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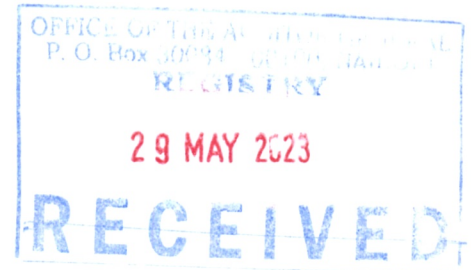
THE NATIONAL ASSEMBLY	
REPORT	
DATE:	01 AUG 2023
	DAY: FIVE
TABLED BY:	Hon Naomi Wago, MP
CLERK OF THE TABLES:	Deputy Majority Whip Inzogu Mwale

THE AUDITOR-GENERAL

ON

**KADONGO VOCATIONAL TRAINING
CENTRE**

**FOR THE YEAR ENDED
30 JUNE, 2022**

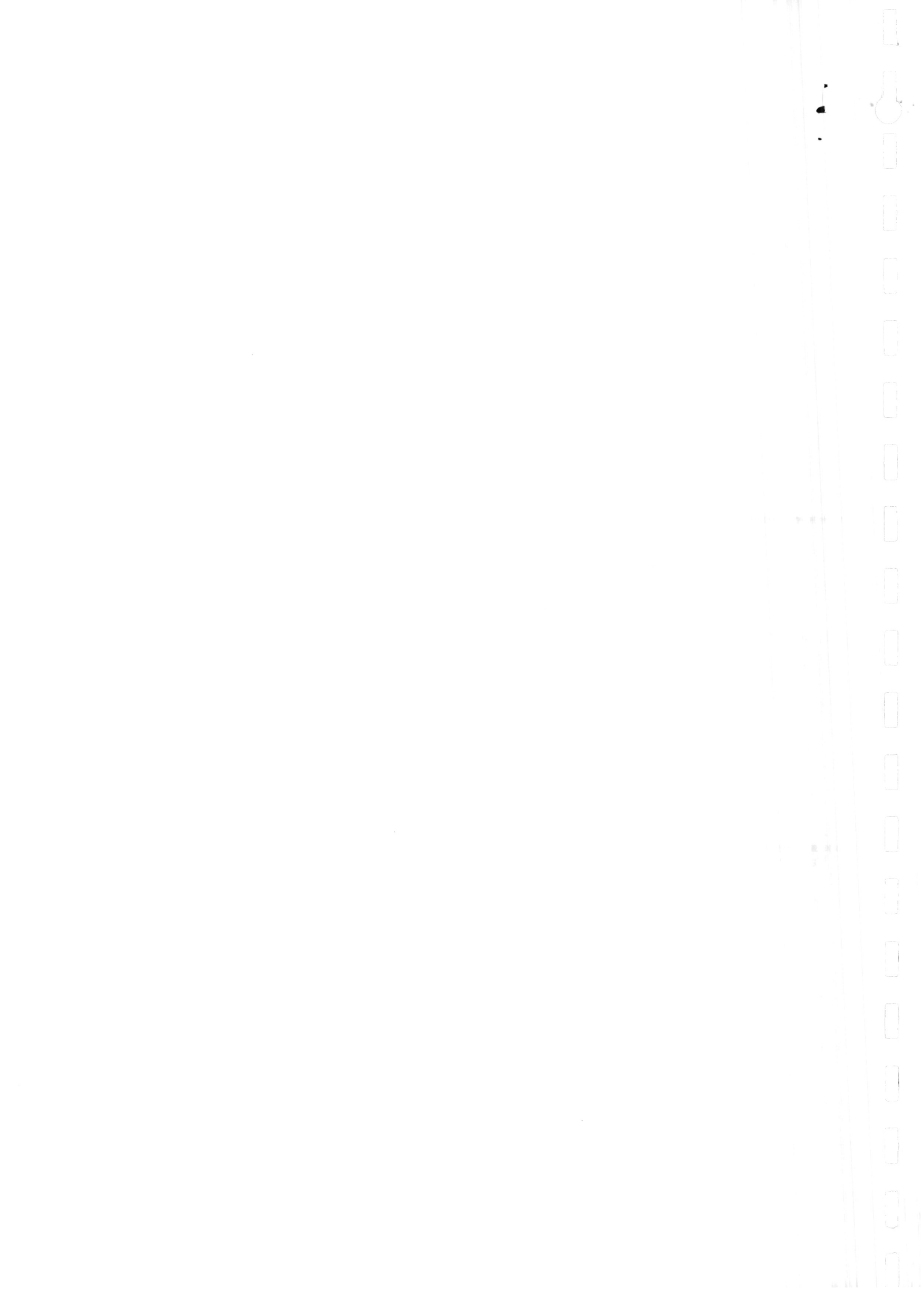


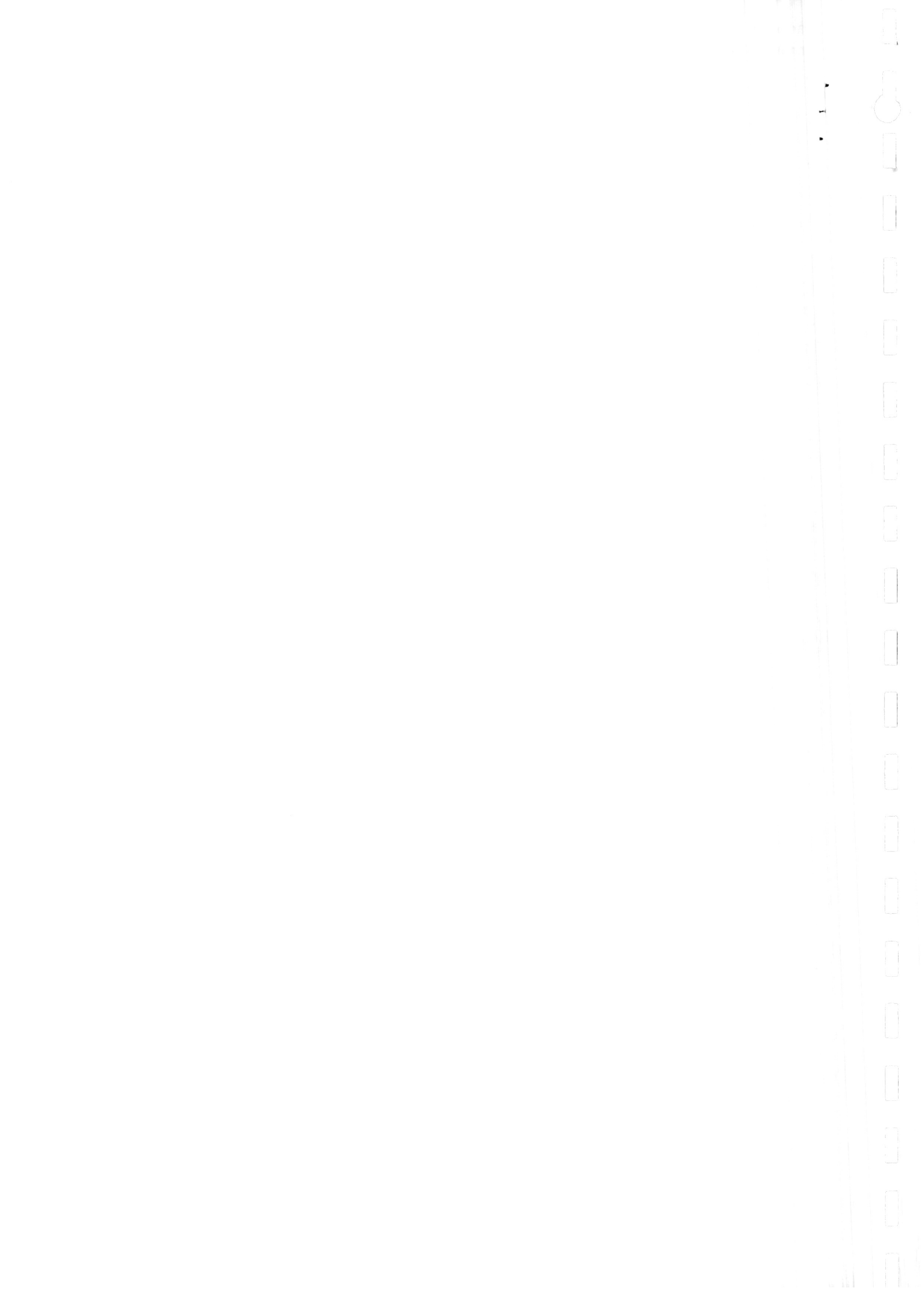
KADONGO VOCATIONAL TRAINING CENTRE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30TH JUNE 2022

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





Key Entity Information and Management (Continued)

(f) Entity Headquarters

P.O. Box 40131
Paw Akuche
Kenya

(g) Entity Contacts

Centre Manager 0724792937
E-mail: KadongoVTC@gmail.com

(h) Entity Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

Other Commercial Banks

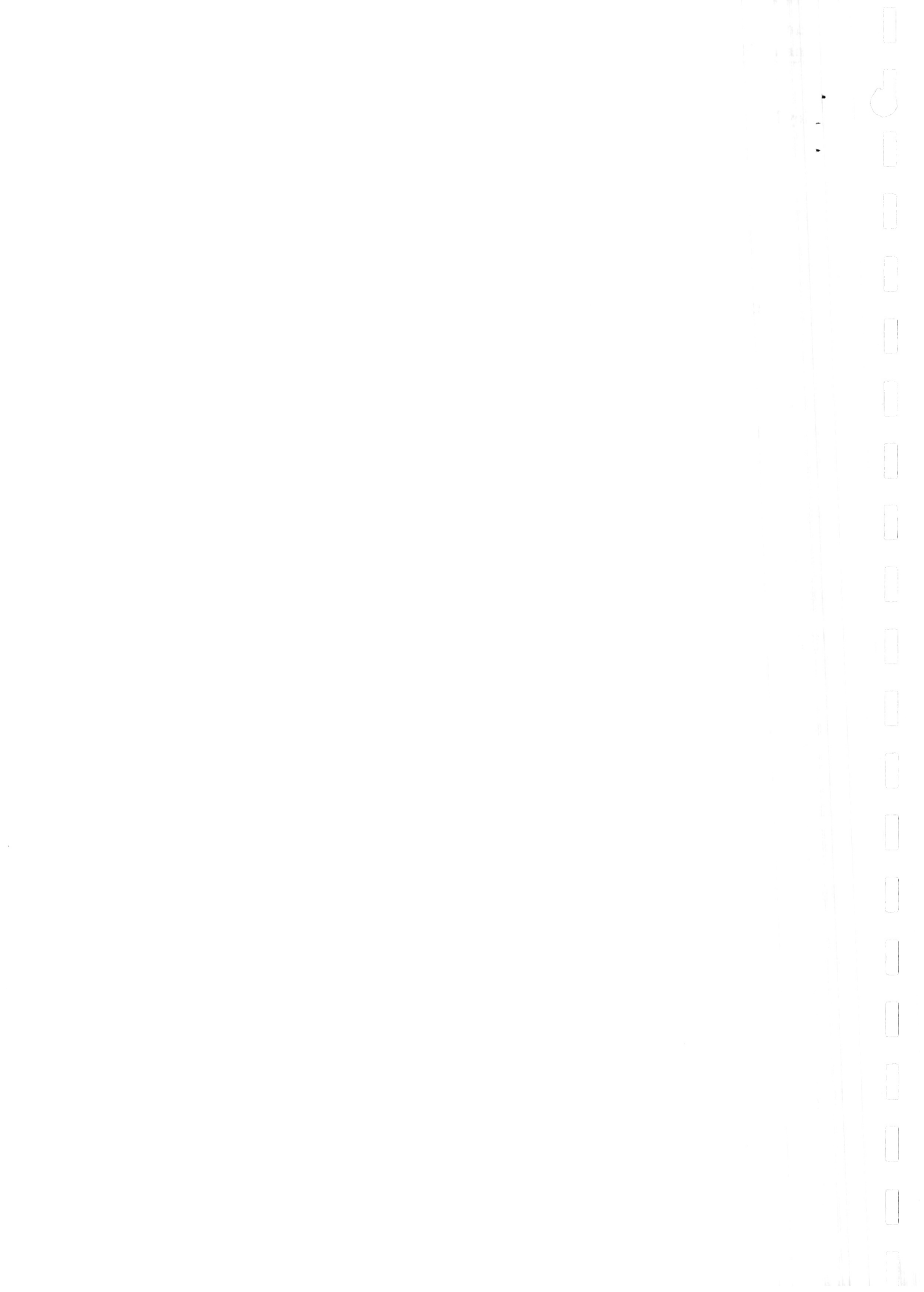
Kenya Commercial Bank limited
P.O.Box 2640-40100
Kisumu

