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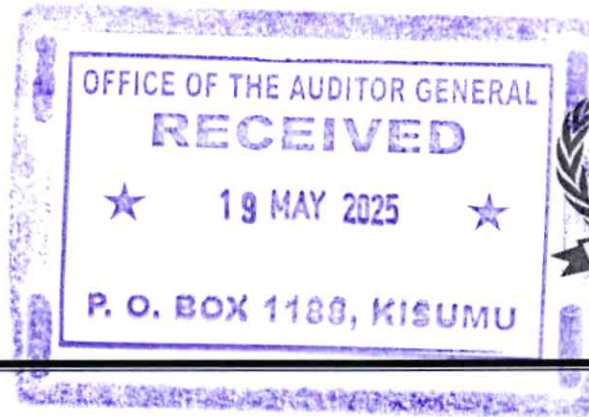
THE AUDITOR-GENERAL

ON

**UGENYA TECHNICAL AND VOCATIONAL
COLLEGE**

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

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



UGENYA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30TH JUNE 2024

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

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

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Ugenya Technical and Vocational College
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1) Acronyms & Glossary of Terms

AFI – Administration, Finance and Infrastructure
ARISA – Administration, Research, Innovation and Students Affairs.
BOG - Board of Governors
CBET – Competency Based Education and Training
F. M - Fiduciary Management
HELB – Higher Education Loans Board
ICPAK - Institute of Certified Public Accountants of Kenya
IPSAS - International Public Sector Accounting Standards
M.O.E. – Ministry of Education
PFM - Public Finance Management
PSASB - Public Sector Accounting Standards Board
P.S.C. – Public Service Commission
P.U. – Production Unit
P.M.C. – Principal’s Management Committee
T.V.E.T – Technical, Vocational, Education and Training
UTVC - Ugenya Technical and Vocational College

2) KEY UGENYA TECHNICAL & VOCATIONAL COLLEGE INFORMATION AND MANAGEMENT

(a) Background information

Ugenya Technical and Vocational College is established under the TVET Act 2013. The college is domiciled in Kenya under the Ministry of Education State Department of Vocational and Technical Training.

In executing its core mandate, the college offers the following courses at Artisan, Certificate and Diploma levels:

- i) Electrical Engineering
- ii) Building and Civil Engineering
- iii) Plumbing Technology
- iv) Business Management
- v) Supply Chain Management
- vi) Human Resource Management
- vii) Social Work and Community Development
- viii) Refrigeration and Air Conditioning
- ix) Mechanical Engineering
- x) General Agriculture
- xi) Agricultural Engineering
- xii) Welding and Fabrication
- xiii) Automotive Engineering
- xiv) Motor Vehicle Mechanics
- xv) Information Communication Technology
- xvi) Cosmetology

(b) Principal Activities

Core mandate: To offer Technical, Vocational, Education and Training services.

Vision: To be an excellent global provider of Competency Based Education and Training by promoting research and innovation.

Mission: To provide quality Technical, Vocational, Education, Training, Research and Innovation for sustainable development.

Core Values: Professionalism

- : Competence
- : Transparency and accountability
- : Innovativeness
- : Inclusivity

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- : Teamwork
- : Environmental stewardship

(c) Management

The management of the College is under the following key organs:

- Board of Governors.
- Accounting officer/ Principal
- Principal Management Committee (PMC)

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Mrs. Elizabeth A.O. Okullu
2.	Deputy Principal - Administration	Dr. John Mark Osodo
3	Deputy Principal - Academic	Mrs. Ann Wanzau Mutisya
4	Registrar - Administration	Mrs. Evelyne Wanza Nzioki
5	Registrar Academics	Mr. Antone Oloo Churchill
6	Dean of Students	Mr. Hezron S. Malimu
7	Head of Finance	Mr. Simon J. Njoga
8	Head of Procurement	Ms. Bethsheba A. Oyuga

(e) Fiduciary Oversight Arrangements

The following committees served during the 2023/2024FY in different capacities as indicated below;

- 1. Audit and risk committee activities-** This committee is charged with the responsibility of ensuring the proper functioning and statutory compliance in the execution of the functions of the college. This duty is performed by the internal auditor in conjunction with the Board of Governors Audit Committee.
- 2. Finance and operations committee activities** – This committee is responsible for the supervision of College Budget preparation, preparation and review of finance policy, compilation of financial reports and financial advice to the management of the college.
- 3. Academic committee activities-** This committee is chaired by the deputy principal. The function of this committee is to ensure compliance and achievement of the core mandate of the college, that is, training. This committee also coordinates the preparation of the academic policies and internal quality assurance policy.
- 4. Procurement committee** – In this department we have the following Adhoc committees;

Tender opening committee – the function of this committee is to officially receive the bids and verify on a specific date quoted in the tender floated.

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Tender Evaluation committee – This committee is responsible for the technical evaluation of the bids once received by the tender opening committee.

Inspection acceptance and rejection committee - Is responsible for the inspection and receipt of the goods and services on behalf of the college.

f) College main Campus

The physical location of U.T.V.C is;

P.O. Box 74 -40614 Sega

Off Kisumu- Busia Highway

Sega, Kenya

g) College Contacts

Tel.No. : +254115107907/ +254115159121/ +254734899999

E-mail: ugenya.techcollege@gmail.com/info@utvc.ac.ke

Website: <https://www.utvc.ac.ke/webmail>

h) College's Bankers

Kenya Commercial Bank

P.O. Box 32

Siaya, Kenya

i) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GOP 00100

Nairobi, Kenya

j) Principal Legal Adviser

The Attorney General

State Law Office



Harambee Avenue

P.O. Box 40112 City Square 00200

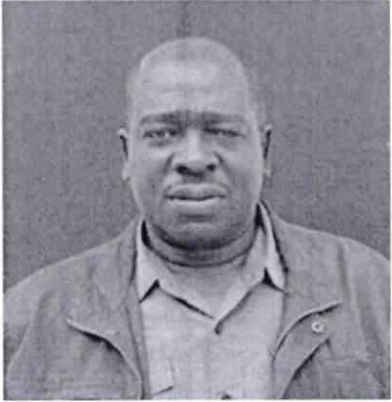


Nairobi, Kenya

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3) THE BOARD OF GOVERNORS

BOG's passport-size photo and Name.	Description of each BOG's Date of Birth, key qualifications and work experience.
 <p>1. Dr. Satwinder Singh Rupra, PhD BOG Chairperson</p>	<p>D.O.B 4th August, 1985</p> <p>Qualifications: PhD: Cyber Security Msc: Information Technology</p> <p>Work Experience: Director and Chief Technical Officer, Sumo Computers – 2008 to Date Director and Chief Executive Officer, Celectric Limited – 2016 to Date Part-time Lecturer -2015 to May 2017 Broadband Internet technologies-3 years IP PBX Setup and Management-2 years Joomla Website Design and Management-1 year IP and Analogue Surveillance Systems (CCTV)- 1 year Mikrotik Routers Setup and Configuration-2 years Fiber Optics and Copper Installations-5 years</p>
 <p>2. Mrs. Elizabeth A.O. Okullu Principal/BOG Secretary</p>	<p>DOB : 17th October , 1968</p> <p>Qualifications: Masters – Leadership Administration & Management B.E.D (Arts) Diploma in Education - 1989- 1990</p> <p>Work Experience: Principal Ugenya Technical and Vocational College- Dec 2020 to date Deputy Principal Bondo Technical & Vocational College – 2018-2020 Registrar Bondo Technical and Vocational College – 2016-2018 Dean of Students Kisumu National– 2015-2016 Assistant Dean of students – Kisumu National Polytechnic – 2012-2015 Head of Guidance & Counselling – 2010 - 2012 Assistant H.O.D Guidance & Counselling 2008-2010 Polytechnic Secretary of Ethics & Anti-corruption – 2009 Research & Innovation committee member – 2009-2012</p>

