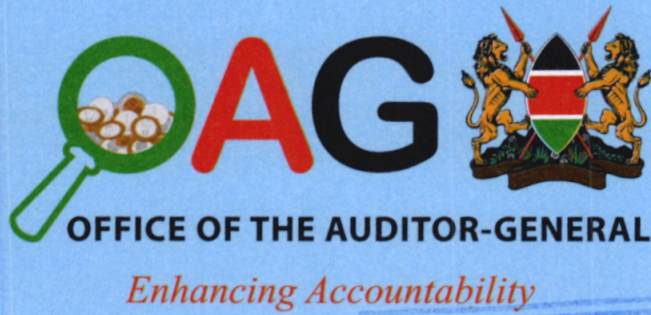


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

**TANA RIVER TECHNICAL AND VOCATIONAL
COLLEGE**

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

TANA RIVER COUNTY

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MINISTRY OF EDUCATION, STATE DEPARTMENT OF VOCATIONAL AND TECHNICAL TRAINING

TANA RIVER TECHNICAL & VOCATIONAL COLLEGE

Appropriate Skills and Knowledge for Development



P.O Box 25 - 70101 Hola, Tana River
Tel: 0703 386 688 Email: tanarivertvc@gmail.com

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TANA RIVER 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)

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTTC	Teacher Training College
TVCL	Technical Vocational College
TRTVCL	Tana River Technical Vocational College
TVET	Technical Vocational Educational Training
ICT	Information and Communication Technology

Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

■ Key Entity Information and Management

(a) Background information

River Technical and Vocational College is one of the TVETinfrastructural program that was constructed in the Country (phase 60/70) classified as TTI's for COUNTIES WITH NONE. The college is located in Hola Town, Galole Constituency, Tana River County. It is situated 10 km from the Hola town. The college sits on a large parcel of land (12.14 Ha). The college is quite far from town with no human settlements around. The college is managed by a Board of Governor appointed by the Ministry of Education and run on a day-to-day basis by a principal who is appointed under the State Department for Vocational and Technical Training

(b) Principal Activities

The principal activity/mission of the college is to train highly skilled workforce that is suitable for further professional development through quality inclusive and equitable TVET programs responsive to national and global competitiveness, implementing training in TVET programs, carrying out research programs, and innovation into products and services

The core functions of Tana River Technical and Vocational College include;

1. Enhance Access to TVET training by providing opportunities for all eligible trainees.
2. Promote Equity in education and training by providing opportunities for life-long learning.
3. Provide quality and relevance in training by developing and encouraging a culture of research, creativity and innovation among trainees and staff.
4. Establish good governance for operational efficiency and effectiveness.
5. Enhance attractiveness through strategic collaboration and linkages with research institutions, industry and professional bodies both nationally and internationally.
6. Be technologically relevant by integration of ICT in training and management.
7. Strengthen financial base of TRTVC

Key Entity Information and Management (continued)

(c) Key Management

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

- Board of Governors
- Accounting officer/ Principal

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal/Secretary to BOG	Mohamed Adan Sora
2.	Deputy Principal	Wandeto Francis Ndirangu
4.	Ag. Registrar	Mairi Simon Kaluku
5.	Ag. Dean of Students	Ngumbao Fundi

Part 7 Entity Information and Management (Continued)

Fiduciary Oversight Arrangements

(f) Entity Headquarters

Tana River Technical and Vocational College
P.O. Box 25-70101
HOLA, TANA RIVER COUNTY
KENYA

(g) Entity Bankers

Kenya Commercial Bank
Hola Branch
Hola, Kenya

(h) Entity Contacts

Telephone :(254)703 386688
E-mail: tanarivertvc@gmail.com

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

the Board of Governors

– Board Chairman



MR. Hussein Bodole
 Board Member

Mr. Hussein Bodole, aged 35, currently serves as the Board Chairman. He has a strong background in administrative and legal support services, having previously worked as a **Clerical Officer** and later as an **Executive Officer** at the **Hola Law Court**. His experience in public service and leadership within the legal sector contributes significantly to the governance and strategic oversight of the board. He is currently County Chief Office in Tana River County.



MR. ABDIKADIR SIRAD
 MADHOWE

– Board Member




Mr. Abdikadir Sirad Madhowe, 35, is a Board Member with a strong background in public service and project planning. He holds a **Master's in Project Planning** from the **University of Nairobi** and a **Bachelor's in Business Administration** from **Casa College, Nicosia**. He has served as a **Regional Team Leader** for the **Lamu-Lokichar Crude Oil Pipeline Impact Assessment** and held key positions as **County Chief Officer** for both **Trade, Tourism and Industry**, and **Culture, Gender and Social Services** in Tana River County.



MS. CPA HENRY D. MIEN

Mr. Henry D. Mien is a seasoned finance and audit professional with a solid background in accounting, internal auditing, and fraud risk management. He holds a **Master of Business Administration** from **Strathmore Business School** (2016) and a **Bachelor of Commerce in Accounting** from **Daystar University** (2007). He qualified as a **Certified Public Accountant (K)** in 1999 through **KASNEB**. He is a registered **Member of the Institute of Certified Public Accountants of Kenya (ICPAK)** – Member No. 3778, a **Member of the Institute of Internal Auditors (IIA)** – Member No. 1425725 (Florida, USA), and an **Associate Member of the Association of Certified Fraud Examiners (ACFE)**, based in Texas, USA.

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<p>Board Member</p>  <p>MR. WILLIAM SOYE JILLO</p>	<p>Mr. William Soye Jillo, aged 34, is a qualified engineer with expertise in environmental and water resource management. He holds a Bachelor of Science in Soil, Water, and Environmental Engineering from Jomo Kenyatta University of Agriculture and Technology (JKUAT). He currently serves as the County Irrigation Engineer for Tana River County and is a Registered Graduate Engineer with the Engineers Board of Kenya (EBK) – Registration No B18737. Mr. Jillo is also an Associate Expert accredited by NEMA (No. 11753). His professional affiliations include membership in the Institution of Engineers of Kenya (IEK) and the Environmental Institute of Kenya (EIK), reflecting his commitment to sustainable engineering and environmental stewardship.</p>
<p>- Board Member</p>  <p>MR. FELIX KADZITU MUMBA</p>	<p>Mr. Felix Kadzitu Mumba, aged 49, is an accomplished civil engineer with a strong focus on water resources management. He holds a Master of Science in Civil Engineering (Water Option) and a Bachelor of Science in Civil Engineering. He currently serves as the County Director of Water in Tana River County, having previously held the position of Deputy County Director of Water. With extensive experience in public water infrastructure and resource management, Mr. Mumba brings valuable technical and strategic insight to the board.</p>
<p>Board Member</p>  <p>MR, ABDI YUSSUF OMAR</p>	<p>Mr. Abdi Yusuf Omar, aged 48, is a seasoned professional with a background in information science and human resource management. He holds a Bachelor of Science in Information Science from Mount Kenya University (MKU) and a Higher National Diploma in Human Resource. Mr. Omar currently serves as a Records Officer at Garissa University and has also held the role of Human Resource Officer at the institution. His expertise in information management and human resources brings valuable insights to the board.</p>