(i) Independent Auditors

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

(j) Principal Legal Adviser

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



II. The Council/Board of Governors

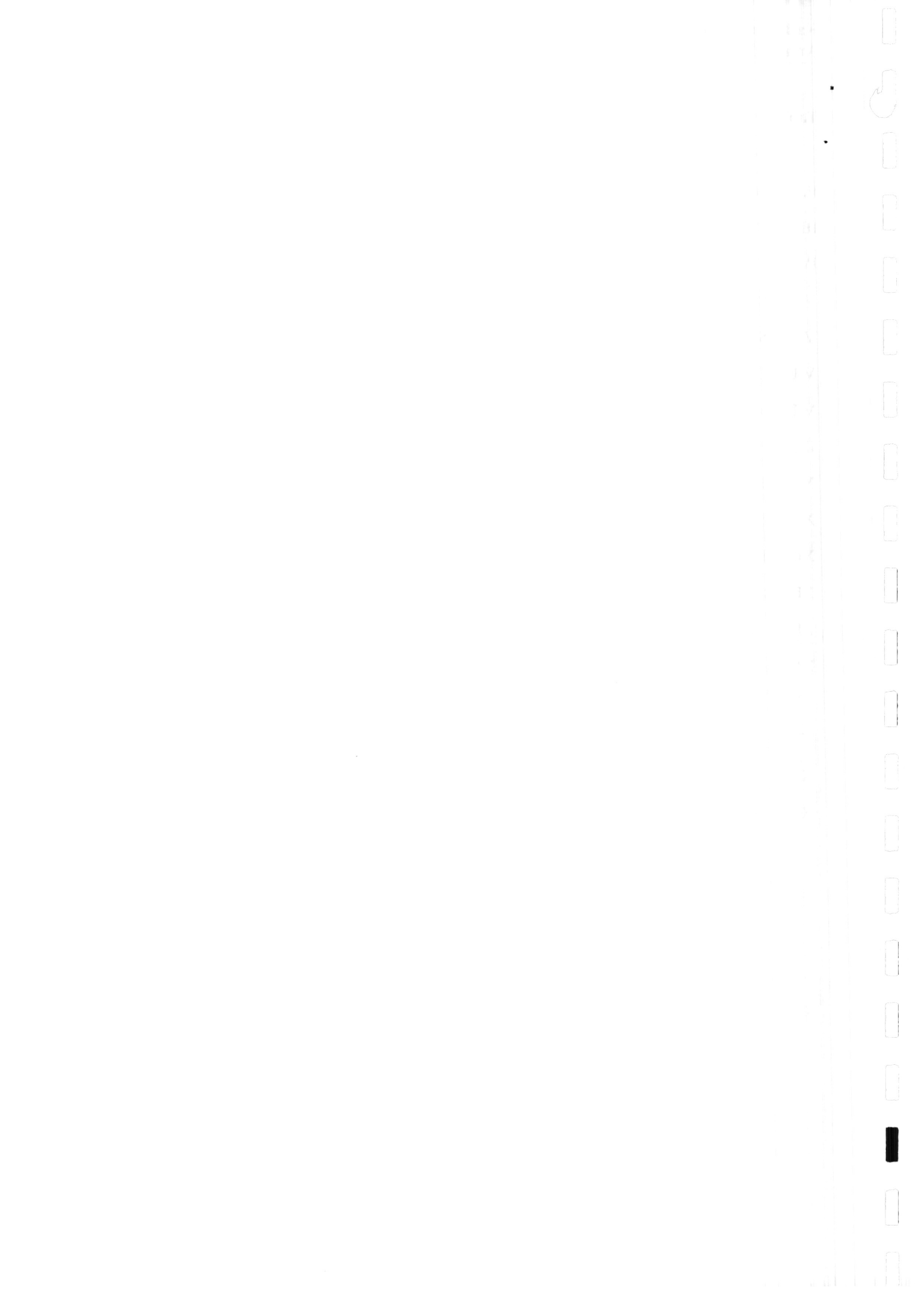
No.	Member/ Director	Details
1.	Board of Governors Chairman- Mr.Sylvance Obondo	Mr .Sylvance Obondo was appointed the Chairperson of the Board of Governors in 03 rd February2021.he holds CPA (K).
2.	Mrs .Beatrice Adhiambo	She is the Finance Representative
3.	Mr .Mathew Odek	Technology Representative
4.	Mr. Kennedy Oywech	ICT Representative
5.	Miss. Joyce Onyango	Member of Innovation & Infrastructure committee
6.6.	Mr. Benson Mokuu Maroko	Engineering Representative
7.7.	Mr. Washington Agengo Sawo	Leadership and Management Representative
8.	Mrs Paschalia Ouma	Director VET
9.	Mr. Maurice Orieho	Sub-County Administrator
10.	Dancan Onganyo	Secretary to the Board of Governors-

III. Management Team

No.	Member/ Director	Details
1.	Centre Manager	Overall in charge of the centre Centre Manager
2.	Deputy Centre manager	In charge of training Deputy Centre manager
1.	Heads of Department	In charge of respective departments Heads of Department

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(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Dancan Onganyo
3	Deputy principal Academics	Agneta Aira

(e) Fiduciary Oversight Arrangements

- Audit and risk committee activities
- Finance and operations committee activities
- Academic committee activities
- Development partner oversight activities

No.	Designation	Name
1.	CECM	Mr. John Obiero Awiti
2.	Chief Officer	Mrs. Peninah Onyango
3.	Director	Mrs. Paschalia Ouma
4.	Centre Manager	Mr. Dancan Onganyo
5.	BOG chairman	CPA. Sylvance Obondo



I. Key Entity Information and Management

(a) Background information

KADONGO Vocational Training Centre was founded in 2013, through community initiative and is currently under the County Government of Kisumu, Directorate of Vocational Education & Training. The centre registered by TVETA under TVET Act, 2013 section 20(1) with registration certificate No TVETA/PUBLIC/VTC/0189/2018 and licensed by TVETA under training license number TVETA/PUBLIC/VTC/0189/2018 A1

Courses offered

1. Electrical and electronics
2. Fashion Design and Garment Making
3. Hair dressing and beauty therapy
4. Building technology

(b) Principal Activities

The principal activity/mission/ mandate of Kadongo VTC is

- Skills training
- Skills development

Vision

- *To be the preferred training institution for vocational skills development*

Mission

- *To develop highly qualified personnel who will be competitive and innovative for employment or self-reliance*

Objectives

- Production of highly skilled labour for the market.
- Ensure compliance with the Technical and Vocational Education and Training Act, 2013, and other relevant statutory and safety requirements.

(c) Key Management

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

- Board of Governors
- County Directorate
- Centre Management

IV. Chairman's Statement

Preamble

Ladies and gentlemen, the community of Kadongo, the county government of Kisumu, National government of Kenya, The management of the Centre and Trainees it's my greatest pleasure to present this financial report of 2021/2022 on the following key areas in line with TVET guidelines and regulations:"

1. History of the Centre

Kadongo VTC was started in the year 2009 through community support program and with key support from one of stakeholders called Engineer Luke Amoke who is based in the peoples' republic of Germany. It was started as a nursery school which still exists to date on one part of the compound with excellent facilities.

2. Registration of the centre

The centre has been registered as vocational training institution under TVET act 2013. This was done in the year 2019. This was followed through the decision made in the year 2014 by the community to start a village youth polytechnic.

3. Enrolment

The current enrolment stands at 114. The current course offered are four namely; Fashion Design, Hairdressing and Beauty Therapy, Building Technology and Electrical Technology. All of them are integrated with ICT as one of our pillars.

4. Government support Grants

The community is very grateful to the county of Kisumu for the great initiative of accepting to register Kadongo VTC as TVET centre under the able leadership of governor Prof. Peter Anyang Nyong' o. The centre received disbursement of Ksh. 1,710,000/= as a conditional grant from national government. We urge that the funding should not only continue but should be enhanced to include infrastructure development and forms of negotiated compensations which are minimal.

5. Budget

The county budget may not be adequate per our needs however, efforts should be made to ensure that the existing establishment TVET institutions are adequately staffed, equipped and managed to enable them assist respective communities have faith and the centres to produce capable, efficient and reliable apprentices.

6. Board of Governors


The current board of governors is both capable and up to the task to steer the centre to great heights as it consists of various professionals from various professional backgrounds. It is also viciously supported by both the local community and provincial administration.

7. Accessibility of the centre

The centre suffers from poor road infrastructure challenge. The MCA and local community are trying to work out this but it still requires a big support from the county government.

8. Physical centre infrastructures

There is need for construction of workshops, classes, offices, kitchen and computer labs as apprentices require more space. There is need for having borehole water supply as the area has shortage of clean drinking water.

Signed by: 
Sylvance Obondo

Chairperson

23/5/23

V: Report of the Principal

Am delighted to present financial report for the year 2021/2022. It is through this finance Kadongo VTC has progressed. My institution received a total amount of Ksh. 1,710,000.00 as a conditional grant from county Government. Through this we managed to acquire some necessities ranging from building department workshop, instructional materials, graduation of our trainees, county sport and co-curricular activity, tools and equipment, repair and maintenances. Through this the trainees ' enrolment rises and quality training skills we imparted. I appreciate County Government of Kisumu and entire Board of Governors of Kadongo VTC for their immeasurable support bestowed to us. We receive much pressure during implementing our budget. Through the BOG initiative, many projects have been started. Others have been completed while others are on-going. The institution has five academic staff and one non - academic staff. The total numbers of trainees are 114. Having trainees who are eager to learn and participate at co-curricular activities, we lack playground. Integration of ICT to training and learning process has not been fully implemented due to inadequate resources.

Challenges

- The centre operates under a single roof with four rooms which are office, classes and workshops. We lack large rooms to accommodate growing number of trainees."
- Water Shortage is the main challenge to this centre and the area around. We lack clean drinking water.
- The centre doesn't have secured fence thus posing to insecurity threats through tress passing.
- We lack stable power supply for the machines as the centre is connected to a single phase.
- The centre operates using allotment letter with plot number Kisumu/Kadongo/1862. We need to have land title deed.
- Strenuous budget resulting from little allocations of funds to facilitate implementation.
- The centre experienced low trainee enrolment 2021 which was occasioned by the Covid 19 pandemic.

Beside the above challenges, we appreciate all stakeholders for standing with us to realize elapsing of this financial year.



***STAFF ESTABLISHMENT**

There is one County Government-employed instructor, four BOG-employed instructors and a security guard.

Staff Shortage

Currently we have a shortage of instructors as follows:

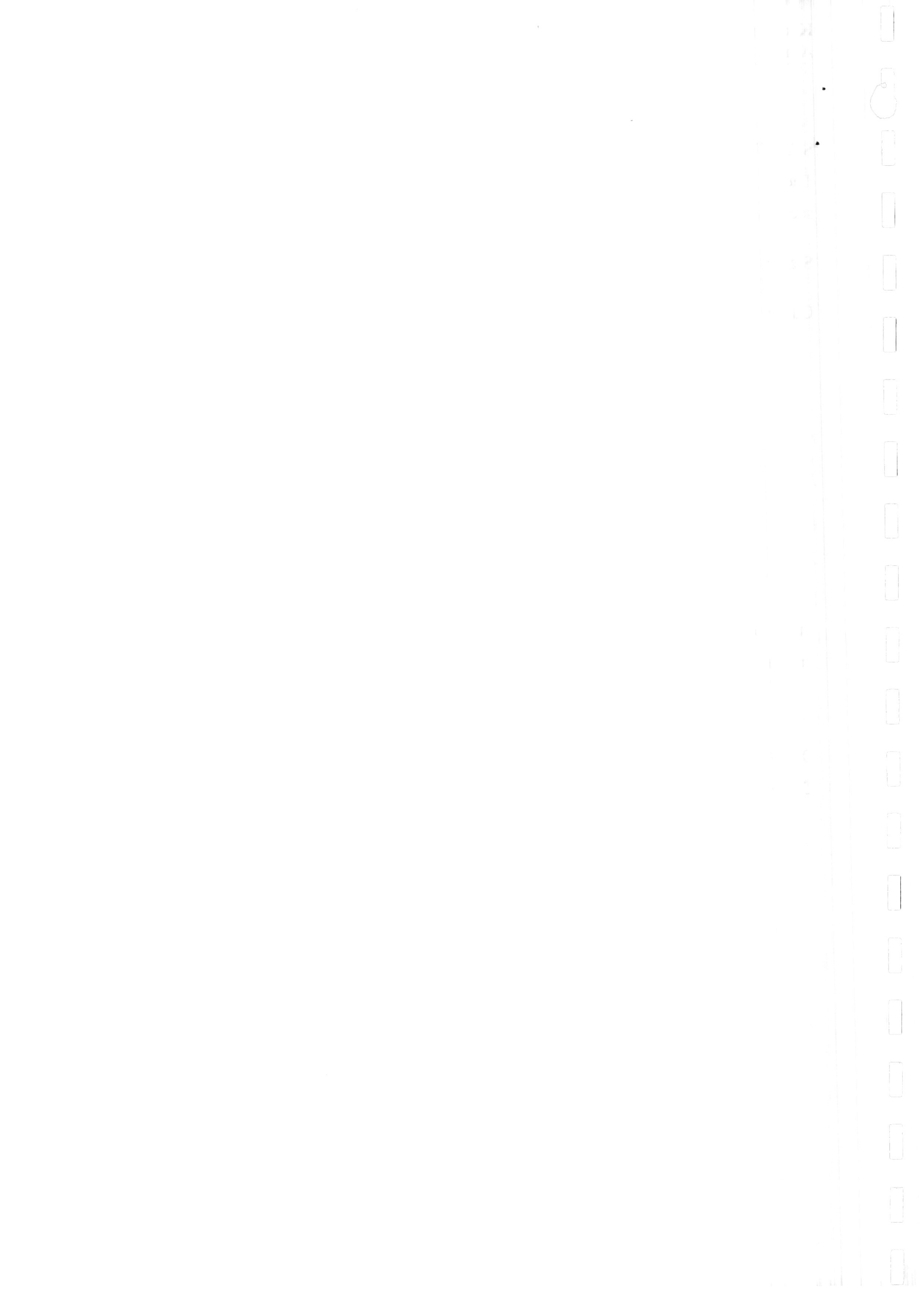
NO.	Course	Deficit
1.	Electrical & electronics	1
2.	Fashion Design & Garment Making	1
3.	Hair dressing and beauty therapy	1
4.	Building technology	1

I take this opportunity to thank all our stake holders for their support in helping us achieve our great mission of skills development.