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 <p>3. Mr. Oscar Mujumba BOG Chair Administration, Finance and Infrastructure Committee</p>	<p>DOB. 05th July, 1975</p> <p><u>Qualifications:</u> Master of Business Administration: Operations Management. B.E.D (Economics) CPA part 1 (section 1 and 2)</p> <p><u>Work Experience:</u> Board Member Siaya Institute of Technology (2014-2020) Airtel Kenya Ltd - Kisumu Branch. Acting Branch Manager and Customer Service Representative- Cash. From December 2007-August 2011 Celtel Kenya Ltd Eldoret Branch- Accountant. March 2004- November 2007</p>
 <p>4. Ms. Esther Natembea Simiyu BOG Chair Audit and Risk Committee</p>	<p>DOB</p> <p><u>Qualifications:</u> Bachelor of Business Administration (Accounting and Finance) Certified Public Accountant, Sec. 6.</p> <p><u>Work Experience:</u> Part time Audit Assistant Olive Joy Care Estate and Property Managers Ltd., 2019-to Date Volunteer - Accountants Payable, Colnet Limited 2018 Research assistant population council, Endline, 2017 Research assistant population council, Step Up, 2016 Accountant, Harler & Supreme Logistics Ltd, 2015 Accounts Intern, Co-Operative College of Kenya, from May- August 2012 Assistant Internal Auditor, Sentrim Kenya Ltd (680 Hotel), from January - December 2011 Accounts Assistant, Europa Tools Company Ltd, August- December 2010</p>
 <p>5. Phylis Kaptuya Boronjo BOG Member</p>	<p>DOB: 1989</p> <p><u>Qualifications:</u> Bachelor of Technology in Civil and Structural Engineering - 2013</p> <p><u>Work Experience:</u> Water Engineer (Living Water Service Centre, Kisumu field office) 2013 to Date</p>

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6. Ms Nivian Anyango Ogogo
BOG Member

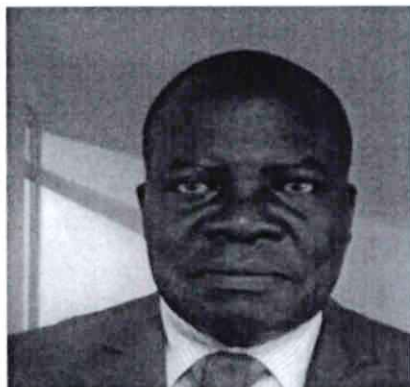
DOB 29th September, 1985

Qualifications:

Master's Degree in Project Planning and Management
 Bachelor's Degree in Computer Science
 Uganda Advanced Certificate of Education (U.A.C.E)

Work Experience:

Information Technology Officer –HJFMRI Kisumu from 3rd April 2017 To Date:
 Information Technology Specialist CWS-RSCAFRICA from April 2016 To February 2017
 Systems Administrator Kisumu Water & Sewerage Company (KIWASCO) from Nov 2015 To April 2016
 Systems Administrator KEMRI/CDC from March 2014 to May 2015
 Assistant Systems Administrator KEMRI/CDC from March 2011 To March 2014
 ICT Help Desk KEMRI/CDC from 30th Sept 2009-30 DEC. 2010
 Attachment KEMRI/CDC from June 2008 – August 2008
 E-mol Enterprises from Dec 2005-April 2006



7. Mr. Joseph Otieno Omolo
BOG Member

DOB 6th November, 1959

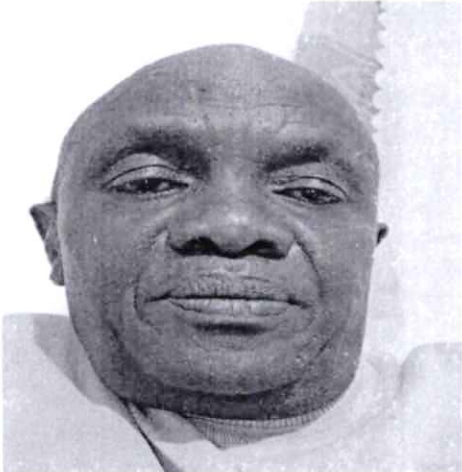

Qualifications:

Bachelor's Degree in Project Management
 Diploma in Water Engineering.
 Practical training attachment at Kwa Mutonga Dam Construction site for 4 Months.
 6 months Pre-Selection course.

Work Experience:

Asset Development and Management manager under Technical Department with Lake Victoria South Water Services Board from 2005 to Date
 Head of operation and maintenance of water Supplies and sewerage in Siaya District. 2002-2005
 Head of the Bura Domestic Water Supply & Sewerage section. 1996
 Deputy Manager Bura Irrigation and Settlement project 1996-1997
 Superintendent Water Engineering Officer 1997
 Supervisor construction works Kenya–Finland Rural Water Development Project as construction Supervisor from 1986-1995
 Engineering Assistant Kakamega Provincial Water Office from

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1982–1986	
 <p>8. Mr. Njoroge Bonface Mucina BOG Member</p>	<p>DOB 1958</p> <p><u>Qualifications:</u> Bachelor of Education Science (Kiswahili and English)</p> <p><u>Work Experience:</u> Maize and Poultry Farmer in Tranzoia from 2000 to Date Chairman Community Driven Development Committee (CDDC) from 2018-2019 Head of Department Applied Science, Chair of Institute of AQAS Committee and Auditor Quality System in Kitale National Polytechnic from 2001-2018 Head of Science Department Nasol Girls Secondary School and Chairman West Pokot Science and Technology Congress from 1991-2001 Classroom Teacher and Head of Science Department Saboti Secondary School from 1990-1991 Classroom Teacher and Patron Wild life Club Kibuk Girls High School from 1989-1990 Boarding Master, Games Master, Acting Deputy Principal and Patron Wild life Club Kimaeti Secondary School from 1985-1988</p>
 <p>9. Mr. Innocent Muganda BOG Member</p>	<p>DOB 1981</p> <p><u>Qualifications:</u> Degree in Law Diploma in Law</p> <p><u>Work Experience:</u> Managing Patner Sagana , Biriq & Company Advocates from 2012- to date Associate Ahmednasir, Abdikadir & Co. Advocates- from 2010 – 2-11, Assistant Manager Legal Affairs with Diamond Trust Bank from 2006- 2010 Legal Assistant Mohammed Madhani & Co. Advocates from 2004-2006</p>

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10. Mr. John Wamae
BOG Member

DOB: 27th September, 1969

Qualifications:

Msc Applied statistics

Bsc Maths and Computer Science

Post Graduate Diploma in Education

Work Experience:




Worked with Teachers Service Commission as a Teacher

Quality Assurance and Standards Officer for TVET




County Director for TVET Kisumu – To Date

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4) KEY MANAGEMENT TEAM

PMC passport-size photo, name, and key Professional/Academic qualifications	Responsibility
 <p>1. Mrs. Elizabeth Okullu Principal/BOG Secretary M.E.D. Leadership Administration and Management</p>	<p>Chief Executive Officer/Principal General management of the college</p>
 <p>2. Dr. John Mark Osodo Deputy Principal Administration PhD Planning & Economics of Education</p>	<p>Oversee and supervise training Coordinate and supervise the operations of the Technical staffs.</p>
 <p>3. Mrs. Ann Wanzau Mutisya Deputy Principal Academics BED(HomeScience & Technology)</p>	<p>Supervision of curriculum implementation. Monitoring of the trainers and trainees performance</p>

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 <p>4. Mr. Antone Oloo Churchill Registrar Academics BA. International Relations and Diplomacy</p>	<p>In-charge of student admission and examination administration.</p> <p>Advise the management on matters of students' enrolment.</p>
 <p>5. Mrs. Evelyne Wanza Oyoo Registrar Administration B. Computer Science</p>	<p>Assist the Deputy Principal – Administration in the General Administration and planning.</p> <p>Coordinate registration and accreditation of new programs</p>
 <p>6. Mr. Hezron S. Malimu Dean of Students Diploma in Mechanical Engineering</p>	<p>Oversee Students welfare.</p> <p>Coordination of students HELB Loan applications.</p>

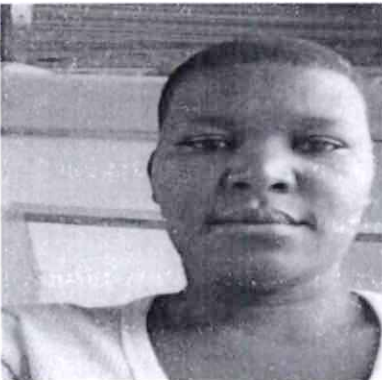
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7. Mr. Simon J. Njoga
Finance Officer
BBA Finance Option
CPA III

In charge of preparation of financial statements and Book Keeping.

Annual Budget preparation and implementation.
Financial Adviser to the Chief Executive Officer/Principal and the Board of Governors



8. Ms. Bethsheba Oyuga
Procurement Officer
BL Supply Chain Management

In charge of procurement and coordination of stores.

In-charge of preparation of Annual Procurement Plan in consultation with the Heads of Departments and Heads of Sections.

Offer professional advice to the principal and the Board of Governors on procurement matters.

5) **CHAIRMAN'S STATEMENT**

The Current Board members were appointed on 09/02/2022 by the Cabinet Secretary Ministry of Education. The inauguration was later conducted on 08/04/2022 while the induction of the Board was carried out in Tom Mboya Labour College from 03/08/2022 to 05/08/2022.

The Board of Governors comprises ten members including the Principal and the County Director TVET, who is the representative of the Permanent Secretary in the Board. The Board oversees the management of the college to ensure proper financial stewardship and that the institution achieves its mandate as stipulated by the Government of Kenya through the Cabinet Secretary Ministry of Education by reporting continuously on the operations of the college.

The college started its operations in September 2018 by admitting the first batch of 108 students. By the time this report was being prepared, the student population had since grown from 108 to 1022 students.

During the financial year 2023/2024, the college had a staff capacity of 64, that is, 24, trainers including administrators employed by the Public Service Commission (PSC), 27 Trainers and 13 Technical staff employed by the Board. The college short listed and interviewed 10 trainers to be engaged by the Public Service Commission to help solve the shortage of trainers in the technical departments. It is our hope that the Public Service Commission will continue to employ more trainers so that the Board can be relieved of the high wages it is facing currently. Irrespective of the financial challenges, the Board managed to recruit an Internal Auditor to replace the one who resigned during the year and also employed an Accountant-intern.

To widen our students training base, the Board has entered into memorandum of understanding with several industries including Bukura Agricultural Training College. This will facilitate the practical training for our Competency Based Education and Training students in line with the dual training guide lines. The Board is also committed to ensuring that the college fully adopts the Competency Based Education and Training (CBET) curriculum as directed by the Ministry of Education, even though, our college is facing a number of challenges that include and not limited to; training rooms, tools and equipment, workshops.

The college managed to offer extension services to the community using the tractors that were provided by the Ministry of Education for ploughing and planting services and therefore to a great extent we achieved the corporate social responsibility of the college to the community. This service was however affected by the Government procedures that are technical in implementation.

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The major challenge that the institution faced during the financial year 2023/2024 was lack of sufficient funds. This was attributed to reduction in capitation grant from kshs.30,000.00 per student to kshs.11,000.00 per student, poor fees payment by parents and sponsors and insufficient remittance by HELB to finance all our students who applied for funding. As a result, the college could not meet its budget obligations forcing the Board to revise its budget downwards and only finance the mandatory core training activities.

The Board has therefore appealed to the parents, sponsors and other government agencies to release funds in good time to help the college provide better and timely service.

The Board also plans to widen its production unit areas for more revenue generation as indicated in our next financial year budget.

Sign 

Date 16/05/2025

6) REPORT OF THE PRINCIPAL

Ugenya Technical and Vocational College is one of the Technical and Vocational Colleges in Kenya. It is situated in Ugenya Sub- County, Siaya County. The principal mandate of our college is to offer Technical and Vocational Training in different cadres, that is, Artisan, Certificate and Diploma.

Our vision is to be an excellent global provider of Competency Based Education and Training with a mission to provide quality Technical, Vocational and Entrepreneurial Skills using State of the Art facilities based on Industry Needs and Industry Occupational Standards (IOS).

The management of the college is under the Board of Governors as appointed by the Cabinet Secretary, Ministry of Education on 09/02/2022, inaugurated on 08/04/2022 and later inducted in Tom Mboya Labour College from 03/08/2022 to 05/08/2022. In executing its duties, the Board is guided by the statutory frame work and the Board charter, while on over sight and resource mobilisation role, the Board has formulated all the necessary policies to aid in the effective and efficient management of the college resources. The Board held twelve sittings during the Year.

During the financial year 2023/2024 F/Y, the college had a staff capacity of 64, that is, 24 trainers including administrators employed by the Public Service Commission (PSC), 27 Trainers and 13 Technical staff employed by the College Board of Governors. Our college in collaboration with the Ministry of Education, State Department of Technical, Vocational, Education and Training, short listed and interviewed 10 trainers to be engaged by the Public Service Commission to help curb the shortage of trainers. It is our hope and prayer that the Public Service Commission will continue to employ more trainers and that, the Deputy Principal Administration, Dr. John Mark Osodo, transferred to Bondo Technical Training Institute will be replaced so that the Board can be relieved of the high cost of wages it is facing currently. The Board managed to replace the Internal Auditor and employed Accountant intern for efficient service provision to our clients. The audit position felt vacant after the resignation of Felix Otieno Okinyi.

Irrespective of the financial challenges the college is facing, we have laid down an elaborate marketing strategy to ensure that the students' population increase for revenue generation. This is indicated by the increase in the number of students from 980 in 2022/2023FY to 1022 in the 2023/2024FY.

In line with the core mandate of the institution, it should be noted that our college has had a continuous improvement in the Kenya National Examinations. In the year under review, the

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candidates who sat for the July, 2023 examinations managed a mean score of 73.39%. This continuous positive performance has made our college marketable among other colleges.

