,542,199	-	-

Financial Risk Management (Continued)

(i) Credit risk (continued)

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

The College has significant concentration of credit risk on amounts due from students

The Board of Governors sets the College'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 College's Board of Governors, who have built an appropriate liquidity risk management framework for the management of the College's short, medium and long-term funding and liquidity management requirements. The College manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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Notes to the Financial Statements (Continued)

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				
Trade and other Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2024				
Trade and other Payables	115,325	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	115,325	-	-	-

(iii) Market risk

The College is engaging internal audit function of the mentoring institution to assist it in assessing the risk faced by the College on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

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

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

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

Notes to the Financial Statements (Continued)

a) Foreign currency risk

The College has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

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

b) Interest rate risk

Interest rate risk is the risk that the College's financial condition may be adversely affected as a result of changes in interest rate levels. The College's interest rate risk arises from bank deposits. This exposes the College to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the College'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 College analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

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

Notes to the Financial Statements (Continued)

iii) Capital Risk Management

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	2,349,790	-
Capital Reserve	57,652,995	-
Total Funds	60,002,785	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(116,233)	-
Net Debt/(Excess Cash and Cash Equivalents)	116,233	-
Gearing	0%	0%

25. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

Ruiru Technical and Vocational College
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Notes to the Financial Statements (Continued)

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Transactions with Related Parties		
a) Purchases from related parties		
Registration and subscription to market regulators	221,000	-
Training and conference fees paid to Govt. agencies	509,963	-
Total	730,963	-
b) Grants /Transfers from the Government		
Grants from National Govt.	3,576,140	-
Grants from County Government	-	-
Total	3,576,140	-
c) Key Management Compensation		
Board of Governor's emoluments	486,580	-
Compensation to Key Management	-	-
Total	486,580	-

26. Contingent Assets and Contingent Liabilities

The College has no incident that can result into a contingent asset and/or liability

27. Capital Commitments

The College has no capital commitments in place.

28. Deferred Tax Liability

The College is not obligated to pay tax

29. Events After The Reporting Period

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

30. Ultimate And Holding College

The College is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

31. Currency

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

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

The College is in its first year of operation and has therefore no issues that has been raised by the external auditor.

Sign.....
Irungu James Caesar Chege
Principal/Secretary BOG

Date.....
21/04/2025

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Appendix II: Projects Implemented by RUIRU TVC

The College has no projects being implemented.

Ruiru Technical and Vocational College
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Appendix III- Inter-College Confirmation Letter

MINISTRY OF EDUCATION
STATE DEPARTMENT OF VOCATIONAL AND TECHNICAL TRAINING

RUIRU TECHNICAL AND VOCATIONAL COLLEGE

P.O. Box 416 - 00232
 Ruiru, Kenya
 Mobile: (254) 746 319919, (254) 789 869499
 E-mail: ruirutvc@gmail.com

The Ministry of Education, State Department of TVET, 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 Ruiru Technical And Vocational College as at 30th June 204							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2024				Amount Received by [Beneficiary College] (Kshs) as at 30 th June 204 (E)	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Capitation (B)	Higher Education Fund Scholarship (C)	Total (D)=(A+B+C)		
	2 nd October 2023	500,000	0	0	500,000	500,000	0

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	19 th January 2024	500,000	0	0	500,000	500,000	0
	7 th February 2024	500,000	0	0	500,000	500,000	0
	1 st March 2024	0	0	2,076,140	2,076,140	2,076,140	0
Total		<u>1,500,000</u>	<u>0</u>	<u>2,076,140</u>	<u>3,576,140</u>	<u>3,576,140</u>	<u>0</u>

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

Head of Accountants department of beneficiary College:

Name Eddah Kangia Sign  Date 21/4/2025

Appendix IV: Reporting of Climate Relevant Expenditures

The College did not incur climate relevant expenditures

Appendix V: Disaster Expenditure Reporting Template

The College did not incur disaster related expenditure during the year.