Dancan Ong'anyo
Centre Manager





VI. Statement of Performance against Predetermined Objectives

KADONGOVTC has 3 strategic pillars and objectives within its Strategic Plan for the FY 2019/2021- 2021/2023. These strategic pillars are as follows:

- Pillar 1: To Increase trainee enrolment
- Pillar 2: To Strengthen competency based training in the institution
- Pillar 3 : To integrate ICT in the training and learning process.

KADONGOVTC develops its annual work plans based on the above 2 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The KADONGOVTC achieved its performance targets set for the FY 2021/2022 period for its 2 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	To Increase the number of trainees enrolment from 55 to120	59 trainees increased.	Community Sensitization	Trainees increased by 95%
Pillar2:	To Strengthen competency based training in the institution	Availed sport kit, tools and Equipment for training	Procurement of tools and equipment	Increased inventory by 20%
Pillar 3	To integrate ICT in the training and learning process.	ICT Training Integrated	Furnish of ICT Department	Purchase of Books

VII. Corporate Governance Statement

Building department workshop was established during the financial year with the aim of increasing trainee enrolment. The department has also acquired some training tools that will enhance smooth training.

IX. Environmental And Sustainability Reporting Statement
(Two-to-three pages)

KADONGO VTC exists to transform lives. This is our purpose to the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 2 pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Employee welfare

The centre management have engaged community by offering employment opportunities, it has provided good working environment to its employees.

2. Community Engagements-

KADONGO VTC engages the community members by engaging them as casual labourers.

3. Environmental Performance

Through tree planting, the centre conserves the environment.

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X. Report of the Council/Board of Governors

We as the Board of Governors honoured to present the Annual Report and Financial Statements of Kadongo vocational training centre for the financial year ended 30th June 2022. This annual financial report helps us to reflect on our performance for the year giving us an opportunity to commence projects and at the same time identify areas of improvement. Having robust team from centre management and BOG members, we celebrate our success."

Despite the limited resources, I am glad to announce that we improved centre infrastructure, water storage facilities, graduation, trainees furniture and county sports were among tasks performed during last financial year. It was from this improvement that we experienced trainees' enrolment growth. Kadongo VTC operates on three pillars (To Increase the number of trainee enrolment, to strengthen competency based training in the institution and to integrate ICT in training and learning process) these form blueprint for improving training standards, development, performance, and service delivery. It aims to identify our priorities and focus our energies and resources towards attaining desired outcomes.

Challenges

• Inadequate staff

The centre has one instructors employed by the County government of Kisumu against an establishment of four courses and lacks key support staff.

• Poor infrastructure

The centre lacks modern workshops, laboratories and other necessary facilities.

Future outlook

With the new Strategic plan in place, we look forward to improving physical infrastructure of the centre and putting up key facilities for quality training.

In conclusion, we take this opportunity to thank one another in the Board for supporting and providing leadership. We also commend management and staff for working tirelessly to achieve the objectives of the centre despite the limited resources. We are confident that we will continually spare no effort to attain and surpass the targets set for the new financial year. We also appreciate the County Government of Kisumu, the community at large and all other stakeholders for supporting and doing business with us. Thank you.

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Kadongo Vocational Training Centre's affairs.

Principal activities



Appointment of Board of Governors members

The current BOG members were appointed in accordance with First schedule Section 28(1)(a) and the Second Schedule section 1 & 2 of TVET Act No 29 of 2013 on 31st February 2020

Membership of the Board of Governors is as follows:

- a) a chairperson;
- b) a representative of the minister/CECM in the department responsible for technical and vocational training;
- c) a representative of the county Governor ; and

Six other persons appointed on the basis of their knowledge and experience in—

- 1) Leadership and management;
- 2) Financial management;
- 3) Technology;
- 4) Industry;
- 5) Engineering;
- 6) Information communication technology.

Responsibility of the Board of Governors

The board is responsible for;

- 1) The making of mission and vision of the centre;
- 2) Promoting the aims and objectives of the centre
- 3) Setting strategic directions for the Centre;
- 4) Monitoring performance against strategic objectives
- 5) Extending links and communication between the centre and the wider community;
- 6) Fundraising and resource mobilization;

Remuneration of the Board of Governors members

The BOG members are paid a sitting allowance for every meeting attended. The sitting allowance paid to the members is disclosed in the financial statements.

The Board of Governors meetings

The meetings of the full board are held at least three times in a financial year calendar. In order to facilitate the smooth running of its affairs, the BOG establishes such committees with the membership and with such terms of reference as it may deem fit.

During the financial year 2021/2022 two full board and one committee meeting were held.

VIII. Management Discussion and Analysis

The principal activities of the Kadongo VTC is training

Results

The results of the Kadongo VTC for the year ended June 30 2022 are set out on page

Council/Board of Governors

The members of the Board /Council who served during the year are shown on page v.

Auditors

The Auditor General is responsible for the statutory audit of the Kadongo Vocational Training Centre in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *entity* for the year/period ended June 30, 2022, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

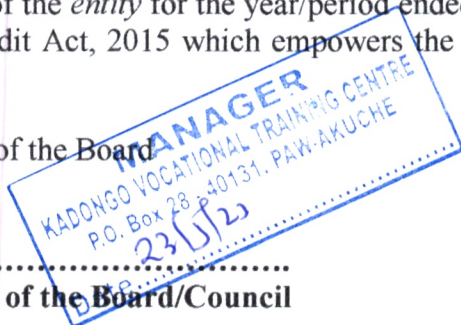
By Order of the Board



.....
Secretary of the Board/Council

Kisumu

Date:



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

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

The Council members are responsible for the preparation and presentation of the Kadongo Vocational Training Centre's financial statements, which give a true and fair view of the state of affairs of the Kadongo Vocational Training Centre for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the Kadongo Vocational Training Centre, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for the Kadongo Vocational Training Centre's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act, and the TVET Act). The council members are of the opinion that the Kadongo Vocational Training Centre's financial statements give a true and fair view of the state of Kadongo Vocational Training Centre's transactions during the financial year ended June 30, 2022, and of the Kadongo Vocational Training Centre's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the Kadongo Vocational Training Centre, which have been relied upon in the preparation of the Kadongo Vocational Training Centre's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Council members to indicate that the Kadongo Vocational Training Centre 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 Kadongo Vocational Training Centre's financial statements were approved by the Board on _____ and signed on its behalf by:

.....
Name Sydney Ombi
Chairperson of the Board/Council
23/5/23

.....
Name Danca Ong'oro
Accounting Officer/Principal

MANAGER
KADONGO VOCATIONAL TRAINING CENTRE
P.O. Box 28 - 40131, PAW-AKUCHE
Date 23/5/23

REPUBLIC OF KENYA

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



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KADONGO VOCATIONAL TRAINING CENTRE FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kadongo Vocational Training Centre set out on pages 1 to 32, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and

Report of the Auditor-General on Kadongo Vocational Training Centre for the year ended 30 June, 2022

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 Kadongo Vocational Training Centre as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training (TVET) Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Opening Balances

The Centre's statement of financial performance, statement of financial position and statement of cash flows reflect opening balances from the previous financial year 2020/2021. However, the opening balances could not be confirmed since there were no audited financial statements for the year ended 30 June, 2021.

In the circumstances, the accuracy and completeness of the financial statements opening balances could not be confirmed.

2. Unexplained Variance in Statement of Cash Flows

The statement of cash flows reflects total payments amount of Kshs.2,856,010 while the statement of financial performance reflects total payments amount of Kshs.2,746,510 resulting to unexplained and unreconciled variance of Kshs.109,500.

In the circumstances, the accuracy and completeness of the total payments of Kshs.2,856,010 reflected in the statement of cash flows could not be confirmed.

3. Inaccurate Trial Balance

The trial balance provided for audit reflected cash and cash equivalents with both debit and credit balances which could not be confirmed.

In the circumstances, the accuracy of the trial balance and the financial statements could not be confirmed.

4. Undisclosed Property, Plant and Equipment

Management has not disclosed any balance in respect to property, plant and equipment. Further, the Centre has not maintained an asset register and there were no ownership documents provided for the land, despite the Centre having land and buildings, office furniture, computers and sewing machines.

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

5. Unconfirmed Inventories

The statement of financial position and as disclosed in Note 12 to the financial statements reflects inventories balance of Kshs.156,500. However, Management did not provide duly signed stock sheets to support the balance disclosed in the financial statements.

In the circumstances, the accuracy and existence of the inventories of Kshs.156,500 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other 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.4,809,500 and Kshs.2,835,000 respectively, resulting to an underfunding of Kshs.1,974,500 (or 41%) of the budget. Similarly, the Centre expended Kshs.2,746,510 against an approved budget of Kshs.4,661,755 resulting to an under expenditure of Kshs.1,915,265 (or 41%) of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion 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 overall governance were not effective.

Basis for Conclusion

Lack of Human Resource Policies Manual

The statement of financial performance reflects an amount of Kshs.399,500 under employee costs. The Institution is headed by a Centre Manager employed on permanent basis and five (5) employees on temporary basis. However, the Institution has not developed a Human Resource Policies Manual. Further, no appointment letters were provided for the casual employees.

In the circumstances, the regularity of the employee costs of Kshs.399,500 could not be confirmed.

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

Responsibilities of Management and Board of Governors

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

In preparing the financial statements, Management is responsible for assessing the Centre's ability to continue to sustain its services, disclosing as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Center or 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 are in compliance 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 Centre'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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Centre to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Centre to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 July, 2023

**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

XIII. Statement of Financial Performance for the year ended 30 June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	2,085,000	735,000
Transfers from other levels of government	7	750,000	0
		2,835,000	735,000
Revenue from Exchange transactions			
Other income		0	0
		0	0
Total Revenue		2,835,000	735,000
Expenses			
Use of goods and services	8	1,299,635	433,168
Employee costs	9	399,500	224,800
Repairs and maintenance	10	1,047,375	184,000
		2,746,510	888,968
Total Expenses			
Other Gains/(Losses)			
Gain on sale of assets		0	0
Unrealized gain on fair value of investments		0	0
Impairment loss		0	0
		0	0
Total Other Gains/(Losses)			
		88,490	(106,968)
Net surplus for the year			

The notes set out on pages 6 to 29 form an integral part of the Annual Financial Statements.

The Financial Statements set out on pages 1 to 5 were signed by:


.....

Chairman of Council/Board

Date

23/05/23


.....

Finance Officer

ICPAK No 20139

Date

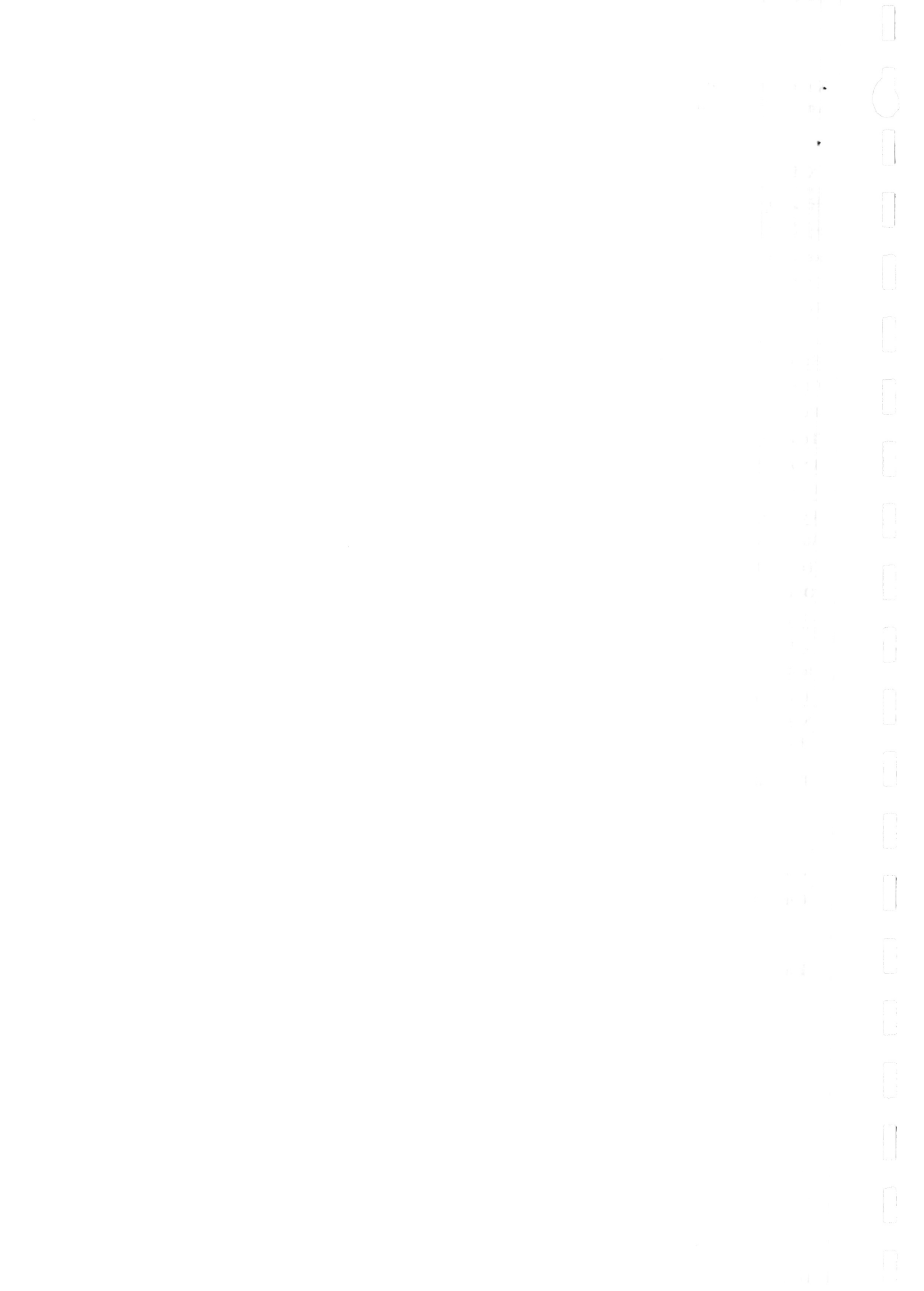
23/05/23


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Principal

Date



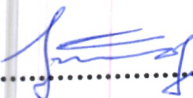


Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

XIV. Statement of Financial Position as at 30th June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	11	222,496	134,006
Inventories	12	156,500	47,000
		378,996	181,006
Non-Current Assets			
Intangible assets		0	0
Investment property		0	0
		0	0
Total Assets		378,996	181,006
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	14	156,500	47,000
Refundable deposits from customers		0	0
		156,500	47,000
Non-Current Liabilities			
Borrowings		0	0
Service Concession Liability		0	0
		0	0
Total Liabilities		156,500	47,000
Net Assets		222,496	134,006
Reserves		0	0
Accumulated Surplus		222,496	134,006
Capital Fund		0	0
Total Net Assets and Liabilities		222,496	134,006