To widen our student training base, the college has entered into a memorandum of understanding with a number of industries including Bukura Agricultural Training College. This is to facilitate the dual training for all our courses as guided by the Technical, Vocational, Education and Training Authority (TVETA). Our college is however, facing a number of challenges that include and not limited to; training rooms, tools and equipment, workshops and practical training materials. It is our prayer that the Ministry of Education will come to our aide in solving these problems for better service provision.

To foster the Government initiative of offering employment opportunities to the youths, Ugenya Technical and Vocational College, received and installed one hundred computers in the college Jitume laboratory. These computers came as a donation from the Government of Kenya, through the Ministry of Education, State Department for Technical, Vocational, Education and Training in collaboration with the Ministry of Information and Communication Technology. The computers are critical for our students training apart from creation of employment opportunities.

As one of our production unit areas and community empowerment mandate, the college managed to offer extension services to the community using the tractors that were provided by the Ministry of Education for ploughing and planting services and therefore to some extent we achieved the corporate social responsibility of the college to the community. The college also planted and is supervising the growth of 600 trees in Ligose Primary School in line with our performance contract targets, notwithstanding allowing the community and the neighbouring schools to collect water from the college borehole.

On greening TVET, we have managed to plant Three Thousand additional trees in the college compound in accordance with presidential directive and Bottom up Economic Transformation Agenda (BETA). Being a centre of excellence in Agriculture and Agricultural Engineering, the college has laid down strategies to ensure that the community around the college also benefit from the agricultural activities and initiatives offered by our college.

It should be noted that Ugenya Technical and Vocational College is an all-round institution. Our outstanding achievement in academics is associated with the wonderful performance in the co-curricular, Research and Innovation. During the year 2023/2024FY, we successfully participated in the regional and national ball games, Music Festival and Research and Innovation securing several trophies.

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The major challenge that the institution faced during the financial year was inadequate funds. This was attributed to reduction in capitation grant from kshs.30,000.00 to kshs.11,000.00 per trainee, poor fees payment by parents and sponsors and insufficient budget by HELB to finance all our students who applied for funding. Going by the number of students validated by Kenya Universities and Colleges Central Placement Services, during the year 2023/2024FY, our college earned kshs.24,353,000.00 as capitation, even though the actual receipt was kshs.9,335,000.00 leaving a deficit of kshs.15,018,000.00. The College also received kshs.13,236,233.00 as scholarship under the new funding model for 327 students with 302 students missing out on the scholarship funding. The classification of the students who missed out on scholarship had not been communicated by the time this report was being prepared. As a result, the college had to revise its budget downwards and to only finance the mandatory core training areas. We therefore had the following development areas executed from the savings from Tuition Fee paid by students;

1. Purchase of annex one Acre piece of Land
2. Valuation of College Assets
3. Staff capacity building across the college departments
4. Installation of Close Circuit Television (CCTV)
5. Review of strategic plan 2022/2027.
6. Acquisition of computer tables, Technical Drawing Tables, ICT Chairs, Staff Room Tables, office chairs, reception seats and Two-one hundred seater tents
7. Laptop computers, Printer machines and Air conditioner for ICT Laboratory
8. Cosmetology tools and equipment.

The college has therefore appealed to the parents, sponsors and government agencies to release funds in good time to help the college provide better and timely service. The Board is also planning to widen its production unit areas for more revenue generation.

Sign 

Date 16/05/2025



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7) STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

Ugenya Technical and Vocational College has two strategic pillars and objectives within current strategic plan for the 2022/2023FY – 2026/2027FY.

- a) Strategic plan Pillar
- b) Financial Sustainability Pillar

Ugenya Technical and Vocational College develops its annual work plans based on the above two pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Board achieved its performance targets set for the 2023/2024FY period for its two strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Strategic Plan	To guide the general performance of the college activities.	- Approved strategic plan ready for implementation.	- Sensitization of staff on the strategic plan. - Implementation of the strategic plan.	- Sensitized Staff - organized institutional activities. - achievement of organizational goals.
Financial Sustainability	To Strengthen Mobilization and Management of Resources	- Records of budget estimates and financial statements and reports availed. - Records of PU funds collected - Records of fee collected	-Compliance with set budgetary Estimates - compliance with the statutory requirements. - Strengthen production unit collection - Strengthen fee payment	-100% compliance with statutory requirements. - Increase in collections from PU - Amount of fee collected

8) CORPORATE GOVERNANCE STATEMENT

The College Board of Governors consists of nine members with the principal as the Secretary. The Board was formed on 9th February 2022 following the expiry of the term of the first Board. The inauguration was conducted on 8th April 2022 followed by Board induction on 3rd August 2022. The following are the Board members who served during the 2023/2024FY;

1. Dr. Satwinder Singh Ruprah	Chairman
2. Mrs Elizabeth A.O. Okullu	Secretary
3. Mr John Wamae	Member
4. Ms. Esther Natembea Simiyu	Member
5. Mr Joseph Otieno Omollo	Member
6. Mr Boniface Njoroge	Member
7. Ms Nivian Anyango Ogogo	Member
8. Mr Oscar O. Mujumba	Member
9. Eng. Phylis Kaptuya Boronjo	Member
10. Mr. Innocent Muganda	Member

There are three committees within the Board in line with the statutory requirements. These committees are; Risk and Audit, Administration Finance and Infrastructure and Administration, Research, Innovation and Students Affairs committee. The members of these committees are;

Risk and Audit

1. Ms. Esther S. Natembea – Chairperson
2. Mr. Innocent Muganda - Member
3. Ms. Dorcas Wechuli - Internal Auditor

Administration Finance and Infrastructure (AFI)

1. Mr. Oscar O. Mujumba - Chairperson
2. Eng. Phylis K. Boronjo – Member
3. Ms. Nivian A. Ogogo - Member
4. Mr. Joseph O. Omollo - Member
5. Mr John Wamae - Member

Administration, Research, Innovation and Students Affairs (ARISA)

1. Mr. Boniface Njoroge - Chairperson
2. Ms. Nivian A. Ogogo - Member
3. Mr. Joseph O. Omollo - Member
4. Mr. Innocent Muganda - Member
5. Mr John Wamae - Member

It is the policy of our Board that any conflict of interest shall be declared before any meeting of the Board commences.

9) MANAGEMENT DISCUSSION AND ANALYSIS

This committee is composed of the Principal, Deputy Principals, Registrar, Dean of Students, Finance Officer and the Supply Chain Officer. The committee is charged with the responsibility of ensuring that the operations of the college are effectively implemented in line with the statutory requirements and guide lines.

During the Financial Year 2023/2024, the college managed to undertake the following successfully;

- a) Planting of 3,600 trees in College Compound and Ligose Primary School
- b) Valuation of the college assets.
- c) Acquisition of additional piece of land for College expansion and development.
- d) Review of strategic plan.
- e) Marketing of college courses and admission of new students according to the set target.
- f) Administration of Competency Based Education and Training Courses (Dual training)
- g) Submission of quarterly financial statements and reports.

It is also important to report that, irrespective of the tremendous challenges, faced by our college, we have continuously improved our average mean score in the Kenya National Examinations that now stands at 73.39%

By the close of the 2023/2024F/Y, our college had not received a total of kshs.15,018,000.00 in respect of quarter 1,2,3 and 4 capitation grant. This seriously affected the college Budget commitments as the college could not fulfil all the Budget contents occasioning the review of the Budget to limit the expenditure areas.

