

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

OF

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

THE AUDITOR-GENERAL

ON

**YATTA TECHNICAL AND
VOCATIONAL COLLEGE**

**FOR EIGHTEEN (18) MONTHS'
PERIOD ENDED 30 JUNE, 2024**

OFFICE OF THE AUDITOR GENERAL
P. O. Box 20084-00100, NAIROBI
MACHAKOS HUB.

20 MAY 2025

RECEIVED



YATTA TECHNICAL AND VOCATIONAL COLLEGE

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30TH JUNE 2024**

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

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YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period 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 |
| IPSAS | International Public Sector Accounting Standards |
| PFM | Public Finance Management |
| PSASB | Public Sector Accounting Standards Board |
| TTI | Technical Training Institute |
| TTC | Teacher Training College |
| TVC | Technical Vocational College Yatta Technical Vocational College |
| Fiduciary Management | Key management personnel who have financial responsibility in the entity |

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

a) Background information

Yatta Technical Vocational College was established through mentorship of Machakos Technical Institute for the Blind (MTIB). The institute was established in 2022 with an aim of providing technical skills to the population.

Objectives

1. To provide rehabilitative skills, identify and nurture talents in order to equip learners with appropriate knowledge and technical skills enhancing individual competitiveness in the dynamic labour market.
2. To assess the preparedness of in successfully delivering on its mandate on the face of changing socio-dynamics in respect to its competitiveness, service, value, resource strength management and best fit within the dictates of national development policy particularly Vision 2030.
3. To identify significant challenges that have the potential to impair the educational and training outcomes and subsequently recommend appropriate measures and strategies to address such identified challenges.
4. To propose an action plan including important means of tracking progressive achievements of the milestones in the course of implementation of this strategic plan by and its stakeholders.

b) Principal Activities

- Provision of vocational, technical and entrepreneurial training. continuously strives to model its training programs to align with prevailing and forecasted market demands while addressing the needs of the job market as well as promoting self-employment.
- Promoting creativity, innovation and technological inquiry.
- Continuous improvement of access, equity and employability by integrating gender and other cross-cutting issues in student's enrolment, teaching and training methodologies so as to accommodate inclusivity.

VISION

Our vision is to be a leading institution offering quality and inclusive technical and professional training.

MISSION

Our mission is to develop highly skilled graduates in Technical,, Business, Innovation and Research for global market demand.

Objectives

1. To provide rehabilitative skills for functionality and ennoblement in order to discover and develop talents.
2. To provide vocational training for nurturing talents, self-reliance and competitiveness.
3. To equip trainees with appropriate technical skills to suit the market demand for further training and specialization.

Values

Integrity : We are committed to act in an honest, accountable and transparent manner in all our undertakings.

Human dignity : We are committed to promote and uphold human dignity at all levels.

Confidentiality : We embrace the Principle of confidentiality in service delivery.

Efficiency : We strive to achieve efficiency in all our endeavours.

Courtesy : We shall endeavour to be courteous to all our clients.

Core responsibilities

Our main roles in service delivery include.

- Provision of vocational, technical and entrepreneurial training
- Promoting creativity, innovation and technological inquiry

c) Key Management

YATTA TECHNICAL AND VOCATIONAL COLLEGE**Annual Report and Financial Statements for the period ended 30th June 2024**

The Institute's day-to-day management is under the following key offices:

| S/No. | Member | Details | Qualifications |
|-------|----------------------|------------------|-------------------------|
| 1. | Kenneth C.K Njoroge | Principal | Higher National Diploma |
| 2. | Pauline Mbinya Mueke | Deputy Principal | Msc Entomology |
| 3. | Adam Kipyegon | Registrar | Bachelors |

d) Fiduciary Management

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

| S/No. | DETAILS | NAME |
|-------|------------------|----------------------|
| 1. | Principal | Kenneth C.K Njoroge |
| 2. | D/Principal | Pauline Mbinya Mueke |
| 3. | Registrar | Adam Kipyegon |
| 4. | Dean of Students | Patrick Mutuku |

Key Entity Information and Management (Continued)**e) Fiduciary Oversight Arrangements**

Due to small size of our Institute its operations are managed by the senior managers below

| S/NO. | MEMBER | DETAILS |
|-------|---------------------|---|
| 1. | Prof Joseph Mwinzi | Chairman – Academic, Research and Human Resource Committee |
| 2. | Angela Keli | Chairperson – Finance, Administration and Procurement Committee D.O.B. 17 th July 1987 |
| 3. | Rael Moraa | Chairperson – Risk and Audit Committee D.O.B – 22 nd October 1982 |
| 4. | Michael Odhiambo | Member – Finance, Administration and Procurement Committee |
| 5. | Morris Aluanga | Board Member |
| 6. | Kenneth C.K Njoroge | Principal Secretary to the BOG D.O.B – 25 th September 1966 Highest Qualification – Higher National Diploma Experience – 28 years of teaching in Tertiary Colleges |

Senior Management Committee Activities

The main purpose of the Senior Management Team is to:

1. Ensure that Board of Governors is able to take strategic decisions relating to TVC's activities
2. Provide leadership in communicating 's mission, values, plans and achievements effectively and consistently to Board of Governors Members, staff, Government, the voluntary and community sector, the general public and other stakeholders;
3. Be accountable for the development and implementation of YTVC'S strategic, corporate and business plans in line with the mission and values;
4. Take a strategic overview of performance in all areas of 'S activities.