The Financial Statements set out on pages 1 to 5 were signed by:



Chairman of Council/Board

Date

23/08/20



Finance Officer

ICPAK No 20139

Date

23/06/2023


Principal

Date



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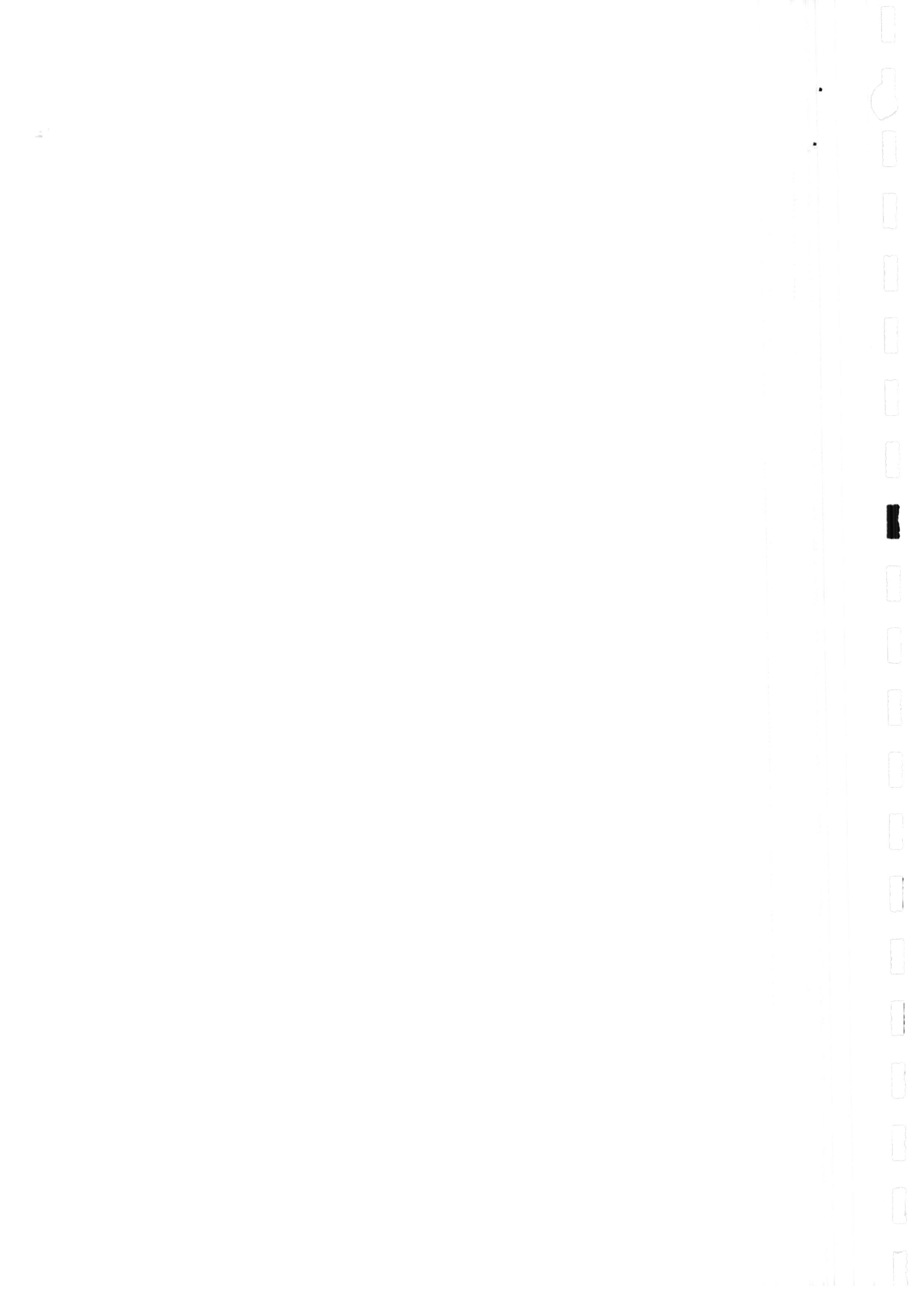


XV. Statement of Changes in Net Asset for the year ended 30 June 2022

Description	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/Development Grants/Fund	Total
At July 1, 2020	0	0	240,974	0	240,974
Revaluation gain		-	-	-	0
Fair value adjustment on quoted investments	-	0	-	-	0
Total comprehensive income	-	-	(106,968)	-	(106,968)
Capital/development grants received during the year	-	-	-	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	0	0)	-
At June 30, 2021	0	0	136,006	0	130,006
At July 1, 2021	0	0	136,006	0	130,006
Revaluation gain	0	-	-	-	0
Fair value adjustment on quoted investments	-	0	-	-	0
Total comprehensive income	-	-	88,490	-	88,490
Capital/development grants received during the year	-	-	-	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	0	0	-
At June 30, 2022	0	0	222,496	0	222,496

(Note:

- 2. For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*
- 3. Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).*





**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

XVI. Statement of Cash Flows for the year ended 30 June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	2,085,000	735,000
Transfers from other levels of government	7	750,000	0
Total Receipts		2,835,000	735,000
Payments			
Compensation of employees	9	399,500	224,800
Use of goods and services	8	1,299,635	433,16
Repair & Maintenance	10	1,047,375	184,000
Total Payments		2,856,010	888,968
Net Cash Flows from operating activities	13	88,490	(106,968)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		0	0
Proceeds from sale of property, plant and equipment		0	0
Net cash flows used in investing activities		0	0
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		0	0
Deposits receipts		0	0
Net cash flows used in financing activities		0	0
Net Increase/(Decrease) in Cash and Cash equivalents		88,490	(106,968)
Cash and Cash equivalents at 1 JULY	11	134,006	240,974
Cash and Cash equivalents at 30 JUNE	11	222,496	134,006

The Financial Statements set out on pages 1 to 5 were signed by:


.....
Chairman of Council/Board
23/5/23
Date


.....
Finance Officer
ICPAK No 20139
Date 23/05/2023


.....
Principal
Date



XVII. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other National Government entities	750,000	0	750,000	2,085,000	1,335,000	64%
Transfers from other levels of government	1,725,000	0	1,725,000	750,000	(975,000)	56%
Rendering of services- fees from students	2,334,500	0	2,334,500	0	(2,334,500)	100%
Total Income	4,809,500	0	4,809,500	2,835,000	(1,974,500)	69%
Expenses						
Compensation of employees	366,000	0	366,000	399,500	-33,500	8%
Use of goods and services	3,085,675	0	3,085,675	1,299,635	1,786,040	57%
Repair & Maintenance	722,600	0	722,600	1,047,375	-324,775	31%
Contracted Services	30,000		30,000	0	30,000	100%
Development	457,500	0	457,500	0	457,500	100%
Total Expenditure	4,661,755	0	4,661,755	2,746,510	1,915,265	41%
Surplus For the Period	147,725	0	147,725	88,490	(59,235)	

(Budget notes)

1. The revenue from transfer from national went up by 64% because we received funds that was not budgeted for, while the revenue from other levels of government was lower than budgeted by 56% because the number of trainees at the time of budgeting was not the same as the time of disbursement the rate per trainee also changed.
2. The institution did not receive fees from trainees as budgeted resulting into 100% variance on the revenue from rendering services.
3. The use of goods and services had a variance downward of 54% because the institution did not receive enough fund to expense as per the budget and the repair and maintenance went up because other repair need that were not capture in the budget arose.

The institutions prepares budget as per the calendar years therefore we have apportion budgets for the year 2021 and 2022 to come up with the budget figures as shown above for the financial year ending 30th June 2022

XVIII. Notes to the Financial Statements

1. General Information

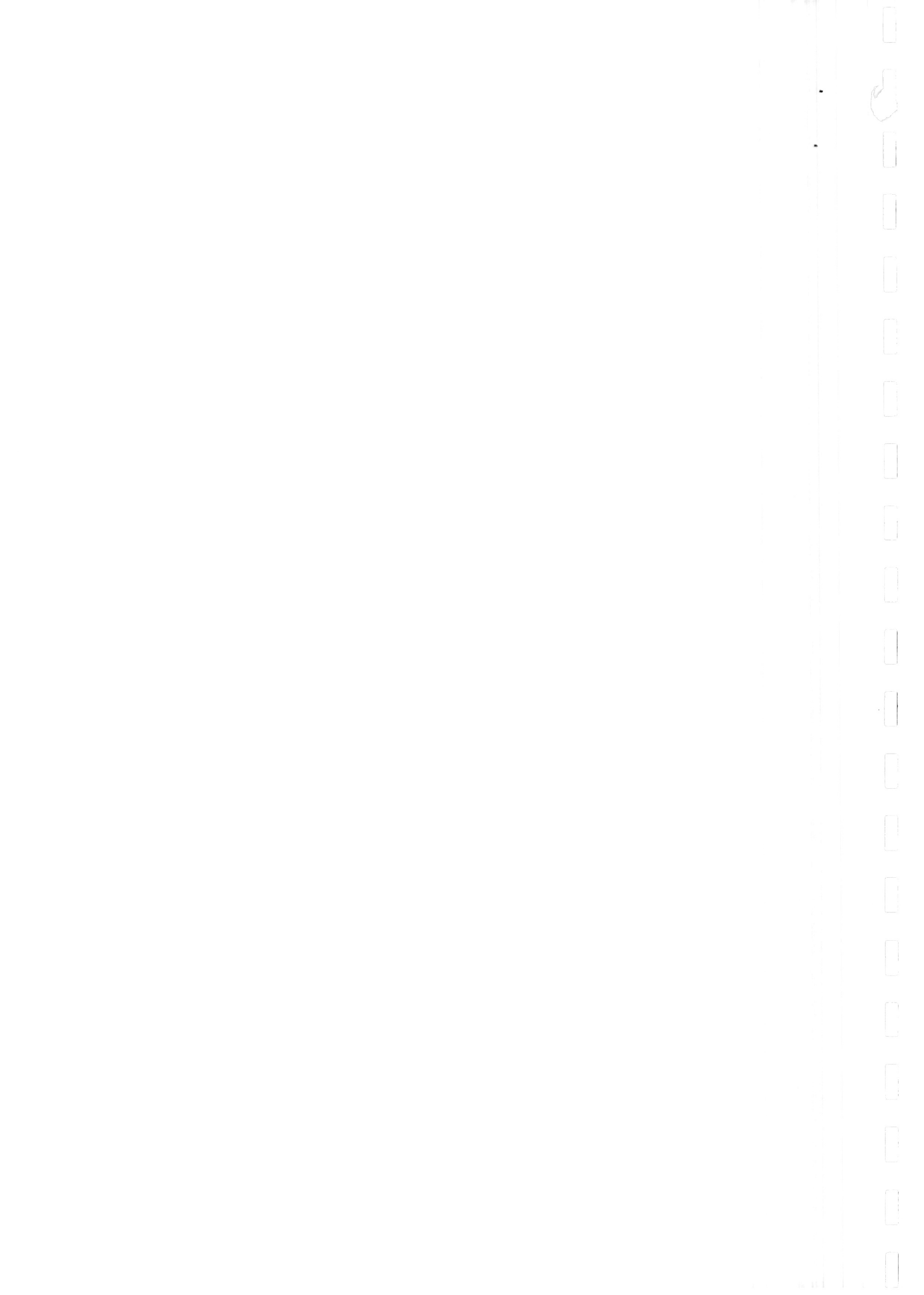
Kadongo Vocational Training Centre is established by and derives its authority and accountability from Tvet Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Kadongo Vocational Training Centre's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx.

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

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



Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

Standard	Effective date and impact:
	<i>(State the impact of the standard to the Entity if relevant)</i>
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. <i>(State the impact of the standard to the Entity if relevant)</i>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <i>(State the impact of the standard to the Entity if relevant)</i>
Other improvements to IPSAS	Applicable 1st January 2023 <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i>

Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

Standard	Effective date and impact:
	<p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>

iii. Early adoption of standards

(The entity) did not early-adopt any new or amended standards in year 2022.