ASHA AJUU SAIDI

-Miss Asha Ajuu Saidi , aged 30, is a seasoned professional with a background in Accounting and Finance. She holds Master in Business Administration –Finance, Bachelor of science in international Business Administration and CPA K. She is Member of ICPAK
She is currently Accounting Officer at Tana River County Public Service Board







MR MOHAMED ADAN SORA
(Principal)

Mr. Mohamed Adan Sora, aged 40, is the current **Principal of Tana River Technical and Vocational College** and serves as the **Secretary to the Board of Governors**. He is actively pursuing a **Master's Degree in Business Administration (MIS)** at **Kenyatta University** and holds a **Bachelor's Degree in Business Information Technology** from **Mount Kenya University**.

With strong academic and leadership credentials, Mr. Sora plays a pivotal role in the administration and strategic direction of the college.

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

Key Management Team

<p>Mohamed Adan Sora</p>		<p>The Principal/Secretary to the Board of Governors</p>
<p>Wandeto Francis Ndirangu</p>		<p>Deputy Principal</p>
<p>Mairi Simon Kaluku</p>		<p>Ag. Registrar</p>
<p>Ngumbao Fundi</p>		<p>Ag. Dean Of Students</p>

■ Chairman's Statement

The office of the Chairperson of the Board of Governors of Tana River Technical and Vocational College has been active during the year under review in managing the affairs of the college. We recognize the existing challenges including the issues of Equipment and learning facilities, Security, Fewer staffs, fewer teaching resources but above all the culture that associates technical training with mundane life. This requires change in the mindset of our people as we leveraged on the leaders to sensitize and educate our people to embrace the concept of technical and vocational training for our youth. The Board is committed to ensuring that the changing world around is sensitive to the needs of the future.

We intend to collaborate with a number of agencies both public and private sector in our endeavour to grow the institution. Our desire to achieve and deliver on our mandate has seen our drive in reaching out to each and every other partner willing to work with us.

During the year under review, the college management has carried out an aggressive popularity campaign in Tana River County and its environs. Our mandate is to grow the student population through a number of strategies including effective outreach programs geared to popularize the institution from within and around the County. On matters of security, the management has put certain measures in place to beef security. However, the college require fencing to boost the level of security in the institution to both staff and students.

As a board, we endeavour to continually putting in place governance systems to ensure that we not only comply with the code of ethics but engage in prudent leadership practices that creates value for the College. The college has remained a good corporate citizen that meets its obligations for its staff and students as well as the national obligation

The college registered remarkable development during the period under review in the realization of its mandate with support of the Ministry of Education, state department of Vocational and Technical Training. As a result, the college has now been able to admit the students and in the process of fully operationalizing the college. The college continues to register an overall improvement in its performance.

Special thanks go to the State Department of Vocational and Technical Training, Ministry of Education, without which our achievements would not have been realized. Finally, I wish to appreciate my Board Members and the Management Staffs for their efforts in supporting the realization of the college mandate.



Hussein Bodole

Chairman Board of Governors

Report of the Principal

Pursuant to Section 83 of the Public Finance Management Act, 2012, I take this opportunity to present the college's Annual report and financial statements for the period ended 30 June 2023. The report focuses on the College's Strategic intent included in the strategic plan which the college is in the process of developing. It includes Curriculum implementation and development, Facilities & infrastructure development, Human resource development, Enrollment and tracer studies, Resource mobilization, Linkages, partnerships and networking, Governance, Student welfare, Research, innovation and development, ICT integration and Education for sustainable development.

The above strategic issues are part of broad initiatives undertaken by the College planning system to impart relevance to current National TVET reforms. This defines the college's mandate aimed at enhancing quality, competitiveness, creativity and innovativeness in TVET education. This report is premised on involvement on account of analysis of goals, strategic issues, strategic objectives, strategies and activities that the college intends to pursue in the next three years. The mandate of the Board of Governors among other things is to provide apex management towards achieving the college mandate as per the TVET Act 2013.

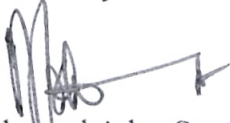
The College is committed to ensuring that the Fencing of the compound and landscaping within the compound is done, since image is everything.

Challenges

The college emphasizes on the need for adequate staffing for the effective education in all departments. All the departments do not have sufficient staff to handle the trainees. Shortage of trainers is therefore one of the challenges facing the college. In order to alleviate the shortage, the college has been hiring BOG trainers to train the trainees. The staff are paid by the college from its meagre resources. During the 2022/2023 financial year, the college maintained 10 trainers under the Board but the number is likely to increase due to our increased programs.

Because of security concerns the fencing of the college is paramount. The distance of the college from the human settlement has necessitate accommodating the trainees in the college workshops.

Continuous dynamism in the ICT sector requires the Internet Connectivity. The college also requires more bandwidth in internet connectivity. Currently the college is serviced with an internet connectivity of 10 Mbps.



Mohamed Adan Sora
Principal/Secretary Board of Governors

Statement of Performance against Predetermined Objectives

Tara River Technical and Vocational College’s strategic pillars within its strategic plan being developed are as follows.

- Curriculum implementation and development,
- Facilities & infrastructure development,
- Human resource development,
- Enrolment and tracer studies,
- Resource mobilization
- Linkages, partnerships and networking,
- Governance,
- Student welfare
- Research, innovation and development
- ICT integration
- Education for sustainable development

The institution is geared towards achieving its performance targets set for the financial year 2023-2024 period for its eight strategic pillars as indicated in the diagram below.