It is therefore the opinion of the committee that nothing has come to our attention to warrant Ugenya Technical and Vocational College not to be a going concern in the unforeseen future.

10) ENVIRONMENTAL AND SUSTAINABILITY REPORTING

During the financial year 2023/2024, the college carried out a number of outreach programmes to the community as follows:

Ploughing Services – the college offered ploughing services to the community at a subsidised rate enabling them to increase their farming scale at low cost leading to availability of food stuff within the area. This exercise was however affected by the lengthy Government procurement procedures.

Water – Due to water shortage in the area, the college gave access to the surrounding households to draw water from its well as at when they required.

Waste Management - The College collected all the waste in a pit where the waste was composted to farm yard manure which was later used in the farm for Agricultural purposes. Our college also trained the community on the modern agricultural practices to help them realize good harvest.

Employee Welfare –The College also facilitated various staff to attend various trainings to help improve their skills to aid efficiency in the service delivery.

Compliance with the Statutory Requirements– the college applied and conducted transparent, accountable and very professional interviews for the staff engaged during the financial year 2023/2024 where all the applicants were given equal opportunities to defend their papers and compete fairly for the advertised vacancies.

Supplier Relationship – This was well maintained by keeping good communication channels between the institution and the suppliers. All the contracts were honoured accordingly by both the institution and the suppliers based on the approved contracts and the specifications given to the suppliers. Consequently, the college paid its suppliers promptly after the delivery of the goods/ services. It's also important to note that the evaluation of the tender documents is done with transparency, integrity, professionalism and accountability and hence giving room for effective competition among the suppliers and better service provision.

Environmental Conservation – The College planted a total of 3000 trees of different species in college compound and 600 trees in the neighbouring Ligose primary school.

11) REPORT OF THE BOARD OF GOVERNORS

The Board members submitted their report together with the unaudited financial statements for the year ended 30th June 2024 which show the state of the college's affairs.

Principal activities

The principal activity of the college is to offer TVET.

Board of Governors

The current Board was appointed on 09th February, 2022 as listed from page vii-xi.

12) STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

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

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

The Board members accept responsibility for the college'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 section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013. The Board members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the financial year ended June 30, 2024, and of the college's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The College's financial statements were approved by the Board on _____ 2024 and signed on its behalf by:



PRINCIPAL/BOG SEC.

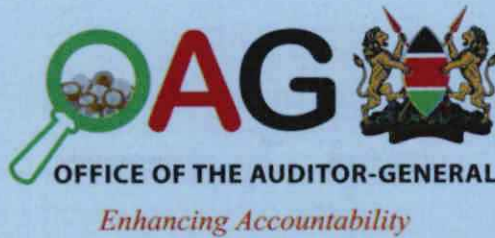


CHAIRMAN



REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON UGENYA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024 – STATE DEPARTMENT FOR TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

The accompanying financial statements of Ugenya Technical and Vocational College set out on pages 1 to 21, which comprise of the statement of financial position as at

Report of the Auditor-General on Ugenya Technical and Vocational College for the year ended 30 June, 2024 – State Department of Technical and Vocational Education and Training

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

In my opinion, except for the effect(s) 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 Ugenya Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Property, Plant and Equipment

The statement of financial position reflects a balance of Kshs.149,259,572 in respect to property, plant and equipment as disclosed in Note 19 to the financial statements. However, the balance includes plant and equipment – five (5) tractors & two (2) trailers received from the Ministry of Education on 26 February, 2018 amounting to Kshs.15,516,840 whose ownership documents were not provided for audit verification.

In the circumstances, the ownership and completeness of the property, plant and equipment balance of Kshs.149,259,572 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual amounts on a comparable basis of Kshs.50,905,333 and Kshs.53,902,087 respectively resulting to an over-collection of Kshs.2,996,754 or 5.89% of the budget.

Similarly, the College spent Kshs.47,808,858 against a final budget of Kshs.50,905,333 resulting to an under-expenditure of Kshs.3,096,475 or 6.08% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter(s) described in the Basis for Qualified Opinion/Material Uncertainty Related to Going Concern section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on page iii to xxiv which comprise of Key Entity Information and Management, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors and Statement of Board of Governor's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Non-Compliance with Law on Ethnic Composition

Review of the Human Resource records revealed that the College had an approved staff establishment of forty (40) staff, out of whom thirty-Seven (37) or 93% of employees are

from the dominant community. This is Contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 that requires all public establishments to seek to represent the diversity of the people of Kenya in employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community.

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Internal Audit Review and Risk Assessment

Review of the College operations indicated that no internal audit reviews were performed on the internal processes and no risk assessment was carried out to identify and address key areas of concern and document specific controls in response to identified risks. This is contrary to Regulation 160(1)(b) of the Public Financial Management (National Government) Regulations, 2015 which states that the internal audit function has a duty to give reasonable assurance through the audit committee on the state of risk management, control and governance within the organization.

In absence of internal audit reviews of the internal controls, risk assessment and governance structures, Management ability to implement effective mitigation measures in management of the College's funds is ineffective.

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

Responsibilities of the Management and the Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

26 May, 2025


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

14) STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

Details	Note	30 th June 2024 Kshs.	30 th June 2023 Kshs.
Revenue from non-exchange transactions			
Capitation Grant	6	22,571,233.00	9,033,000.00
Public contributions and donations	28	9,252,065.00	20,963,882
Total Revenue from non-exchange transactions		31,823,298.00	29,996,882.00
Revenue from exchange transactions			
Rendering of services – Fees from Students	7	31,089,904.00	26,899,830.00
Other income - Production unit	8	240,950.00	533,000.00
Total Revenue from exchange transactions		31,330,854.00	27,432,830.00
Total Revenue		63,154,152.00	57,429,712.00
Expenses			
Use of goods and services	9	25,824,609.00	24,930,458.00
Employee costs	10	9,487,743.00	7,995,776.00
Board of Governors Costs	11	2,408,000.00	2,770,623.00
Repair Maintenance and Improvement	12	1,875,685.00	796,035.00
Contracted services	13	2,045,442.00	1,492,208.00
Production unit	14	202,750.00	419,800.00
Depreciation on PPE	19	1,799,600.00	4,256,915.00
Loss on Revaluation	19	4,467,994.00	0
Total expenses		48,111,823.00	42,661,815.00
Surplus for the period		15,042,329.00	14,767,897.00

The notes set out on pages 6 to 19 form an integral part of the Annual Financial Statements.


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



Chairman of the Board
 Date 16/05/2025



Finance Officer
 Date 16/05/2025



Principal
 Date 16/05/2025



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

15) STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2024

Details	Note	30 th June 2024	30 th June 2023
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	15	15,732,612.00	7,061,956.00
Fees Arrears - Receivables	17	2,603,428.00	7,080,234.00
Inventories	18	432,277.00	368,293.00
Total Current Assets		18,768,317.00	14,510,483.00
Non-Current Assets			
Property, Plant & Equipment	19	149,259,572.00	71,651,713.00
Total Assets		168,027,889.00	86,162,196.00
Liabilities			
Current liabilities			
Trade and other payables	20	0	0
Refundable deposits (prepaid fees)	21	2,000,000.00	2,688,164.00
Total Current Liabilities		2,000,000.00	2,688,164.00
Total Net Assets		166,027,889.00	83,474,032.00
Capital Fund		55,159,669.00	76,123,551.00
Accumulated Surplus		43,356,692.00	7,350,481.00
Revaluation Reserve		67,511,528.00	0
Total Net Liabilities		166,027,889.00	83,474,032.00

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Governors by:
The Principal and Chairman of the Board.