4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. 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

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Council or Board on **26/01/2022 and 15/01/2021.**

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section **xxx** of these financial statements.

c) Taxes

Current income tax

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

Sales tax/ Value Added Tax

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

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

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

Notes to the Financial Statements (Continued)

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

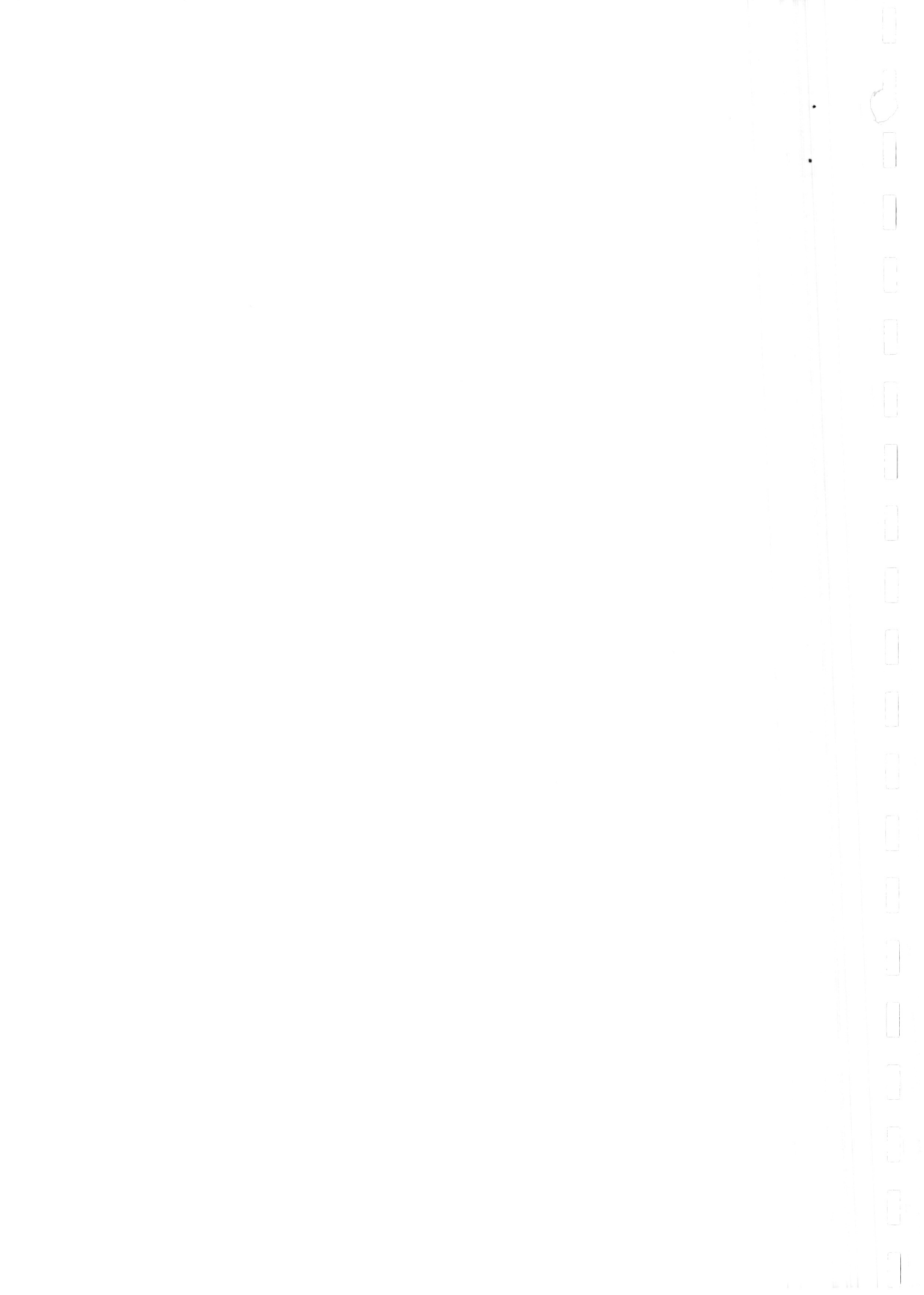
Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of **xxx** years.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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



Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

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

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.



Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- The debtors or an entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

j) Inventories

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

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

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



Notes to the Financial Statements (Continued)

4 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 Entity.

k) Provisions

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

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

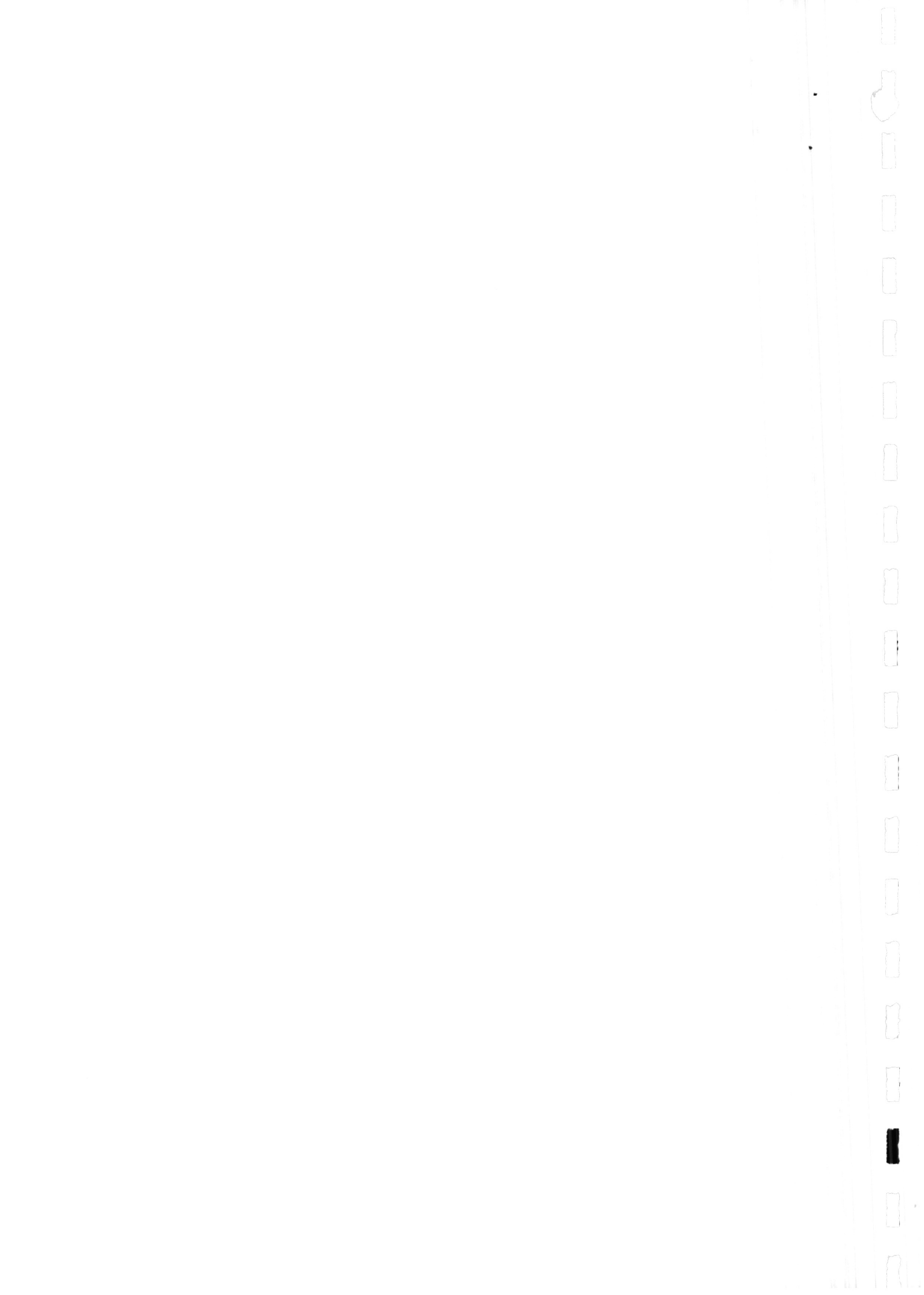
The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

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



Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

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

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

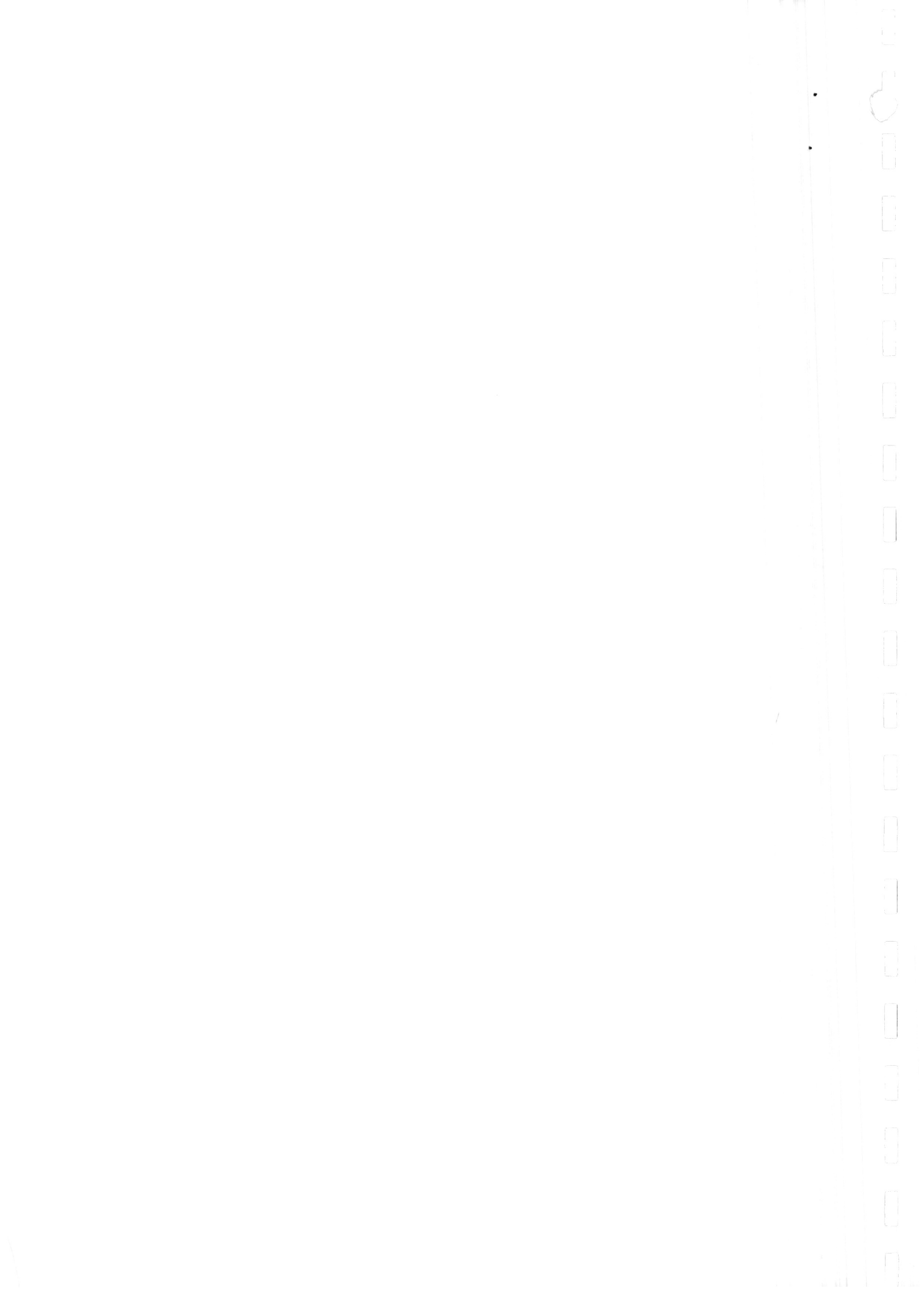
o) Foreign currency transactions

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

p) Borrowing costs

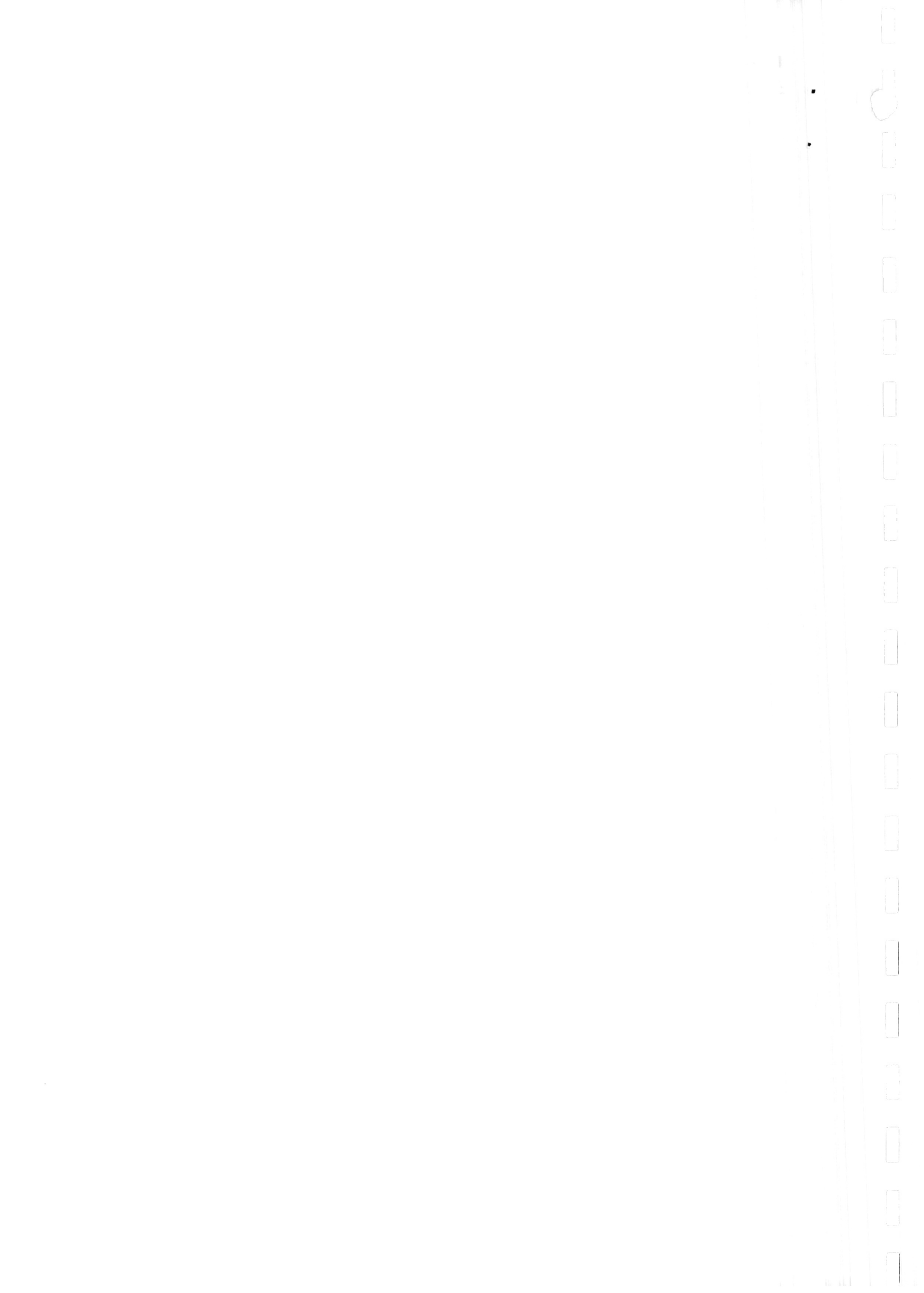
Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases



Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.



Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

q) Related parties

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

r) Service concession arrangements

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

s) Cash and cash equivalents

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

t) Comparative figures

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

u) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

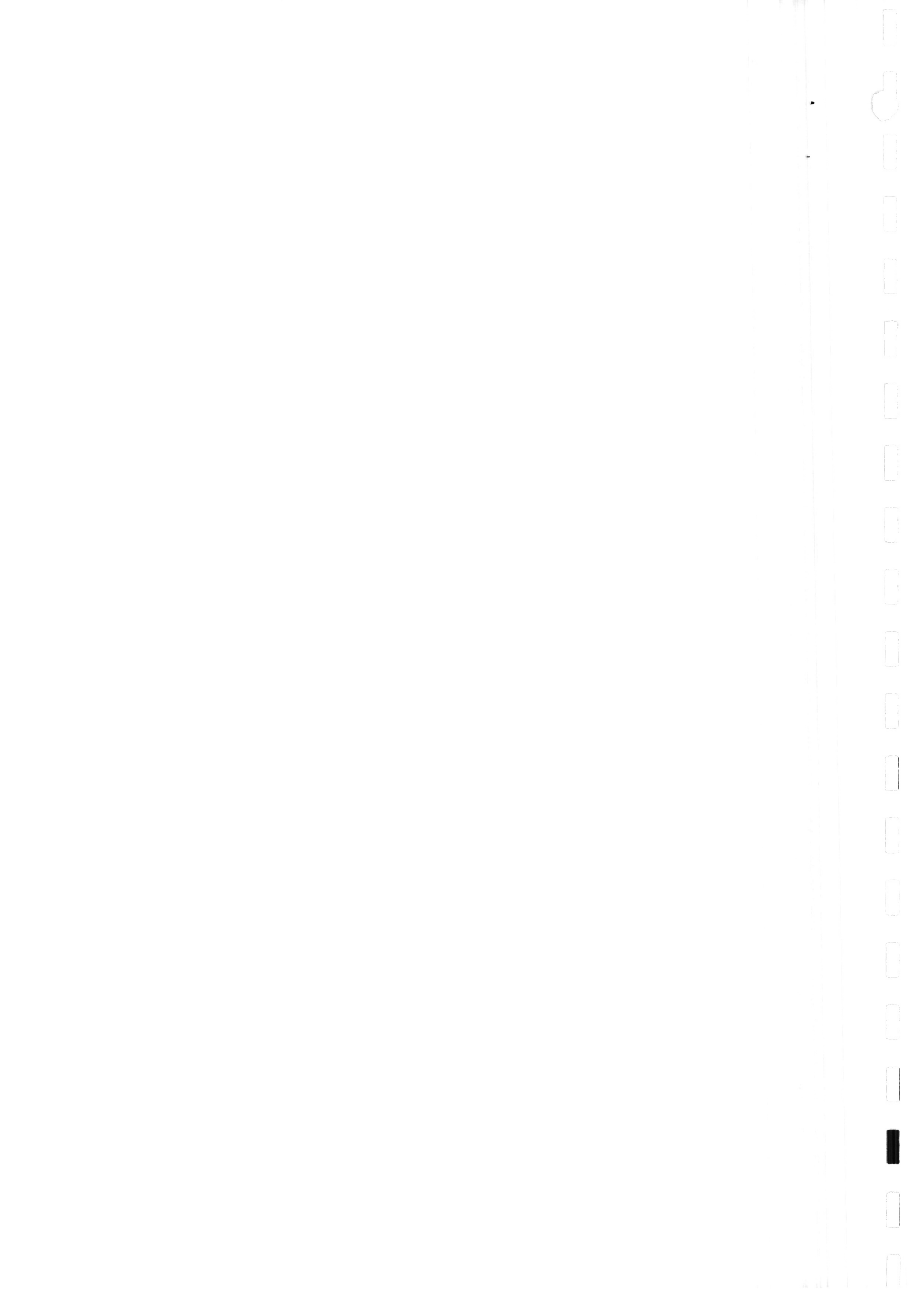
- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes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

Provisions

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

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

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



**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2021-2022	2020-2021
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	2,085,000	735,000
	2,085,000	735,000
Conditional Grants		
Other Organizational Grants	0	0
Total Government Grants and Subsidies	2,085,000	735,000

(a) Transfers from other Government entities (Categorized)

Name Of The Entity Sending The Grant	Amount recognized to Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2020-2021
	Kshs	Kshs	Kshs	Kshs	Kshs
xx State Department	2,085,000	0	0	2,085,000	735,000
XX Ministry	0	0	0	0	0
Total	2,085,000	0	0	2,085,000	735,000

7. Transfers from Other Levels of Government

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfer from County Govt of Kisumu	750,000	0
Total Transfers	750,000	750,000



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Notes To The Financial Statements (Continued)

8. Use Of Goods And Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	1,002,700	296,000
Electricity, Water & Bank charges	1,435	46,518
Co-Curricular Activities	265,500	37,000
Local Travel & Transport	30,000	18,500
Skills & Competition	0	35,150
Total good and services	1,299,635	433,168

9. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	399,500	224,800
Employee Costs	399,500	224,800

10. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs	Kshs
Property	1,047,375	184,000
Total Repairs and Maintenance	1,047,375	184,000

Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

11. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	222,496	134,006
Total Cash and Cash Equivalents	222,496	134,006

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

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1234208482	192,021	126,948
Kenya Commercial Bank	1233819542	30,475	7058
Sub- Total		222,496	134,006
Grand Total		222,496	134,006

12. Inventories

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable stores	70,000	8000
Maintenance stores	27,000	4,000
Electrical stores	17,500	10,000
Hair dressing stores	23,000	8,000
Building materials stores	19,000	9,000
Total Inventories at lower of Cost and Net Realizable Value	156,500	47,000

**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

Notes to the Financial Statements (Continued)

13. Cash generated from operations

	2021-2022	2020-2021
	Kshs	Kshs
Surplus for the year before tax		
Adjusted for:	88,490	(106,968)
Depreciation	0	0
Finance Income	0	0
Finance Cost	0	0
Working Capital Adjustments		
Increase in Inventory	(109,500)	(47,000)
Increase in Receivables	0	0
Increase in Deferred Income	0	0
Increase in Payables	109,500	47,000
Net Cash Flow from Operating Activities	88,490	(106,968)

14. Trade and Other Payables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	156,500	47,000
Fees paid in advance	0	0
Total Trade and Other Payables	156,500	47,000



Notes to the Financial Statements (Continued)

15. Financial Risk Management

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

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

(i) Credit risk

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

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal 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



Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

the company's management based on prior experience and their assessment of the current economic environment.

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2021				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	134,006		0	0
Total	134,006	0	0	0
At 30 June 2022				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	222,496	0	0	0
Total	222,496	0	0	0

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

44. Financial Risk Management (Continued)

(i) Credit risk (continued)

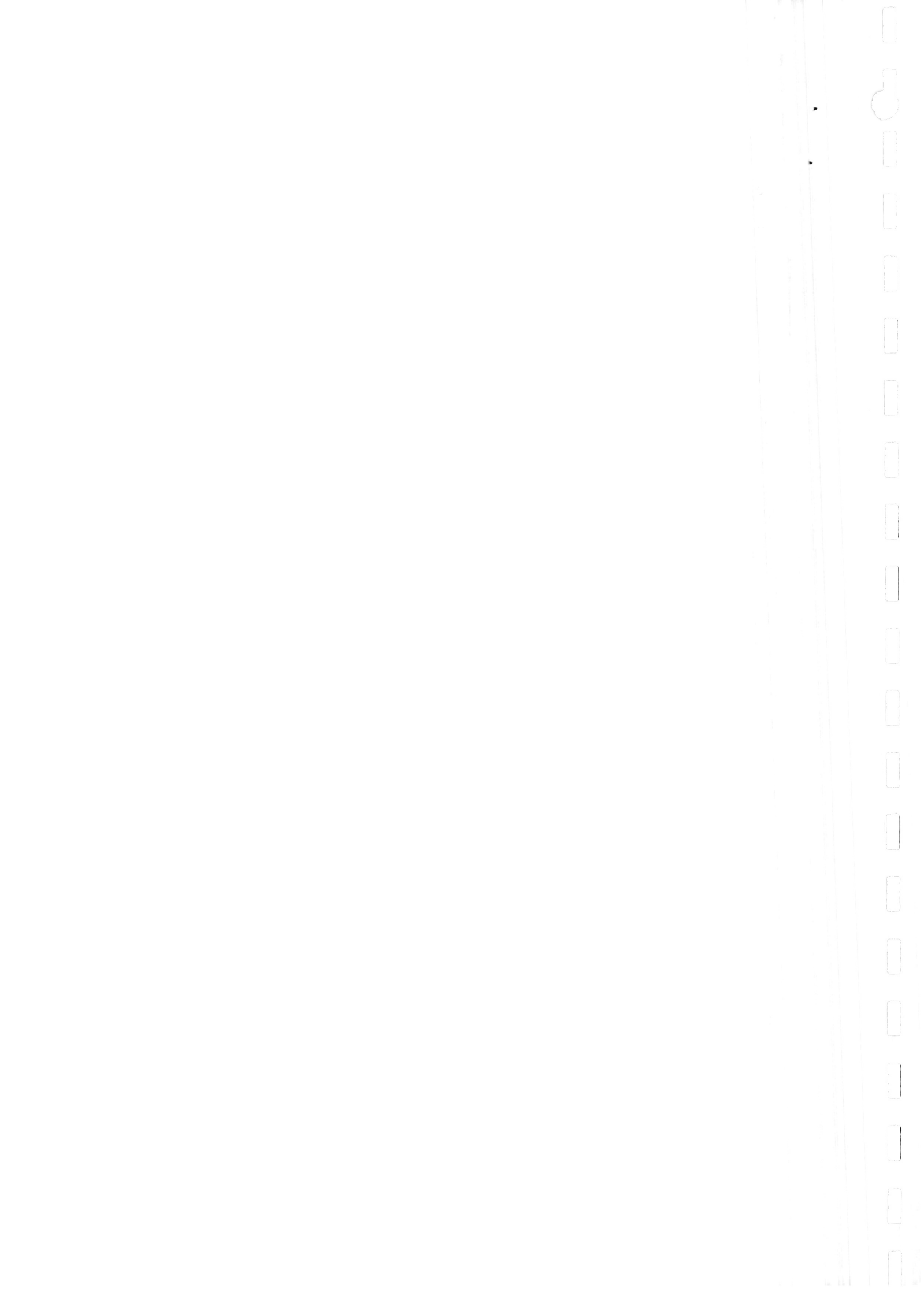
The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially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

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

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

(ii) Liquidity risk management

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



Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022

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 2021				
Trade Payables	0	0	47,000	47,000
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	47,000	47,000
At 30 June 2022				
Trade Payables	0	109,500	0	109,500
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	109,500	0	109,500

44. Financial Risk Management (Continued)

(iii) Market risk

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

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

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

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

Notes to the Financial Statements (Continued)