STRATEGIC ISSUES	STRATEGIC OBJECTIVES	STRATEGIES	ACTIVITIES	TARGET OUTPUT	PERFORMANCE INDICATORS
CURRICULUM IMPLEMENTATION & DEVELOPMENT	OBJECTIVE 1 : To implement and design market oriented and demand-driven programmes	Adopt, and implement existing courses	<ol style="list-style-type: none"> 1. Acquire approved course syllabi 2. Obtain accreditation and licensing from relevant legal and regulatory bodies 3. Implement course content 4. Promote flexible and blended learning 5. Introduce virtual learning 	<ol style="list-style-type: none"> 1. At least one designed market driven course implemented in each academic department. 2. Demand driven courses by government regulatory bodies offered 	<ol style="list-style-type: none"> 1. Number of courses offered 2. No. of accredited and licensed courses

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	Quality assurance in delivery of curricula.	<ol style="list-style-type: none"> 1. Implement documented procedures in compliance with ISO QMS requirements 2. Analyse internal and external exams 3. Root cause analysis and preventive action 4. Integrate other standards into the QMS 	<ol style="list-style-type: none"> 1. Compliance to ISO QMS procedures 2. Examination and Root cause analysis 3. Enhanced QMS systems 	<ol style="list-style-type: none"> 1. Evidence of compliance to QMS procedures 2. Examinations and root cause analysis reports 3. New standards integrated into QMS
	To implement and design competence based courses (CBET) and incorporate work place essential skills (WPES) in training and develop demand driven courses	<ol style="list-style-type: none"> 1. Develop market need assessment tool 2. Modify existing course content to meet industry needs 3. Design and develop CBET courses 4. Offer tailor made courses 	<ol style="list-style-type: none"> 1. Market needs assessed 2. Existing courses modified to suit market needs 3. CBET courses developed and implemented 4. Increased international leverage 	<ol style="list-style-type: none"> 1. Records of market needs 2. Evidence of course modification 3. Number of CBET courses

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STRATEGIC ISSUE 2: FACILITIES, INFRASTRUCTURE, EQUIPMENT, MACHINES & TOOLS	To upgrade the Institute's facilities and infrastructure.	Renovation of existing facilities and infrastructure.	1. Conduct renovation of existing facilities 2. Improve the existing pathways	Upgrading of existing facilities and infrastructure	Number of renovations and expanded facilities
STRATEGIC ISSUE 3: HUMAN RESOURCE	OBJECTIVE 1 Staff establishment	1. Recruit 2. Maintain and retain qualified non-teaching staff - Recruit - Reward - Retain Identify areas of staff shortage - Contact government for relevant teachers	1. Conducting recruitment of staff 2. Skills gap analysis 3. Reviewing terms and conditions of service. 4. Appraising and promoting staff 4. Rewarding performing staff (Strategy) 5. Staff requirements established	Qualified staff employed and retained No. of PSC staff establishment	Number of qualified staff recruited Reviewed terms and conditions of service Number of staff appraised and promoted Number of awards for staff
STRATEGIC ISSUE 4: ENROLMENT	1. To determine the optimum carrying capacity of every course	Monitor the optimum capacity per course Carry out continuous marketing to maintain visibility	optimum enrolment and quality training	carrying capacity report Evidence of marketing Enrolment statistics	

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STRATEGIC ISSUE 5: RESOURCE MOBILIZATION	To identify, secure and manage financial resources efficiently and effectively.	1.To broaden financial resource base	1.Lobby National and county governments for additional funds 2. Expansion of income generating activities. 3. Lobby for funding from local and international donors, partners and Industry	Additional funding (more funds) Implementation of more income generating projects.	Audit reports Accounts statements Progress reports
STRATEGIC ISSUE 6: LINKAGES, PARTNERSHIPS AND NETWORKING	To strengthen and Enlarge linkages With strategic Partners Nationally and Internationally	Continually engage targeted partners in negotiations leading to new MOUs.	• Establish partnerships with any industrial organizations to explore ways of putting into use of any technologies or innovations that have been developed.	Enhanced Collaboration and Linkages	Number of established linkages
STRATEGIC ISSUE 7: GOVERNANCE	To maintain and continually improve principles of good governance	Establish clear governance structure	1. Review organizational structure to make it responsive to the emerging trends 2. Develop job descriptions and job specifications 3. Conduct job evaluations Make appointments and promotion of staff on merit . Fully adhere to the provisions of relevant Acts, regulations and guidelines Sensitize the staff on issues of administration	Organizational structure reviewed and updated. Job descriptions and evaluations established Provisions of relevant Acts and regulations mapped out and adhered to. Staff sensitized on administrative issues	Adaptive structure adopted and personnel deployed. Job descriptions Job evaluation reports Percentage of compliance to relevant Acts and regulations. Legal audit reports Number of sensitization and training sessions for staff

T. MA RIVER TECHNICAL AND VOCATIONAL COLLEGE
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STRATEGIC ISSUE 8: STUDENT WELFARE	To enhance the students training experience	Enhance student recreation activities Enhance general student welfare	Upgrading of the playing fields Increase number of indoor sports facilities advocacy, sensitization and peer support Enhance Career and counselling office Enhance participation in President's award schemes and similar programs that would encourage trainees to develop positive life skills and ethical values for a better society	Increased opportunities for student recreation Trainee retention and increased course completion rates Trainees informed on career choices Well-adjusted trainees	Number of playing fields Number of indoor sports facilities Trainee retention and course completion statistics Trainees access to career information Level of trainees' participation in various co-curricular activities
STRATEGIC ISSUE 9: RESEARCH, INNOVATION AND DEVELOPMENT	To enhance research over the planned period	1. Generate funds for research	1. Liaise with NACOSTI for research funds 2. Identify potential external funding agencies	Availability of research funds	Funding agreements Number of funding agencies identified
STRATEGIC ISSUE 10: ICT INFRASTRUCTURE	To integrate ICT in management and teaching-learning	Enhance ICT infrastructure Expand MIS to capture all administrative functions within plan	in ICT audit. 4. Acquisition and installation of requisite hardware 5. Acquisition development and application of supportive software 4.. Enhance CCTV network 5.. Expand internet bandwidth to over 100mbps 6. Expand Wi-Fi coverage to the entire institute compound.	ICT infrastructure installed E-learning strategy adopted CCTV network installed. Expansion of internet bandwidth and Wi-Fi coverage Expanded MIS	Audit reports Number of computers Range of application software Number & quality of CCTV camera points; % coverage of CCTV cameras and Wi-Fi Number of

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
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					modules in MIS
STRATEGIC ISSUE 11: EDUCATION FOR SUSTAINABLE DEVELOPMENT	Managing the Campus to strengthen Operational sustainability mechanisms.	Greening the campus	<p>1: Identify spaces or activities that contribute to deterioration/unsustainable use</p> <p>2: Determine ways to transform spaces into „green spaces” or activities into „green practices”</p> <p>3: Develop a sustainability plan for newly created green spaces and practices</p> <p>4: Deploy materials and services that help maintain these green spaces and practices</p> <p>5: Develop a monitoring and assessment scheme to measure improvements</p>	<p>1. Each department asked to incorporate and report on sustainable practices in their sites</p> <p>2. Green spaces are created and maintained to combine the purpose of education, research, and leisure and aesthetics.</p>	<p>1. Reports on sustainability practices</p> <p>2. No. of „green” spaces created and maintained</p>

Statement of Performance against Predetermined Objectives

The Technical and Vocational College's strategic pillars within its strategic plan being developed are as follows.