Finance Officer

Date: 16/05/2025

Principal

Date: 16/05/2025

Chairman Board of Governors

Date: 16/05/2025



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

16) STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

Details	Capital Fund	Accumulated Surplus	Revaluation Reserve	Total
	Kshs	Kshs	Kshs.	Kshs
At June 30, 2022	55,159,669.00	13,546,466.00	-	68,706,135.00
Surplus/ Deficit for the year	-	14,767,897.00	-	14,767,897.00
At June 30, 2023	55,159,669.00	28,314,363.00	-	83,474,032.00
Revaluation gain	-	-	67,511,528.00	67,511,528.00
Surplus/Deficit for the Year	-	15,042,329.00	-	15,042,329.00
At June 30, 2024	55,159,669.00	43,356,692.00	67,511,528.00	166,027,889.00

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

17) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2024

Details		30 th June 2024	30 th June 2023
	Note	Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from Government- Capitation grants	6	22,571,233.00	9,033,000.00
Rendering of services- Fees from students	22	34,814,562.00	24,598,570.00
Other income – Production Unit	8	240,950.00	533,000.00
Total Receipts		57,626,745.00	34,164,570.00
Payments			
Use of goods and services	23	25,824,609.00	26,420,185.00
Compensation of employees	24	9,487,743.00	8,041,626.00
Board of Governors Costs	11	2,408,000.00	2,770,623.00
Repair Maintenance and Improvement	25	1,875,685.00	802,035.00
Contracted Services	26	2,045,442.00	1,492,208.00
Production Unit	14	202,750.00	419,800.00
Total Payments		41,844,229.00	39,946,477.00
Net cash flows from operating activities		15,782,516.00	(5,781,907.00)
Cash flows from investing activities			
Purchase of property, plant and equipment Assets	19	7,111,860.00	(2,170,000.00)
Net cash flows used in investing activities		7,111,860.00	(2,170,000.00)
Net increase/(decrease) in cash and cash equivalents		8,670,656.00	(7,951,907.00)
Cash and cash equivalents at 1 st July 2023		7,061,956.00	15,013,863.00
Cash and cash equivalents at 30th June 2024		15,732,612.00	7,061,956.00

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

18) STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2024

	ORIGINAL BUDGET	ADJUSTMENTS	FINAL BUDGET	ACTUAL ON COMPARABLE BASIS	PERFORMANCE DIFFERENCE	UTILIZATION DIFFERENCE
Details	2023-2024			2023-2024	2023-2024	2023-2024
	Kshs			Kshs	Kshs	%
Revenue						
Capitation grant	34,135,470.00	(12,019,237.00)	22,116,233.00	22,571,233.00	455,000.00	2.06%
Rendering of training services	36,489,570.00	(7,985,970.00)	28,503,600.00	31,089,904.00	2,586,304.00	9.07%
Production unit & Exams	785,500.00	(500,000.00)	285,500.00	240,950.00	(44,550.00)	(15.60%)
Total income	71,410,540.00	(20,505,207.00)	50,905,333.00	53,902,087.00	2,996,754.00	5.89%
Expenses						
Rendering of training services	28,528,638.00	(4,475,685.00)	24,052,953.00	25,824,609.00	(1,771,656.00)	(7.37%)
Employee costs	10,858,248.00	(1,778,448.00)	9,079,800.00	9,487,743.00	(407,943.00)	(4.49%)
B.O.G Allowances	2,547,462.00	0	2,547,462.00	2,408,000.00	(139,462.00)	(5.47%)
Repair Maintenance Improvement	1,371,697.00	503,000.00	1,874,697.00	1,875,685.00	(988.00)	(0.053%)
Contracted services	1,967,472.00	0	1,967,472.00	2,045,442.00	(77,970.00)	(3.96%)
Production unit	700,590.00	(415,090.00)	285,500.00	202,750.00	(82,750.00)	(28.98%)
Depreciation on PPE	4,231,183.00	1,528,817.00	5,760,000.00	5,964,629.00	(204,629.00)	(3.55%)
Total expenditure	50,205,290.00	(4,637,406.00)	45,567,884.00	47,808,858.00	(2,240,974.00)	(4.9%)
Surplus for the period			5,337,449.00	6,093,229.00		

1. That the report is based on the final budget estimates and not the original budget as a supplementary budget was prepared before the end of the said financial year to adjust the budget according to the available resources as shown in the statement of comparison of budget and actual amounts.
2. That the major deviation leading to budget review was caused by the failure to receive the capitation grant as projected during the original budget preparation. According to the number of students validated by KUCCPS for capitation funding, the college earned a total of kshs.24,353,000.00 but received kshs.9,335,000.00. This was a negative deviation of kshs.15,018,000.00 that would have facilitated the general college activities. This reflected an upward trend of kshs.302,000.00 compared with the receipt of kshs.9,033,000.00 in 2022/2023FY despite the increase in the number of students. This constituted an increase of 3.34% from the previous year capitation disbursement notwithstanding the kshs.13,236,233.00 received as scholarship on behalf of 327 students.
3. That the under performance in the production unit vote head is attributed to the lengthy Government Procurement procedure and the heavy investment by private practitioners in the farm mechanization department, hence high competition in the farm service provision.

19) NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Ugenda Technical and Vocational College is established by and derives its authority and accountability from TVET Act 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College'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 College's accounting policies.

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

The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act 2015, the TVET Act 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3 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 realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

b) Budget information

The original budget for FY 2023/2024 was approved by the Board on 09/06/2023 while the final Budget was approved by the Board on 02/07/2023. There were other additional appropriations added to the original budget by the College in order to conclude the final budget.

The College's budget is prepared on the same 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 as well as the budget is prepared on accrual basis. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, was then presented in the statement of comparison of budget and actual amounts.

Taxes

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.

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 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.

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 College 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.

Depreciation of Fixed Assets

It is the policy of Ugenya Technical and Vocational College to depreciate its Property, Plant and Equipment over its useful life by considering the following;

- i) If an item of property, plant and equipment is revalued, the entire class of PPE to which that asset belong shall be revalued.
- ii) The depreciation charge for each period shall be recognized in surplus or deficit unless it is included in the carrying amount of another asset.

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- iii) The depreciation method chosen shall reflect the pattern in which the asset's future economic benefits of service potential are expected to be consumed by the college.
- iv) An impairment loss of a cash generating asset-is the amount by which the carrying amount of an asset exceeds its recoverable amount.
- v) The depreciation method applied to an asset shall be reviewed every year when the financial statements are being prepared subject to changes in the status of the asset.
- vi) The assets of UTVC shall be depreciated annually on a straight-line basis and where this method is not applicable, the revaluation method shall be adopted.
- vii) Depreciation rates as per I.T Act for most commonly used assets of the college shall be as follows;

No.	Asset Class	Asset Type	Rate of Depreciation
1	Building	Offices/Classes/Lecture Rooms/workshops/toilets/power house	2.5%
2	Building	Purely temporary erections such as wooden structures	25%
3	Furniture	Furniture – Any furniture / fittings including electrical fittings and air conditioners	12.5%
4	Plant & Machinery	Plant and Equipment	12,5%
5	Plant & Machinery	Computers, Laptops, computer software, Printer, Scanner, UPS and other peripheral devices	12.5%
6	Plant & Machinery	Books	25%
7	Plant & Machinery	Motor Vehicles	25%
8	Catering Equipment	Cutleries	10%

Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the College. 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 College 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.