44. Financial Risk Management (Continued)

(iii) Market risk (Continued)

a) Interest rate risk

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

Management of interest rate risk

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

44 Financial Risk Management (Continued)

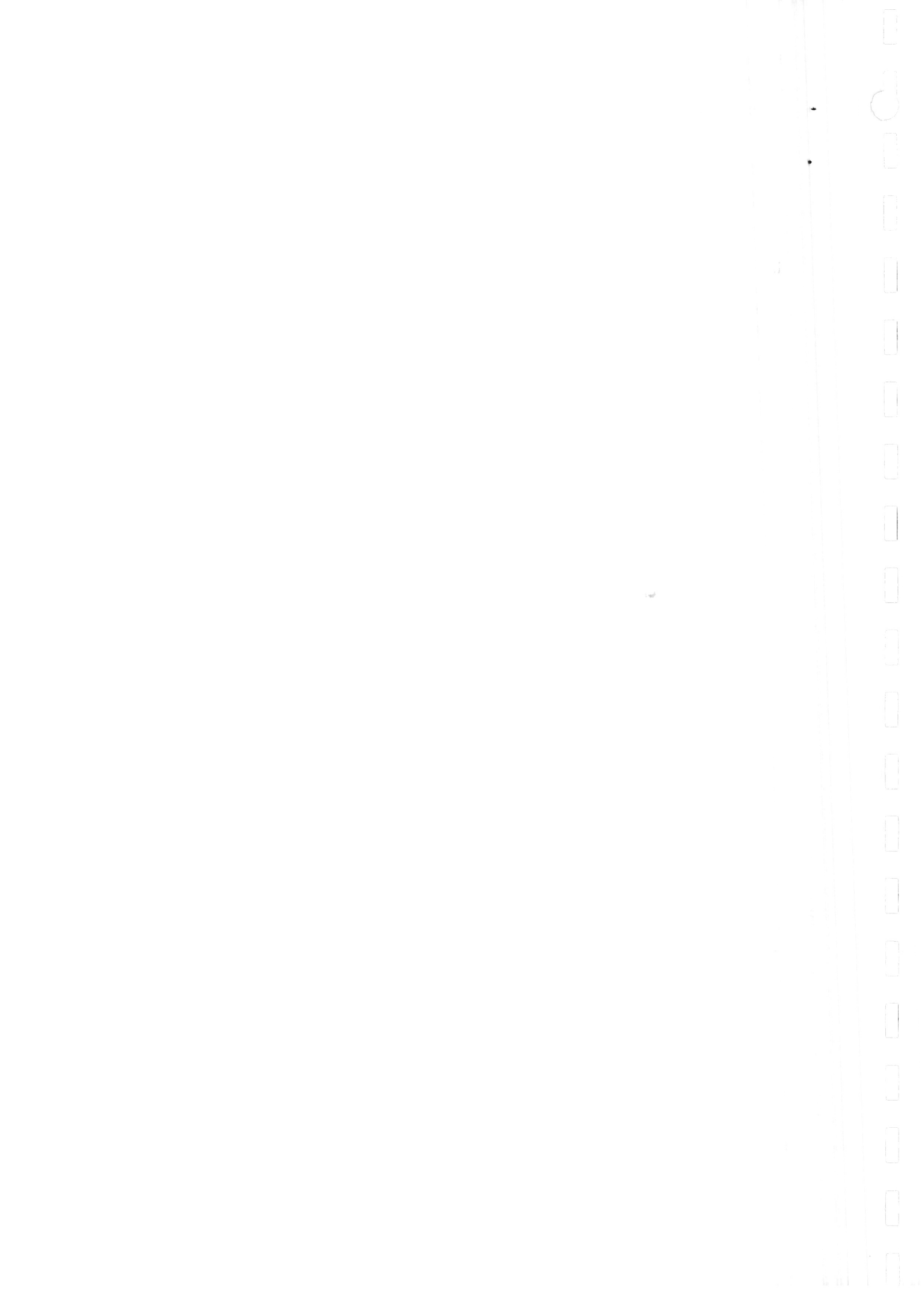
(iii) Market risk (Continued)

b) Interest rate risk(continued)

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (2022: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2022 – Kshs xxx)



Notes To The Financial Statements (Continued)

iv)Capital Risk Management

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	222,496	134,006
Capital Reserve	0	0
Total Funds	222,496	134,006
Total Borrowings	0	0
Less: Cash and Bank Balances	(222,496)	(134,006)
Net Debt/(Excess Cash and Cash Equivalent)	222,496	134,006
Gearing	100%	100%

16. Related Party Balances

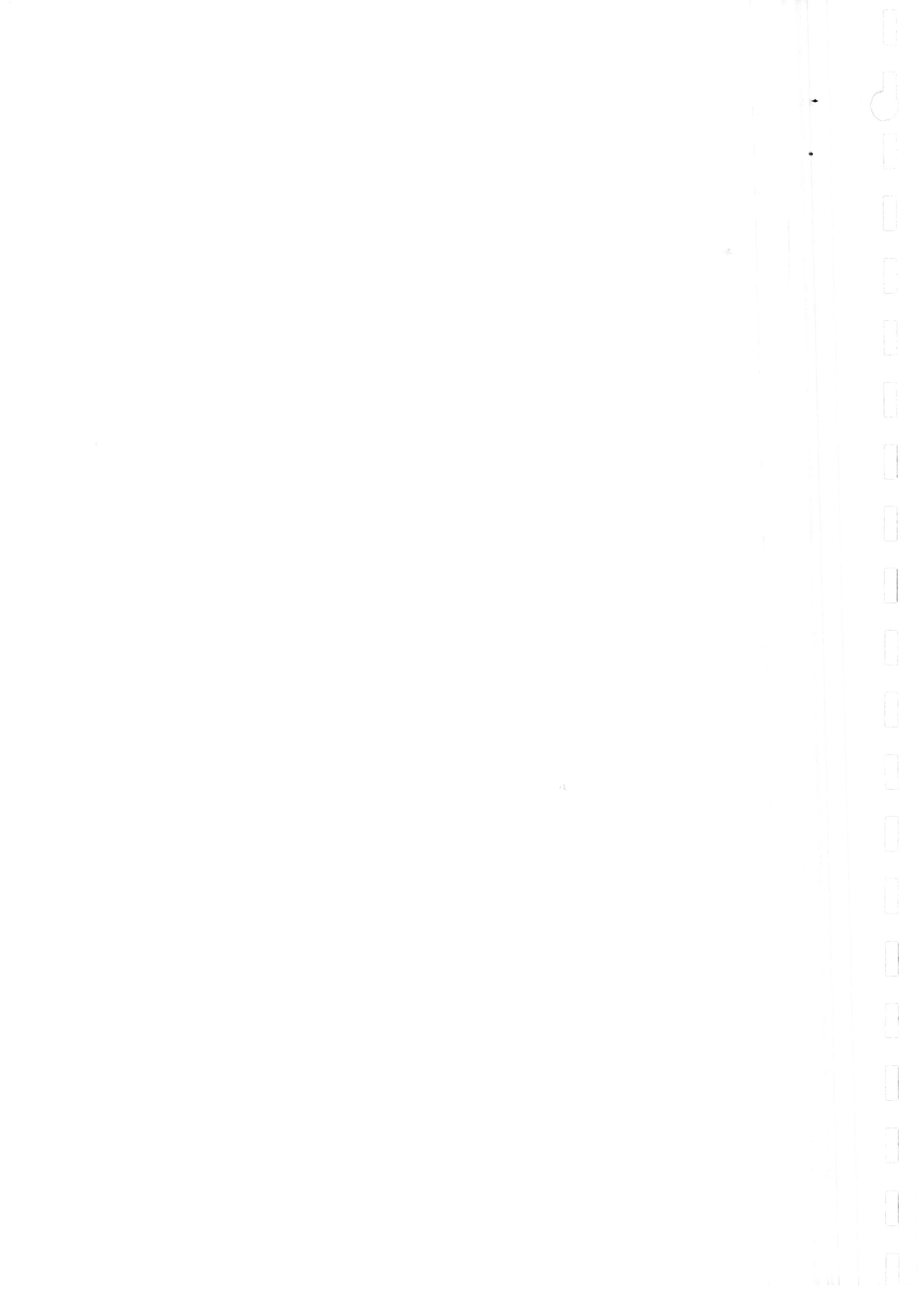
Nature of related party relationships

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

Government of Kenya

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

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



**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

Notes to the Financial Statements (Continued)

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Transactions with Related Parties		
B) Purchases from related parties		
Others (<i>specify</i>)	0	0
Total	0	0
a) Grants /Transfers from the Government		
Grants from National Govt	2,085,000	735,000
Grants from County Government	750,000	0
Donations in Kind	0	735,000
Total	2,835,000	735,000

17. Events After The Reporting Period

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

18. Ultimate And Holding Entity

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

19. Currency

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



**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

**XIX. Appendices
Appendix 1: Implementation Status of Auditor-General Recommendations**

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

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

Guidance Notes:

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

.....
 Name *Dawa Ongayo*
 Accounting Officer
 (Enter title of Head of entity)
 Date

MANAGEMENT
 KADONGO VOCATIONAL TRAINING CENTRE
 P.O. Box 28 - 40131, PAW-AKUCHE
 Date... *23/5/23*



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Appendix II: Projects Implemented by (The Entity)

Projects

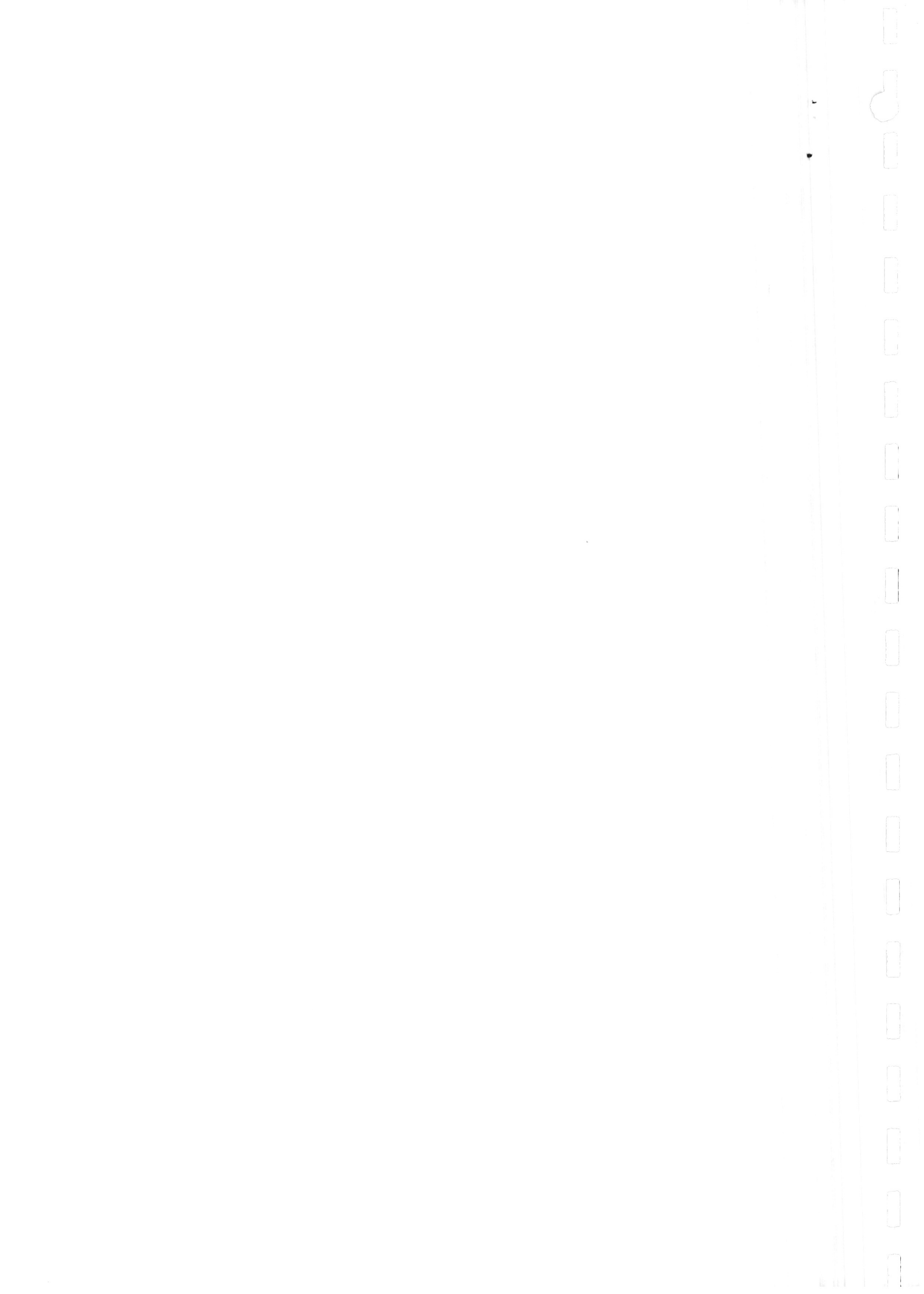
Projects implemented by the State Corporation/ SAGA Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

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

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1						
2						
3						



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Appendix III- Inter-Entity Confirmation Letter

**Kadongo Vocational Training Centre
P.O.Box 40131
Paw Akuche
Kisumu**

The [insert SC/SAGA/Fund name here] wishes to confirm the amounts disbursed to you as at 30th June 2022 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 [Insert name of beneficiary Entity] as at 30 th June 2022							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022				Amount Received by [beneficiary Entity] (KShs) as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	09/07/2021	375,000	0	0	375,000	180,000	195,000
	07/01/2022	855,000	0	0	855,000	180,000	675,000
	23/03/2022	855,000	0	0	855,000	375,000	480,000
Total		<u>2,085,000</u>	0	0	<u>2,085,000</u>	735,000	1,350,000

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

Head of Accountants department of beneficiary Entity:

Name Danica Mwangi Sign [Signature] Date 23/05/22

MANAGER
KADONGO VOCATIONAL TRAINING CENTRE
P.O. Box 28 - 40131, PAW-AKUCHE
Date..... 23/05/22

Appendix IV: Reporting of Climate Relevant Expenditures

Name of the Organization
 Telephone Number
 Email Address
 Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		