2. Curriculum implementation and development,
3. Facilities & infrastructure development,
4. Human resource development,
5. Enrolment and tracer studies,
6. Resource mobilization
7. Linkages, partnerships and networking,
8. Governance,
9. Student welfare
10. Research, innovation and development
11. ICT integration
12. Education for sustainable development

The institution is geared towards achieving its performance targets set for the financial year 2023/24 period for its eight strategic pillars as indicated in the diagram below.

STRATEGIC ISSUE 1: CURRICULUM IMPLEMENTATION & DEVELOPMENT	STRATEGIC OBJECTIVES	STRATEGIES	ACTIVITIES	TARGET OUTPUT	PERFORMANCE INDICATORS
	OBJECTIVE 1 : To implement and design market oriented and demand-driven programmes	Adopt, and implement existing courses	6. Acquire approved course syllabi 7. Obtain accreditation and licensing from relevant legal and regulatory bodies 8. Implement course content 9. Promote flexible and blended learning 10. Introduce virtual learning	3. At least one designed market driven course implemented in each academic department. 4. Demand driven courses by governm	3. Number of courses offered 4. No. of accredited and licensed courses

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
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				ent regulator y bodies offered	
		Quality assurance in delivery of curricula.	5. Implement documented procedures in compliance with ISO QMS requirements 6. Analyse internal and external exams 7. Root cause analysis and preventive action 8. Integrate other standards into the QMS	4. Compliance to ISO QMS procedures 5. Examination and Root cause analysis 6. Enhanced QMS systems	4. Evidence of compliance to QMS procedures 5. Examinations and root cause analysis reports 6. New standards integrated into QMS
		To implement and design competence based courses (CBET) and incorporate work place essential skills (WPES) in training and develop demand driven courses	5. Develop market need assessment tool 6. Modify existing course content to meet industry needs 7. Design and develop CBET courses 8. Offer tailor made courses	5. Market needs assessed 6. Existing courses modified to suit market needs 7. CBET courses developed and implemented 8. Increased international	4. Records of market needs 5. Evidence of course modification 6. Number of CBET courses

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					onal leve rage	
STRATEGIC ISSUE 2: FACILITIES INFRASTRUCTURE, EQUIPMENT, MACHINERY TOOLS		To upgrade the Institute's facilities and infrastructure.	Renovation of existing facilities and infrastructure.	1. Conduct renovation of existing facilities 2. Improve the existing pathways	Upgrading of existing facilities and infrastruct ure	Number of renovations and expanded facilities
STRATEGIC ISSUE 3: HUMANRES E	ISSUE PURC	OBJECTIVE 1 Staff establishment	1. Recruit, 2. Maintain and retain qualified non- teaching staff - Recruit - Reward - Retain Identify areas of staff shortage - Contact government for relevant teachers	6. Conducting recruitment of staff 7. Skills gap analysis 8. Reviewing terms and conditions of service. 9. Appraising and promoting staff 4. Rewarding performing staff (Strategy) 10. Staff requirements established	Quali fied staff emplo yed and retain ed No. of PSC staff establ ishme nt	Number of qualified staff recruited Reviewed terms and conditions of service Number of staf appraised and promoted Number of awards for staf
STRATEGIC ISSUE 4: ENROLLM ENT		1. To determine the optimum carrying capacity of every course	Monitor the optimum capacity per course Carry out continuous marketing to maintain visibility	optimum enrolment and quality training	car ryi ng cap acit y rep ort Evi den ce of ma rke	

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
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				ting Enrolment statistics	
STRATEGIC ISSUE 5: RESOURCE MOBILIZATION	To identify, secure and manage financial resources efficiently and effectively.	1.To broaden financial resource base	4.Lobby National and county governments for additional funds 5. Expansion of income generating activities. 6. Lobby for funding from local and international donors, partners and Industry	Additional funding (more funds) Implementation of more income generating projects.	Audit reports Accounts statements Progress reports
STRATEGIC ISSUE 6: LINKAGES, PARTNERSHIPS AND NETWORKING	To strengthen and Enlarge linkages With strategic Partners Nationally and Internationally	Continually engage targeted partners in negotiations leading to new MOUs.	• Establish partnerships with any industrial organizations to explore ways of putting into use of any technologies or innovations that have been developed.	Enhanced Collaboration and Linkages	Number of established linkages
STRATEGIC ISSUE 7: GOVERNANCE	To maintain and continually improve principles of good governance	Establish clear governance structure	1. Review organizational structure to make it responsive to the emerging trends 4. Develop job descriptions and job specifications 5. Conduct job evaluations	Organizational structure reviewed and updated. Job descriptions and evaluations established	Adaptive structure adopted and personnel deployed. Job description Job evaluation reports Percentage of compliance to relevant Acts and regulations. Legal au

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
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				Make appointments and promotion of staff on merit . Fully adhere to the provisions of relevant Acts, regulations and guidelines Sensitize the staff on issues of administration	hed Provisions of relevant Acts and regulations mapped out and adhered to. Staff sensitized on administrative issues	reports Number of sensitization and training sessions for staff
STRATEGIC ISSUE 8: STUDENT WELFARE	To enhance the students training experience	Enhance student recreation activities Enhance general student welfare	Upgrading of the playing fields Increase number of indoor sports facilities advocacy, sensitization and peer support Enhance Career and counselling office Enhance participation in President's award schemes and similar programs that would encourage trainees to develop positive life skills and ethical values for a better society	Increased opportunities for student recreation Trainee retention and increased course completion rates Trainees informed on career choices Well-adjusted trainees	Number of playing fields Number of indoor sports facilities Trainee retention and course completion statistics Trainees access to career information Level of trainees' participation in various co-curricular activities	
STRATEGIC ISSUE 9: RESEARCH INNOVATION AND DEVELOPMENT	To enhance research over the planned period	1.Generate funds for research	3.Liaise with NACOSTI for research funds 4. Identify potential external funding agencies	Availability of research funds	Funding agreements Number of funding agencies identified	

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<p>STRATEGIC ISSUE 10: ICT INTEGRATION</p>	<p>To integrate ICT in management and teaching-learning</p>	<p>Enhance ICT infrastructure</p> <p>Expand MIS to capture all administrative functions within plan period</p>	<p><i>Conduct an ICT audit. Acquisition and installation of requisite hardware</i></p> <p><i>Acquisition development and application of supportive software</i></p> <p>4.. Enhance CCTV network</p> <p>5..Expand internet bandwidth to over 100mbps</p> <p>6. Expand Wi-Fi coverage to the entire institute compound.</p>	<p>ICT infrastructure installed</p> <p>E-learning strategy adopted</p> <p>CCTV network installed.</p> <p>Expansion of internet bandwidth and Wi-Fi coverage</p> <p>Expanded MIS</p>	<p>Audit reports</p> <p>Number of computers</p> <p>Range of application software</p> <p>Number & quality of CCTV camera points;</p> <p>% coverage of CCTV cameras and Wi-Fi</p> <p>Number of modules in MIS</p>
<p>STRATEGIC ISSUE 11: EDUCATION FOR SUSTAINABLE DEVELOPMENT</p>	<p>Managing the Campus to strengthen Operational sustainability mechanisms.</p>	<p>Greening the campus</p>	<p>1: Identify spaces or activities that contribute to deterioration/unsustainable use</p> <p>2: Determine ways to transform spaces into „Green spaces” or activities into „green practices”</p> <p>3: Develop a sustainability plan for newly created green spaces and practices</p> <p>4: Deploy materials and services that help maintain these green spaces and</p>	<p>3. Each department asked to incorporate and report on sustainable practices in their sites</p> <p>4. Green spaces are created and maintained to combine the purpose of education, research, and leisure</p>	<p>3. Reports on sustainability practices</p> <p>4. No. of „green” spaces created and maintained</p>