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.

Research and development costs

The college expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the college 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.

4. FINANCIAL INSTRUMENTS

Financial assets

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

Classification

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

assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

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 college 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 college assesses at each reporting date whether there is objective evidence that a financial asset or college financial assets is impaired. A financial asset or a 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:

The debtors or a 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

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.

Inventories

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

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

Raw materials: purchase cost using the weighted average cost method

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

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

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

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

Provisions

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

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

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

Contingent liabilities

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

Contingent assets

The college does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the college in the notes to the financial statements. Contingent assets

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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.

Nature and purpose of reserves

The college has created and maintained reserves in terms of specific requirements.

Changes in accounting policies and estimates

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

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.

Borrowing costs

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

Related parties

The college 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 college, or vice versa. Members of key management are regarded as related parties and comprise the Board of Governors, the principal and senior managers.

Service concession arrangements

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

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.

Comparative figures

During the preparation of the financial statements for the Year ended 30th June, 2024 there was no change in comparison of figures in-respect of the past financial statements.

Subsequent events

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

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

The condition of the asset based on the assessment of experts employed by the college.

The nature of the asset, its susceptibility and adaptability to changes in technology and processes

The nature of the processes in which the asset is deployed

Availability of funding to replace the asset

Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 16.

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.

Fair value through surplus or deficit

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

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Trade and other receivables

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

Impairment

The college assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The college recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *note number 19*.

c) Social Benefits

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

Events after the Reporting Period

There were no material adjusting and non- adjusting events after the reporting period. This was caused by the valuation of the college plant and equipment that was carried out by the ministry of transport, the mechanical department, siaya county office.

Ultimate and Holding Entity

The college is under the State department for Technical, Vocational, Education and Training under the Ministry of Education. Its ultimate parent is the Government of Kenya.

Currency

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

6. CAPITATION GRANT

Details	2023-2024	2022-2023
	Kshs	Kshs
Unconditional grants		
Capitation Grant – Quarter 1	2,072,000.00	3,265,000.00
Capitation Grant – Quarter 2	2,072,000.00	2,884,000.00
Capitation Grant – Quarter 3	2,368,000.00	2,884,000.00
Capitation Grant – Quarter 4	2,823,000.00	-
GoK Scholarship	13,236,233.00	-
Total Government Grants	22,571,233.00	9,033,000.00

7. FEES FROM STUDENTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Tuition/S.E.S. and other related charges Actual Receipts	28,918,306.00	20,055,426.00
Tuition/S.E.S. and other related charges Receivables	2,171,598.00	6,844,404.00
Total	31,089,904.00	26,899,830.00

The table above shows the receipts during the year based on the accrued basis of Accounting for AIA.

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8. OTHER INCOME

Details	2023-2024	2022-2023
	Kshs	Kshs
Tractor services	213,550.00	520,000.00
Farm Produce	27,400.00	13,000.00
Total Revenue From service provision	240,950.00	533,000.00

9. USE OF GOODS AND SERVICES

Details	2023-2024	2022-2023
	Kshs	Kshs
Training Materials and other related costs	7,452,440.00	6,579,369.00
Local Transport & Travel	2,771,517.00	3,522,959.00
Utilities (Electricity, Water and Conservancy)	445,884.00	446,531.00
Administrative Expenses	7,606,220.00	7,517,229.00
Activity (sports and recreational activities)	2,024,112.00	2,244,110.00
Students Organization	258,000.00	340,430.00
KNEC Examination	5,266,436.00	4,279,830.00
Total	25,824,609.00	24,930,458.00

10. EMPLOYEE COSTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	7,830,940.00	7,178,393.00
Employee related costs and contributions	1,656,803.00	817,383.00
Total	9,487,743.00	7,995,776.00

11. BOARD OF GOVERNORS COSTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Sitting Allowance	1,180,000.00	1,780,900.00
Transport Allowance	638,000.00	538,000.00
Tax Charged	590,000.00	451,723.00
Total	2,408,000.00	2,770,623.00

12. REPAIRS, MAINTENANCE & IMPROVEMENTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Cleaning Materials	98,760.00	158,314.00
Building Materials	1,465,061.00	533,381.00
Electrical Materials	191,050.00	64,040.00
Servicing of College Bus	120,814.00	40,300.00
Total Repairs and Maintenance	1,875,685.00	796,035.00

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13. CONTRACTED SERVICES

Details	2023-2024	2022-2023
	Kshs	Kshs
Security Guards	624,000.00	615,600.00
Internet services	561,419.00	461,128.00
Sanitary bins	41,794.00	15,480.00
Consultancy services	526,080.00	400,000.00
Insurance cover for the Bus	292,149.00	-
Total contracted services	2,045,442.00	1,492,208.00

14. PRODUCTION UNIT

Details	2023-2024	2022-2023
	Kshs	Kshs
Tractor services	124,200.00	345,350.00
Farm produce	78,550.00	74,450.00
Total Revenue From service provision	202,750.00	419,800.00

15. CASH AND CASH EQUIVALENTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Current account	2,040.00	7,047,401.00
Cash at Hand	15,730,572.00	14,555.00
Total Cash and Cash Equivalents	15,732,612.00	7,061,956.00

16. DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Details		2023-2024	2022-2023
Financial institution	Account number	Kshs	Kshs
a) Current account			
Kenya Commercial bank	1238447694	15,730,572.00	7,047,401.00
Sub- total		15,730,572.00	7,047,401.00
b) Others			
cash in hand		2,040.00	14,555.00
Sub- total		2,040.00	14,555.00
Grand Total		15,732,612.00	7,061,956.00

17. A. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Details	2023-2024	2022-2023
	Kshs	Kshs
Student Debtors (Fees Arrear)	2,171,598.00	6,844,404.00
Aging Debts (Fees arrears)	431,830.00	235,830.00
Total current receivables	2,603,428.00	7,080,234.00

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. B. AGEING ANALYSIS OF RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Less than 1 year	2,171,598.00	83.41%	6,844,404.00	96.67%
Between 1- 2 years	324,960.00	12.48%	120,600.00	1.7%
Between 2-3 years	61,070.00	2.35%	69,070.00	0.98%
Over 3 years	45,800.00	1.76%	46,160.00	0.65%
Total	2,603,428.00	100.00%	7,080,234.00	100%

18. INVENTORIES

Details	2023-2024	2022-2023
	Kshs	Kshs
Stationeries	295,388.00	151,354.00
Practical materials (Training)	104,660.00	51,189.00
Repair Maintenance and Improvements	32,229.00	165,750.00
Total inventories	432,277.00	368,293.00