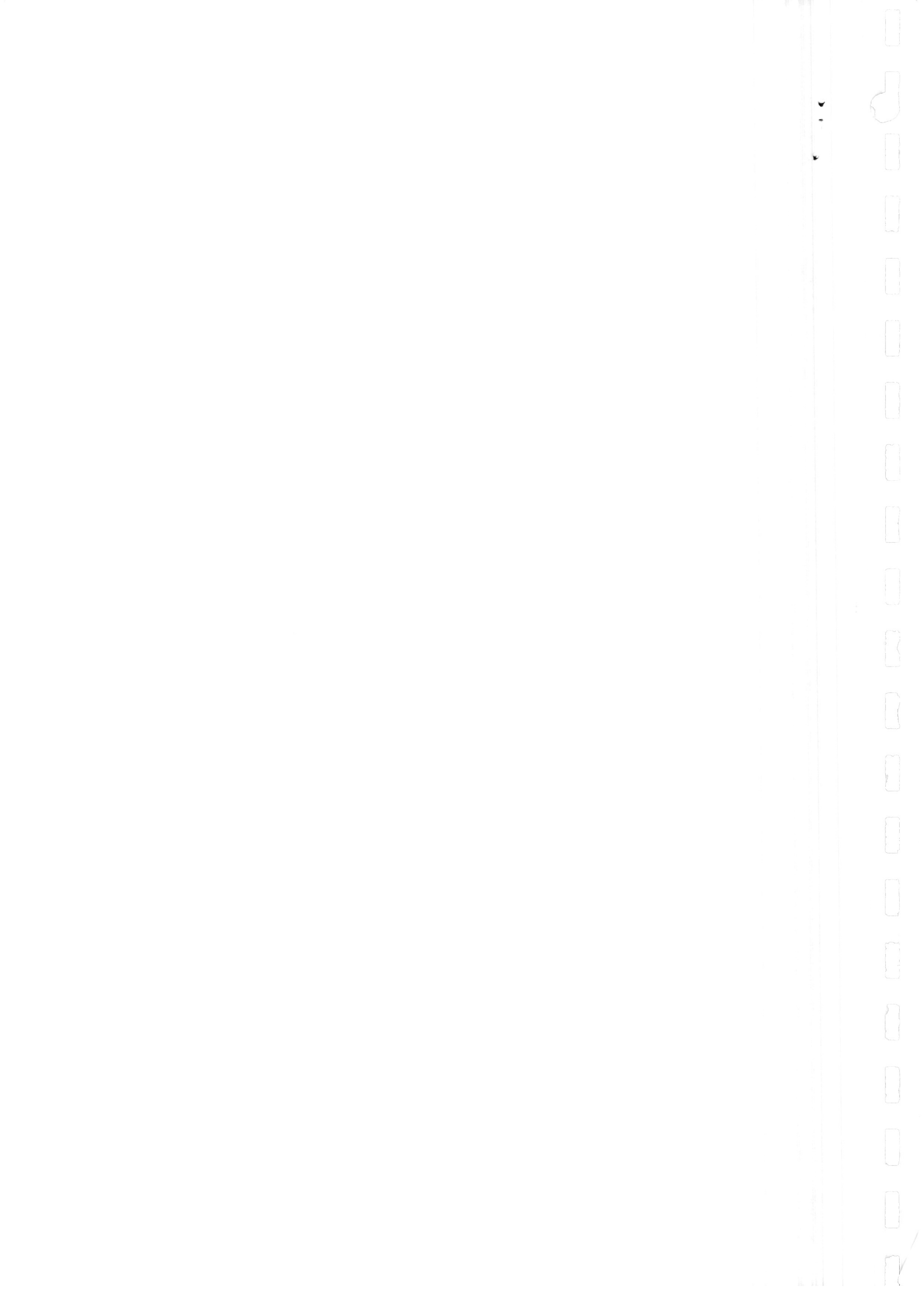
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**Kadongo Vocational Training Centre
Annual Report and Financial Statements for the year ended 30th June 2022**

Appendix V: Disaster Expenditure Reporting Template

Date:						
Entity:						
Period to which this report refers (FY)	Year			Quarter		
Name of Reporting Officer						
Contact details of the reporting officer:	Email			Telephone		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments





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ACCOUNT STATEMENT

Customer: 1234208482 KADONGO VOCATIONAL TRAINING CENTRE
Product Name: Local Government
Statement Period: 01 JUL 2021 - 30 JUN 2022

Balance at Period Start 126,948.00 KES Balance at Period End: 191,895.00 KES

TXN DATE	DESCRIPTION	VALUE DATE	MONEY OUT	MONEY IN	LEDGER BALANCE
01 JUL 2021	BALANCE B/FWD	01 JUL 2021			126,948.00
09 JUL 2021	Inward SWIFT Pa KISUM U COUNTY /REC/013000 0133	09 JUL 2021		750,000.00	876,948.00
09 JUL 2021	Inward SWIFT Pa KISUM U COUNTY /REC/013000 0154	09 JUL 2021		375,000.00	1,251,948.00
15 JUL 2021	Tax Amount Due CHG21 196SSDZR CHG21196S SDZR	15 JUL 2021	-21		1,251,927.00
15 JUL 2021	Interim Stmt Charge CHG 21196SSDZR CHG21196 SSDZR	15 JUL 2021	-105		1,251,822.00
21 JUL 2021	Inward Cheque D CHQ12 CHQ No. 000012 KES IN WARD	21 JUL 2021	-12,500.00		1,239,322.00
21 JUL 2021	Inward Cheque D CHQ11 CHQ No. 000011 KES IN WARD	21 JUL 2021	-178,475.00		1,060,847.00
21 JUL 2021	INHouse CHQ000013 KA DONGO VOCATIONAL T RAINING	21 JUL 2021	-750,000.00		310,847.00
03 NOV 2021	INHouse CHQ000014 AF RI SMART VENTURES F T21307W	03 NOV 2021	-64,350.00		246,497.00
18 DEC 2021	Tax Amount Due CHG21 3526H7XF CHG213526H 7XF	18 DEC 2021	-21		246,476.00
18 DEC 2021	Interim Stmt Charge CHG 213526H7XF CHG21352 6H7XF	18 DEC 2021	-105		246,371.00
07 JAN 2022	Inward SWIFT Pa KISUM U COUNTY /REC/013000 0178	07 JAN 2022		855,000.00	1,101,371.00
13 JAN 2022	Inward Cheque D CHQ15 CHQ No. 000015 KES IN WARD	13 JAN 2022	-265,500.00		835,871.00
27 JAN 2022	Inward Cheque D CHQ16 CHQ No. 000016 KES IN WARD	27 JAN 2022	-376,400.00		459,471.00
10 FEB 2022	INHouse CHQ000021 AF RI SMART VENTURES F T220414	10 FEB 2022	-222,500.00		236,971.00
11 FEB 2022	INHouse CHQ000017 CA REN AWINO OPIYO FT2 204202Z	11 FEB 2022	-8,000.00		228,971.00
11 FEB 2022	INHouse CHQ000019 AL EXANDER OGUSO ONY ANG FT220	11 FEB 2022	-8,000.00		220,971.00
14 FEB 2022	Inward Cheque D CHQ18 CHQ No. 000018 KES IN WARD	14 FEB 2022	-8,000.00		212,971.00
22 MAR 2022	INHouse CHQ000020 AL EXANDER OGUSO ONY ANG FT220	22 MAR 2022	-8,000.00		204,971.00
22 MAR 2022	INHouse CHQ000024 AF RI SMART VENTURES F T220813	22 MAR 2022	-143,450.00		61,521.00
22 MAR 2022	INHouse CHQ000023 CA REN AWINO OPIYO FT2 2081VXM	22 MAR 2022	-8,000.00		53,521.00
23 MAR 2022	Inward Cheque D CHQ22 CHQ No. 000022 KES IN WARD	23 MAR 2022	-8,000.00		45,521.00
28 MAR 2022	Inward SWIFT Pa KISUM U COUNTY /REC/013000 0204	28 MAR 2022		855,000.00	900,521.00
23 MAY 2022	INHouse CHQ000026 CA REN AWINO OPIYO FT2 2143NQJ	23 MAY 2022	-16,000.00		884,521.00

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23 MAY 2022	INHouse CHQ000027 AL EXANDER OGUSO ONY ANG FT221	23 MAY 2022	-16,000.00	868,521.00
24 MAY 2022	Inward Cheque D CHQ28 CHQ No. 000028 KES IN WARD	24 MAY 2022	-595,000.00	273,521.00
27 MAY 2022	Inward Cheque D CHQ25 CHQ No. 000025 KES IN WARD	27 MAY 2022	-16,000.00	257,521.00
17 JUN 2022	INHouse CHQ000030 CA REN AWINO OPIYO FT2 21688JD	17 JUN 2022	-35,500.00	222,021.00
21 JUN 2022	Inward Cheque D CHQ31 CHQ No. 000031 KES IN WARD	21 JUN 2022	-30,000.00	192,021.00
30 JUN 2022	Tax Amount Due CHG22 181CTB0J CHG22181CT B0J	30 JUN 2022	-21	192,000.00
30 JUN 2022	Interim Stmt Charge CHG 22181CTB0J CHG22181 CTB0J	30 JUN 2022	-105	191,895.00
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	BALANCE AT PERIOD E ND:		-2,770,053.00	2,835,000.00
				191,895.00

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ACCOUNT STATEMENT

Customer:
Account: 1233819542 KADONGO VOCATIONAL TRAINING CENTRE

Product Name: Local Government

Statement Period: 01 JUL 2021 - 30 JUN 2022

Balance at Period Start 7,058.00 KES Balance at Period End: 30,349.00 KES

TXN DATE	DESCRIPTION	VALUE DATE	MONEY OUT	MONEY IN	LEDGER BALANCE
01 JUL 2021	BALANCE B/FWD	01 JUL 2021			7,058.00
08 JUL 2021	Transfer 0MnthslnactChg FT211898MLGN	08 JUL 2021	-200.00		6,858.00
15 JUL 2021	Tax Amount Due CHG21 196X1GG3 CHG21196X1 GG3	15 JUL 2021	-21		6,837.00
15 JUL 2021	Interim Stmt Charge CHG 21196X1GG3 CHG21196 X1GG3	15 JUL 2021	-105		6,732.00
21 JUL 2021	INHouse CHQ00013 BA NK FT212009FCZT	21 JUL 2021		750,000.00	756,732.00
22 JUL 2021	Tax Amount Due CHQ.12 33819542.0000002	21 JUL 2021	-80		756,652.00
22 JUL 2021	Stamp Duty CHQ.123381 9542.0000002	21 JUL 2021	-125		756,527.00
22 JUL 2021	Cost of Cheque Book CH Q.1233819542.0000002	21 JUL 2021	-400		756,127.00
05 AUG 2021	INHouse CHQ000101 AF RI SMART VENTURES F T212164	05 AUG 2021	-207,300.00		548,827.00
05 AUG 2021	INHouse Unpaid CHQ000 101 FT212164C13G BAN K FT21	05 AUG 2021		207,300.00	756,127.00
14 AUG 2021	INHouse CHQ000102 AF RI SMART VENTURES F T21226J	14 AUG 2021	-207,300.00		548,827.00
24 AUG 2021	INHouse CHQ000103 AF RI SMART VENTURES F T212360	24 AUG 2021	-54,100.00		494,727.00
24 SEP 2021	Tax Amount Due CHG21 2672GVTM CHG212672 GVTM	24 SEP 2021	-21		494,706.00
24 SEP 2021	Interim Stmt Charge CHG 212672GVTM CHG21267 2GVTM	24 SEP 2021	-105		494,601.00
27 SEP 2021	INHouse CHQ000109 AF RI SMART VENTURES F T212707	27 SEP 2021	-196,000.00		298,601.00
28 SEP 2021	Inward Cheque D CHQ10 4 CHQ No. 000104 KES I NWAR	28 SEP 2021	-56,000.00		242,601.00
02 OCT 2021	INHouse CHQ000106 AL EXANDER OGUSO ONY ANG FT212	02 OCT 2021	-56,000.00		186,601.00
02 OCT 2021	INHouse CHQ000107 DA NIEL DAWA ONYANGO FT21274D	02 OCT 2021	-28,000.00		158,601.00
04 OCT 2021	INHouse CHQ000105 CA REN AWINO OPIYO FT2 1277R7N	04 OCT 2021	-56,000.00		102,601.00
03 NOV 2021	INHouse CHQ000110 AL EXANDER OGUSO ONY ANG FT213	03 NOV 2021	-8,000.00		94,601.00
03 NOV 2021	INHouse CHQ000111 CA REN AWINO OPIYO FT2 1307SQR	03 NOV 2021	-8,000.00		86,601.00
04 NOV 2021	Inward Cheque D CHQ11 2 CHQ No. 000112 KES I NWAR	04 NOV 2021	-8,000.00		78,601.00
18 DEC 2021	Tax Amount Due CHG21 352757L5 CHG21352757 L5	18 DEC 2021	-21		78,580.00
18 DEC 2021	Interim Stmt Charge CHG 21352757L5 CHG213527 57L5	18 DEC 2021	-105		78,475.00
12 JAN 2022	INHouse CHQ000115 AL EXANDER OGUSO ONY ANG FT220	12 JAN 2022	-16,000.00		62,475.00

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12 JAN 2022	INHouse CHQ000114 CA REN AWINO OPIYO FT2 20124ZY	12 JAN 2022	-16,000.00	46,475.00
13 JAN 2022	Inward Cheque D CHQ11 3 CHQ No. 000113 KES I NWAR	13 JAN 2022	-16,000.00	30,475.00
30 JUN 2022	Tax Amount Due CHG22 181Q98DZ CHG22181Q9 8DZ	30 JUN 2022	-21	30,454.00
30 JUN 2022	Interim Stmt Charge CHG 22181Q98DZ CHG22181 Q98DZ	30 JUN 2022	-105	30,349.00
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	BALANCE AT PERIOD E ND:		-934,009.00	957,300.00
				30,349.00

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