TAMPA RIVER TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

			practices 5: Develop a monitoring and assessment scheme to measure improvements	and aesthetics.	
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■ Corporate Governance Statement

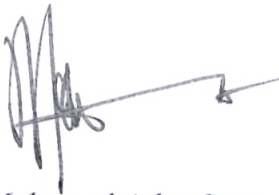
The college affirms that good corporate governance is simply good business. The college commits to ensure that we comply with the statutory and all the legal requirements as well as meeting the set deadlines.

The core mandate of the institution is training as well as carrying out research activities. This entails imparting CBET skills, attitude and knowledge to the trainees. There are Four (4) departments and basically engineering courses collectively form our centre of excellence including Agriculture, Electrical and Electronics Engineering, Information Communication Technology, Business studies, Community development and Secretarial departments.

The current student population by the close of the year under review stood at stand at 187 Students. We have always endeavoured to ensure that we hit the 200 marks but this has been a challenge. The total staff population is about 10 trainers, both the PSC employees together with these on contract.

During the year under review, the college did not engage in several regional and national activities such as ball games and sports because of financial constraints.

Senior staff during the year underwent several capacity building sessions in Mombasa, and Nairobi to increase their management skills.



Mohamed Adan Sora

Principal Secretary to the Board of Governor

Management Discussion and Analysis

College's operational and financial performance

The college is in the process of operationalizing having started admitting the trainees September 2021.

The Board commits to ensure that a proper management structure is in place and to make sure that the structure functions to maintain corporate integrity, reputation and responsibility.

The Board has a commitment to monitor and evaluate the implementation of strategies, policies, and management criteria and plans of Tana River Technical and Vocational College.

The Board will look at financial sustainability of the College.

The Board commits to ensure that the Tana River Technical and Vocational College complies with all the relevant laws, regulations, governance practices, accounting and auditing standards.

Challenges

- Inadequate physical facilities in the college such as student hostels are some of the challenges relating to low enrolment.
- The college is understaffed. The college incurred a lot of cost during the financial year
- The college is yet to receive the training equipment.
- The college is yet to be fenced, hence security concern both for the students and the staffs.
- Hardship related issues hinder capacity growth of our staff and this results to low staff moral and little or no income generating activities to generate more income to the institution.
- The operational grant money received from the ministry is very little to meet the demands of the college

College's compliance with statutory requirements

The college has no court cases at the moment. as at the quarter the college had complied with the statutory obligations as far as debt payment to our creditors.

Key projects and investment decisions the College is planning/implementing

Most of our projects are financed by mostly grants from Government. However, in the year under review there were no projects undertaken.

Major risks facing the College

Operational risks in the college include

- Financial management and financial record keeping, College intends to Employ a finance officer and procurement officer.
- None payment of fees by students, the college is engaging partners to address the need.

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

Material areas in statutory/financial obligations

By the close of year in question, the college had NO pending bills and did not have any loan default or tax default on pension obligations to the exchequer.

The College's financial probity and serious governance issues

The college has management committees and policies are in place to ensure that governance issues are well taken care of So far there has not been any conflicts of interest from among the Board members.

11. **Environmental and Sustainability Reporting Statement**

The College affirms that good corporate governance is simply good business. The College commits to ensure that we comply with all the legal requirements as well as meeting set deadlines. We commit to provide excellent training environment for our students who are our major clients.

Sustainability strategy and profile -

The core mandate of the Institution is training as well as carrying out research activities. This entails imparting CBET skills, attitude and knowledge to the trainees. There are Four (4) departments and basically engineering courses collectively form our centre for excellence including Electrical and Electronics, Agriculture, Information Communication Technology, Business Studies, Community development and Secretarial Departments.

Environmental performance

The college is in the process of planting the neem trees which are drought resistant around the compound which provide shade for the students, staff and visitors. The trees help to filter out the dust and carbon dioxide from the environment hence improving the quality of air that we breathe inside and around the institution.

Employee welfare

The College is in the process of developing Human Resource Policy to addresses key areas in human resource such as hiring, appraisals, training, discipline and dismissal. Tana River Technical and Vocational College has qualified staff both in training and subordinate staff. To ensure that there is motivation and productivity amongst its staff, Tana River Technical and Vocational College ensures that its employees attend regular workshops and trainings organised by the Institution and other stakeholders like Kenya Association Technical Training Institutions (KATTI.)

Market place practices-

The College is guided by the TVETA Act, the PFM Act 2015 and the Public Procurement and Disposal Act 2015 among other key legislations governing public educational learning institutions.

We strive to comply all statutory requirements such as ensuring our books are submitted on time, deducting and remitting of statutory deductions like PAYE, NSSF, and NHIF.

Community Engagements-

The college is yet to engage in corporate social responsibility.

12. Report of the Board of Governors

The Board members submit their report together for the year ended June 30, 2024 which show the state of the college's affairs.

Principal activities

The principal activities of the College will continue to be provision of technical and vocational training

Results

The results of the College for the year ended June 30 2024 are set out on page 6 to page 28

BOARD

The members of the Board who served during the year are shown on page VI-VIII. During the year the Chairman, Mr. Anania Kerhayu Deye resigned with effect from 1st February 2022 and yet to be replaced.