19. PROPERTY, PLANT AND EQUIPMENT

A) SCHEDULE OF FIXED ASSET

Description	Land	Motor Vehicle	Buildings	Plant & Equipment	Catering & Cutlery	Eq	Computers	Furniture & Fittings	Total
Cost									
At 1 st July 2022	1,920,000	0	54,425,944	3,556,747	89,197		755,400	2,209,399	62,956,687
Additions	0	7,198,400	0	13,765,482	55,200		414,800	1,180,000	22,613,882
Transfers	0	0	0		0			0	
At 30 June 2023	1,920,000	7,198,400	54,425,944	17,322,229	144,397		1,170,200	3,389,399	85,570,569
Additions	2,900,000	0	0	1,713,990	0		1,405,100	1,092,770	7,111,860
Transfer/Adjustments	11,880,000	0	55,688,483	221,808	(56,955)		7,032,863	1,997,394	76,763,593
At 30 June 2024	16,700,000	7,198,400	110,114,427	19,258,027	87,442		9,608,163	6,479,563	169,446,022
At 1 st July 2022	0	0	7,333,130	1,139,434	27,237		140,030	1,022,110	9,661,941
Depreciation	0	0	2,721,297	675,950	52,648		468,080	338,940	4,256,915
At 30 June 2023	0	0	10,054,427	1,815,384	79,885		608,110	1,361,050	13,918,856
Depreciation	0	1,799,600	0	0	0		0	0	1,799,600
Transfers/Adjustments	0	0	0	1,925,803	(48,248)		562,090	2,028,349	4,467,994
At 30 June 2024	0	1,799,600	10,054,427	3,741,187	31,637		1,170,200	3,389,399	20,186,450
Net Book Values									
Net Book Value At 30 June 2023	1,920,000	7,198,400	44,371,517	15,506,845	64,512		562,090	2,028,349	71,651,713
Net Book Value At 30 June 2024	16,700,000	5,398,800	100,060,000	15,516,840	55,805		8,437,963	3,090,164	149,259,572

Valuation

As per National Treasury guidelines, Property, Plant and Equipment were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Odongo Kabita and Company professional valuers on 29/06/2024. These amounts were adopted in the financial statements on 30/06/2024 as follows;

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- i. The kshs. 9,487,743.00 reported in the statement of financial performance refers to the plant and equipment of kshs.221,808.00, Computers of kshs.7,032,863.00 and kshs.1,997,394.00 in respect of Furniture and fittings that were donated by the Ministry of Education in 2018 and had not been reported in the books of accounts. These figures are reflected in note 19A under transfers and adjustments.
- ii. Under the note 19A, is kshs.11,880,000 and kshs.55,688,483.00 in respect of appreciation in the value of land and buildings respectively. The loss in value of kshs.56,955.00 in respect of catering equipment and cutlery has also been disclosed in the schedule of fixed assets under transfers and adjustments. The summation of these figures is kshs. 67,511,528.00 reported in the statement of net changes in assets as revaluation gain.

(B) Property, Plant and Equipment at Cost

The Property, Plant and Equipment were stated on historical cost basis as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	4,820,000.00	11,880,000.00	16,700,000.00
Buildings	54,425,944.00	45,634,056.00	100,060,000.00
Plant and Machinery	19,258,027.00	(3,741,187.00)	15,516,840.00
Motor Vehicles	7,198,400.00	(1,799,600.00)	5,398,800.00
Computers and Related Equipment	9,608,163.00	(1,170,200.00)	8,437,963.00
Office Equipment, Furniture, and Fittings	6,479,563.00	(3,389,399.00)	3,090,164.00
Cutleries	144,397.00	(88,592.00)	55,805.00
Total	101,934,494.00		149,259,572.00

20. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Details	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors	0	0
P. Emoluments	0	0
Contracted Services	0	0
Total	0	0

21. PAYMENTS RECEIVED IN ADVANCE/REFUNDABLE DEPOSITS FROM STUDENTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Prepaid Fees	2,000,000.00	2,688,164.00
Total	2,000,000.00	2,688,164.00

22. USE OF GOODS AND SERVICES – CASH INFLOW

Details	2023-2024	2022-2023
	Kshs	Kshs
Tuition/S.E.S.& other related charges Actual Receipts	29,228,913.00	20,788,327.00
Aging Fees Arrears received	3,585,649.00	3,810,243.00
Payments received in advance	2,000,000.00	0
Total	34,814,562.00	24,598,570.00

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23. USE OF GOODS AND SERVICES – CASH OUT FLOW

Details	2023-2024	2022-2023
	Kshs	Kshs
Training Materials and other related costs	6,452,440.00	7,674,378.00
Local Transport & Travel	2,571,517.00	3,522,959.00
Utilities (Electricity, Water and Conservancy)	445,884.00	597,249.00
Administrative Expenses	7,606,220.00	7,517,229.00
Activity (sports and recreational activities)	2,024,112.00	2,244,110.00
Students Organization	258,000.00	340,430.00
Industrial Attachment	1,200,000.00	244,000.00
KNEC Examination	5,266,436.00	4,279,830.00
Total	25,824,609.00	26,420,185.00

24. EMPLOYEE COSTS – CASH OUT FLOW

Details	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	7,830,940.00	7,178,393.00
Employee related costs and contributions	1,656,803.00	817,383.00
Salaries and other related charges cleared	0	45,850.00
Total	9,487,743.00	8,041,626.00

25. BOARD OF GOVERNORS COSTS

Details	2023-2024	2022-2023
	Kshs	Kshs
Sitting Allowance	1,180,000.00	1,780,900.00
Transport Allowance	638,000.00	538,000.00
Tax Charged	590,000.00	451,723.00
Total	2,408,000.00	2,770,623.00

26. REPAIRS, MAINTENANCE & IMPROVEMENTS – CASH OUT FLOW

Details	2023-2024	2022-2023
	Kshs	Kshs
Cleaning Materials	98,760.00	158,314.00
Building Materials	1,465,061.00	533,381.00
Electrical Materials	191,050.00	64,040.00
Plumbing Materials	120,814.00	40,300.00
Arrears cleared	0	6,000.00
Total Repairs and Maintenance	1,875,685.00	802,035.00

27. CONTRACTED SERVICES – CASH OUT FLOW

Details	2023-2024	2022-2023
	Kshs	Kshs
Security Guards	624,000.00	615,600.00
Internet Services	561,419.00	461,128.00
Consultancy Services	526,080.00	400,000.00
Insurance cover for the Bus	292,149.00	0

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Sanitary Bins	41,794.00	15,480.00
Total contracted services	2,045,442.00	1,492,208.00

28. PUBLIC CONTRIBUTIONS AND DONATIONS

Description	2023-2024	2022-2023
	Kshs	Kshs
Donations from Ugenya NG-CDF	0	7,198,400.00
Donations from National Government of Kenya	9,252,065.00	13,765,482.00
Total Donations and Contributions	9,252,065.00	20,963,882.00

1. The donation indicated in the table above as received from Ugenya National Government Constituency Development Fund is in respect of a College Bus donated for students field trip training in the year 2022/2023FY.
2. The donations from the Government of Kenya represent Property, Plant and Equipment that was donated in the year 2018/2019 but had not been valued for accounting purposes. These items were valued on 14/08/2023 and 29/06/2024.

20) APPENDIXES

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)

The above table has not been completed as the audit report for the 2022/2023FY had not been received by the time this report was being presented.

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Elizabeth A.O. Okullu
(Principal/BOG Secretary)
Date 16/05/2025