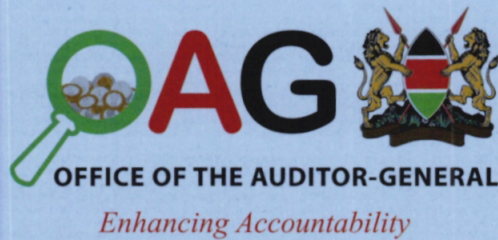
Auditors

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



Mohamed Adan Sora
Principal/Secretary to BOG

REPUBLIC OF KENYA



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

Telephone: +254 (0) 20 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

REPORT OF THE AUDITOR-GENERAL ON TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024 – TANA RIVER COUNTY

PRELIMINARY

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

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

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

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

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

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

Report of the Auditor-General on Tana River Technical and Vocational College for the Year ended 30 June, 2024 – Tana River County

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tana River Technical and Vocational College – Tana River County set out on pages 1 to 35, which comprise the statement of financial position as at 30 June, 2024, the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Tana River Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Technical and Vocational Education and Training Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of Financial Performance

The statement of financial performance reflects use of goods and services expenditure amount of Kshs.4,215,526 whereas Note 8 to the financial statements reflects Kshs.4,320,932 resulting in unexplained variance of Kshs.105,406. Further, the statement reflects use of goods and services comparative amount of Kshs.4,219,476 that differed with prior year audited financial statement amount Kshs.4,176,119 resulting in unexplained variance of Kshs.43,357. In addition, the statement reflects employee costs comparative amount of Kshs.1,457,000 whereas Note 9 to the financial statements reflects Kshs.2,023,370 resulting in unexplained variance of Kshs.566,370.

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

2. Inaccuracies in the Statement of Financial Position

The statement of financial position reflects net assets balance of Kshs.63,561,833 which differed with the recomputed balance of Kshs.63,584,318 resulting in unexplained variance of Kshs.22,485. Further, the statement reflects inventory comparative balance of Kshs.2,532,000 which differed with prior year audited Nil balance.

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

Inaccurate Statement of Cash Flows

The statement of cash flows reflects a cash and cash equivalents balance of Kshs.2,963,181 as at 30 June, 2024 which differed with the recomputed balance of Kshs.157,870 resulting in an unexplained variance of Kshs.2,805,311.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

Inaccurate Cash and Cash Equivalents Balance

The statement of financial position reflects a cash and cash equivalents balance of Kshs.2,963,181 whereas Note 13 to the financial statements reflects a balance of Kshs.2,963,915 resulting in unreconciled variance of Kshs.734.

In the circumstances, the accuracy, existence and completeness of the cash and cash equivalents balance of Kshs.2,963,181 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

Various prior year audit issues remained unresolved as at 30 June, 2024. Management could not provide reasons for the delay in resolving the prior year audit issues. Further, the unresolved prior year issues were not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board.

Other Information

The Management is responsible for the other information set out on page iii to xxxi which comprise of Key Entity Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, management discussion and Analysis, Environmental and Sustainability Reporting

statement, Report of the Board of Governors and The Statement of the Board of Governors responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the College's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that other information is not materially inconsistent with the financial statements.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 16 January, 2025 instead of the statutory deadline of 30 September, 2024, which is six (6) months after the end of the financial year. This was contrary to Section 47(1) of the Public Audit Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

2. Incomplete Asset Register

The statement of financial position reflects property, plant and equipment balance of Kshs.56,429,787 as disclosed in Note 16 to the financial statements. However, the asset register did not document the terms on which the assets are held, the dates of acquisition, major change in use, and capital expenditure relating to the assets contrary to Regulation 170(1) and (2) of the Public Procurement and Asset Disposal Regulations, 2020.

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

Lack of an Approved Procurement Plan

The statement of financial performance reflects total revenue and expenses amount of Kshs.13,627,299 and Kshs.14,052,103 respectively. However, during the year under review, Management did not prepare an annual procurement plan as part of the annual budget preparation process, contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

Lack of an Approved Budget

The statement of comparison of budget and actual amounts reflects total income and budget final budget amount of Kshs.19,968,900. However, the budget provided for audit was not approved by the board of governors contrary to Regulation 44 (2) of the Public Finance Management (National Government) Regulations, 2015 which provides that national government entities shall execute their approved budgets based on the annual appropriation legislation.

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

4 Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows:

- i. The statement of financial position reflects property, plant and equipment and trade and other payables from exchange transactions balance of Kshs.56,429,787 and Kshs.773,834 without corresponding disclosure Notes to the financial statements.
- ii. Pages 25 and 27 of the financial statements were left blank.
- iii. The statement of performance against predetermined objectives is repeated on pages xiii and xix.
- iv. Capital risk management and related party transactions were not disclosed in the financial statements as required by the template.
- v. Note 16 to the financial statements repeats the header property, plant and equipment.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

During the year under review, the College had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity shall assess effectiveness of the entity through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the College did not benefit from the oversight role and advice from the audit committee and the internal audit function.

2. Lack of Ownership Documents

The statement of financial performance reflects property, plant and equipment balance of Kshs.56,429,787 as disclosed in Note 16 to the financial statements which includes buildings on land measuring approximately thirty-five (35) acres with a value of Kshs.55,733.251. However, land ownership documents were not provided for audit.

In the circumstances, the ownership and safe custody of the property, plant and equipment valued at Kshs.56,429,787 could not be confirmed.

3. Lack of a Properly Constituted Board

Review of the records provided for audit revealed that the College operated for a period of seven (7) months with only two (2) appointed Board members attributed to the failure by the Cabinet Secretary to appoint new board members or renew the appointment of the existing board members contrary to Section 28 and the second schedule of the Technical and Vocational Education and Training Act, 2013. Further, the Board during the year under review had only one sitting, instead of the recommended minimum of four sittings,

to approved work plan, and did not conduct its affairs through committees as guided by circular no. OP/CAB.9/1A dated March 2020 and Section 1.7(1) of the Mwongozo Guidelines.

In the circumstances, the College Management did not benefit from the oversight role and other roles of governing bodies as stipulated by the guidelines.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance are 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 Those Charged with Governance

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.

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu CBS
AUDITOR-GENERAL

Nairobi

05 June, 2025

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 that College, which give a true and fair view of the state of affairs of the College at the end of the financial year/period and the operating results of the College for that year/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 year 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 College; (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 Public Finance Management Act, 2012 and 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 T. A River Technical and Vocational College financial statements were approved by the Board on 11.11.2024 and signed on its behalf by:

..... *H. J. B. B. B.*

Name
Chairperson of the Board

..... *[Signature]*

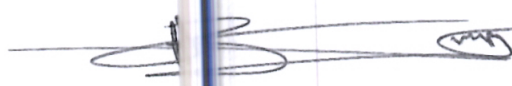

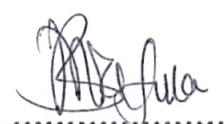
Name
Accounting Officer/Principal

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

15. Statement of Financial Performance for The Year Ended 30 June 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from non-Exchange transactions			
Transfers from other National Government entities	6	6,633,794	3,218,000
		6,633,794	3,218,000
Revenue from Exchange transactions			
Rendering of services- fees from students	7	6,993,505	4,167,510
Revenue from Exchange transactions		6,993,505	4,167,510
Total Revenue		13,627,299	7,385,510
Expenses			
Use of goods and services	8	4,215,526	4,219,476
Employee costs	9	5,318,490	1,457,000
Board Expenses	10	329,000	-
Depreciation and amortization expense	11	3,496,837	131,971
Repairs and maintenance	12	692,250	-
Total Expenses		14,052,103	5,808,447
Net surplus for the year		(424,804)	1,577,064

The Financial Statements set out on pages 6 to 28 were signed by:

Chairman of Board

Principal

Finance Officer

Date 21/4/2025

Date 21/04/2025

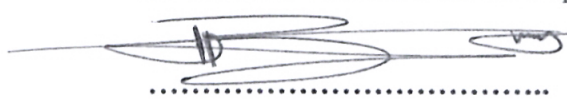
Date 21-04-25

TANA RIVER TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

16. **Statement of Financial Position as at 30th June 2024**

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	13	2,963,181	476,380
Current portion of receivables from exchange transactions	14(a)	4,815,970	3,335,650
Inventories	15	-	2,532,000
Total Current Assets		7,779,151	6,344,030
Non-Current Assets			
Property, plant, and equipment		56,429,787	1,654,760
Intangible assets	18	148,480	-
Total Non-Current Assets		56,577,787	1,654,760
Total Assets (A)		64,356,938	7,998,790
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions		773,833.81	-
Refundable deposits from customers		-	-
Total Current Liabilities		773,833.81	-
Total non- current liabilities		-	-
Total Liabilities (B)		773,833.81	-
Net Assets (A-B)		63,561,833	7,998,790
Capital and Reserves		-	-
Cumulative Accumulated Surplus		(2,302,328)	
Capital Fund		65,864,161	
Total Net Assets and Liabilities		63,561,833	7,998,790

The Financial Statements set out on pages 6 to 28 were signed by:



Chairman of Board

Date

21/4/2025



Principal

Date

21/04/25



Finance Officer

Date

21-04-25

17. Statement of Changes in Net Asset for The Year Ended 30 June 2024

Description	Retained Earnings	Capital Fund	Total
At July 1, 2022	1,577,064	65,568,532	67,145,596
Total Comprehensive Income	(1,741,619)	-	(1,741,619)
At June 30, 2023	(164,555)	65,568,532	65,403,977
At July 1, 2023	(1,906,174)	65,568,532	63,662,358
Total Comprehensive Income	(396,154)	-	(396,154)
Capital grants received for the year	-	-	-
At June 30, 2024	(2,302,328)	65,568,532	63,266,204

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18. Statement of Cash Flows For The Year Ended 30 June 2024

Description	Note	2023-2024	2022-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		6,633,794	3,218,000
Rendering of services- fees from students		6,993,505	4,167,510
Total Receipts		13,627,299	7,385,510
Payments			
Use of goods and services		4,215,526	4,219,476
Board Expenses		329,000	-
Repairs and maintenance		692,250	-
Employee costs		5,318,490	1,457,000
Total Payments		10,555,266	5,676,476
Net Cash Flows from operating activities	47	3,072,033	1,709,034
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(3,496,837)	(1,245,630)
Net cash flows used in investing activities		(3,496,837)	(1,245,630)
Cash flows from financing activities			
Deposits Receipt		-	-
Net cash flows used in financing activities			
Net Increase/(Decrease) in Cash and Cash equivalents	20	(424,804)	463,404
Cash and Cash equivalents at 1 JULY	13	476,380	12,976
Cash and Cash equivalents at 30 JUNE	13	2,963,181	476,380

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other National Government entities	13,218,900	-	13,218,900	6,633,794	6,585,106	50%
Rendering of services- fees from students	6,7500,000	-	6,750,000	6,993,505	243,505	100%
Total Income	19,968,900	-	19,968,900	13,627,299	6,341,601	32%
Expenses						
Use of goods and services	8,500,000	-	8,500,000	4,215,526	4,284,474	50%
Employee costs	6,000,000	-	6,000,000	5,289,840	710,160	88%
Board Expenses	525,000	-	525,000	329,800	195,200	63%
Repairs and maintenance	4,943,900	-	4,943,900	692,250	4,251,650	14%
Total Expenditure	19,968,900	-	19,968,900	10,527,416	9,441,484	53%
Surplus For the Period	-	-	-	3,099,883		

a) The capitation fund awarded to the students was less than the expected Ksh. 7,500 per student.

20. **Notes to the Financial Statements**

1. General Information

xxx entity is established by and derives its authority and accountability from xxx Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is xxx.

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 judgment in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property, Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:

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	<p>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</p> <p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

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

Summary of Significant Accounting Policies

- a) Revenue recognition
-) Revenue from non-exchange transactions

Transfers from other government entities

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

-) Revenue from exchange transactions

Rendering of services

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

Budget information

The original budget for FY 2023/2024 was approved by the Board on **26.01.2023**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page **xx** under section **xxx** of these financial statements.

Taxes

Current income tax

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

Sales tax/ Value Added Tax

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

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

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

Property, plant and equipment

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

Intangible assets

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

c) Research and development costs

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

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

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

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

) Financial instruments

IFRS 9 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. *Financial assets*

Classification

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

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in 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.

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

e) 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.

Inventories (Continued)

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

Provisions

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

Contingent liabilities

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

Contingent assets

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

g) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefits 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.

Nature and purpose of reserves

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

h) Changes in accounting policies and estimates

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

i) Employee benefits

Retirement benefit plans

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

Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at dates 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 *Entity* regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the principal and senior managers.

Service concession arrangements

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

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

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

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o) Subsequent events

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

Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

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

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6. Transfers from other National Government entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	1,979,828	1,218,000
Recurrent Grant	2,000,000	2,000,000
Development grants	-	-
Scholarship Grants	2,653,966	-
Total Government Grants and Subsidies	6,633,794	3,218,000

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education State Department of TVET	6,633,794	-	-	6,633,794	3,218,000
Total	6,633,794	-	-	6,633,794	3,218,000

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Rendering of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition Fees	6,993,505	4,149,410
Activity Fees	-	-
Industrial Attachment Fees	-	-
Examination Fees	-	18,100
Library Fees	-	-
Facilities And Materials	-	-
Registration Fees	-	-
Others (<i>Specify</i>)	-	-
Total Revenue from The Rendering of Services	6,993,505	4,167,510

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8. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching and learning materials	382,250	-
Industrial attachment costs	150,000	-
Electricity	222,596	216,950
Water	118,000	249,100
Subscriptions	200,000	-
Advertising	131,000	-
Examination fees	988,650	89,400
Audit fees	-	-
Catering, Meals	374,690	2,427,942
Fuel and oil	58,350	16,350
Printing and stationery	327,674	78,600
Hire charges	2,500	-
Entertainment expenses	23,000	50,700
Cleaning expenses	26,100	-
Telephone expenses	25,000	25,000
Medical expenses	22,000	6,900
Internet expenses	347,700	158,048
Training expenses	243,163	327,800
Bank charges	5,509	6,430
Activity expenses	672,750	-
Total good and services	4,320,932	3,653,220

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Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	2,638,650	1,457,000
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	2,679,840	549,700
Housing benefits and allowances	-	-
Social contributions	-	-
Employee Costs	5,318,490	2,023,370

Board Expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	-	-
Other Allowances	-	-
Board Expenses	329,800	-
Total	329,800	-

Depreciation and Amortization expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, plant and equipment	3,459,717	131,971
Intangible assets	37,120	-
Total depreciation and amortization	3,496,837	131,971

Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
Property (general)	692,250	-
Equipment and machinery	-	-
Vehicles	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Total Repairs and Maintenance	692,250	-

13. Cash and Cash Equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Account	2,963,181	368,575
Others (Cash at Hand)	734	107,805
Total Cash and Cash Equivalents	2,963,915	476,380

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

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1284649210	2,963,181	368,575
Sub- Total		2,963,181	368,575
b) Others			
Cash in Hand		734	107,805
Sub- Total		734	107,805
Grand Total		2,963,915	476,380

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Receivables from Exchange transactions

4 (a) Current Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Student Debtors	4,815,970	3,335,650
Rent Debtors	-	-
Total Current Receivables	4,815,970	3,335,650

4 (b) Long- term Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	-	-
Advance Payments	-	-
Total	-	-
Total Non-Current Receivables	-	-
Total Receivables	-	-

(c) Ageing Analysis of Receivables from Exchange transactions

Description	2023-2024		2022-2023	
	Kshs	% of total	Kshs	% of total
	Current FY		Comparative FY	
Less than 1 year	4,815,970	100	832,490	
Between 1- 2 years	-		2,503,160	
Between 2-3 years	-			
Over 3 years	-			
Total (a+b)	4,815,970		3,335,650	

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15. Inventories

Description	2023-2024	2022-2023
	Kshs	Kshs
Consumable stores	-	-
Maintenance stores	-	-
Health Unit stores	-	-
Electrical stores	-	-
Cleaning Materials stores	-	-
Catering stores	-	-
Total Inventories at lower of Cost and Net Realizable Value	-	-

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16. Property, Plant and Equipment. Property, Plant and Equipment.

Cost	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Per Annum	(5%)	(10%)	(15%)	(30%)	(2.5%)	
At 1 July 2022	65,568,532	100,000	-	210,000	146,860	66,025,392
Additions	0.00	0.00	358,3000	138,500	5,800	502,600
Disposals	0.00	0.00	0.00	0.00	0.00	0.00
At 30th June 2023	65,568,532	100,000	358,300	348,500	152,660	66,527,992
Additions	0.00	0.00	40,000.00	0.00	127,150	167,150
Disposals	0.00	0.00	0.00	0.00	0.00	0.00
At 30th June 2024	65,568,532	100,000	398,300	348,500	279,810	66,695,142
Depreciation						
At 1 July 2022	3,278,427	10,000	-	63,000	3,672	3,355,099
Depreciation	3,278,427	10,000	53,745	104,550	3,817	3,450,539
At 30 Jun 2023	6,556,853	20,000	53,745	167,550	7,489	6,805,637
Depreciation	3,278,427	10,000	59,745	104,550	6,995	3,459,717
At 30th Jun 2024	9,835,281	30,000	113,490	272,100	14,484	10,265,355
Net Book Values						
At 30th Jun 2023	59,011,679	80,000	304,555	180,950	145,171	59,722,355
At 30th Jun 2024	55,733,251	70,000	284,010	76,400	265,326	56,429,787

Note: Tana River Technical and Vocational College owns several Assets that have no values. The assets were received from the Ministry of Education.

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17.

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Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by xxx professional valuers on xxx. These amounts were adopted in the financial statements on xxx.

16 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	65,568,532	9,835,281	55,733,251
Plant And Machinery	279,810	14,484	265,326
Motor Vehicles including Motorcycles	100,000	30,000	70,000
Computers and Related Equipment	348,500	272,100	76,400
Office Equipment, Furniture, And Fittings	398,300	113,490	284,810
Total	66,695,142	10,265,355	56,429,787

18. Intangible Assets

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost	185,600	
At beginning of the year	185,600	-
Additions	-	-
At end of the year	185,600	-
Amortization	37,120	-
At end of the year	148,480	-
NBV	148,480	-

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1 Trade and Other Payables

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade payables	-		-	
Fees paid in advance	795,105		-	
Salary deductions	-		-	
Third-Party Payments	-		-	
Other Payables	-		-	
Total Trade and Other Payables	795,105		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	795,105	100%		
2 years	-			
3 years	-			
Over 3 years	-			
Total (to tie to totals above)	795,105	100%		

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20 .Cash generated from operations.

Surplus for the year before tax	2023-2024	2022-2023
	Kshs	Kshs
Adjusted for:		
Depreciation	3,496,837	131,971
Increase in Receivables	(4,815,970)	(2,532,000)
Increase in Payables	795,105	824,500
Net Cash Flow from Operating Activities	(524,028)	(1,575,530)

2 Financial Risk Management

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

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

Credit risk

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

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

Financial risk management (continued)

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

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

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

Liquidity risk management

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

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

(iii) Market risk

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

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

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

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

1. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

2 Segment Information

Where an organisation operates in different geographical regions or in departments, IPSAS 8 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and location of resources to different segments)

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23. Events After the Reporting Period

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

24. Ultimate And Holding Entity

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

25. Currency

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

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21. **Appendices**


Appendix 1: Implementation Status of Auditor-General Recommendations

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

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

Guidance Notes:

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

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 Name **Mohamed Adan Sam**
 Accounting Officer
 Tana River Technical and Vocational College
 Date **21/06/2025**

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Appendix III - Inter-Entity Confirmation Letter

Name of transferring entity: Ministry of Education State Department of TVET

Name of beneficiary entity: Tana River Technical and Vocational College

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	CAP/SCHOLARSHIP (B)	Total (C)=(A+B)	Remarks
	07.11.2023	500,000.00	-	500,000.00	Well received
	02.10.2023	-	630,000.00	630,000.00	Well received
	02.10.2023	500,000.00	-	500,000.00	Well received
	18.01.2024	500,000.00	-	500,000.00	Well received
	18.01.2024	-	378,000.00	378,000.00	Well received
	05.02.2024	500,000.00	-	500,000.00	Well received
	05.02.2024	-	432,000.00	432,000.00	Well received
	27.02.2024	-	2,653,965.00	2,653,965.00	Well received
	31.05.2024	-	539,828.00	539,828.00	Well received
Total		2,000,000.00	4,633,793.00	6,633,793.00	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name *W. Pramesh* Sign *[Signature]* Date *21/04/2025*

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