Specifically the Senior Management Team:

1. Makes recommendations to the board on the implementation and achievement of the Board of Governors' Strategic Framework; (report to the bog)

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2. Agrees to YTVS's Corporate Plan, and monitor delivery through appropriate key management and performance information reporting to the Board of Governors as appropriate.
3. In the light of income projections and forecasts, considers the annual grants and operational expenditure and monitors such expenditure;
4. Develops, agrees, monitors and reviews strategies relevant to the effective and efficient operation of, making recommendations as appropriate to the Board of Governors and/or its relevant Committees;
5. Determines strategic issues arising from the introduction of new policies or process, including actively managing risk across the organization and regularly reviewing the corporate risk register;
6. Oversees and monitors 's joint work with the other stakeholders
7. Considers the impact of external factors and developments, including specific political initiatives and the response to key consultation documents and where appropriate make recommendations to the Board of Governors and/or its relevant Committees.

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f) Entity Headquarters

P. O Box 3609-90100
Machakos

g) Entity Contacts

Telephone: 0114510658
Email; yattatechnical@gmail.com
Website: yattatechnical.ac.ke

h) Entity Bankers

KCB
Masii branch
Ac no. 1293132012

i) Independent Auditors

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

j) Principal Legal Adviser

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

YATTA TECHNICAL AND VOCATIONAL COLLEGE**Annual Report and Financial Statements for the period ended 30th June 2024****3.The Board of Governors**

| MEMBER | DETAILS |
|------------------------------------|---|
| 1. Richard Ndavi Basil Chairman | Date of birth: Key Qualifications Procurement Officer at ILRI Work experience: --years Date of appointment: |
| 2. Prof Joseph Mwinzi | Date of birth: 3 rd June 1970 Chairman – Academic, Research and Human Resource Committee Key Qualifications PhD in Education Philosophy Work experience – 15 years Date of appointment: |
| 3. Angela Keli | Date of birth: 17 th July 1987 Chairperson – Finance, Administration and Procurement Committee Key qualifications Date of appointment: |
| 4. Rael Moraa | Date of birth: 22 nd October 1982 Chairperson – Risk and Audit Committee Key Qualifications Date of appointment: |
| 5. Michael Odhiambo | Date of birth: Member – Finance, Administration and Procurement Committee Key Qualifications Date of appointment: |
| 6. Morris Aluanga | Date of birth: Board member Key Qualifications Date of appointment: |
| 7. Kenneth C.K Njoroge | Principal Secretary to the BOG Date of birth: 25 th September 1966 Key Qualifications Higher National Diploma Work experience 28 years Date of appointment: |

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4. Key Management Team

| S/NO. | Member | Details | Qualifications |
|--------------|----------------------|------------------|-------------------------|
| 1. | Kenneth C.K Njoroge | Principal | Higher National Diploma |
| 2. | Pauline Mbinya Mueke | Deputy Principal | Msc Entomology |
| 3. | Adam Kipyegon | Registrar | Bachelors |

YATTA TECHNICAL AND VOCATIONAL COLLEGE

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

5. Chairman Statement

As Chairman of the Board of Management at Yatta Technical and Vocational College (YTVC), I am pleased to present a summary of the key activities and achievements during the year, along with the challenges faced and our strategic way forward.

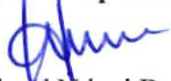
Key Activities and Achievements: In the years under review, YTVC has made substantial strides in fulfilling its mandate of providing quality technical and vocational education. The college officially opened its doors in January 2023, and since then, we have successfully enrolled and trained over 381 students in short courses across various fields such as Gypsum, Tiling, Plumbing, and Computerized Motor Vehicle Diagnostics. The institution also saw a significant increase in enrollment in January 2025, with more than 95 new trainees joining regular programs.

The college made notable progress in its infrastructure and environmental initiatives, including the successful establishment of a greening program where over 300 seedlings were planted. Furthermore, the institution is now connected to a single-phase electricity supply, with plans to upgrade to a three-phase system to better support our operational needs. An important milestone was the replacement of the borehole motor, which now ensures a steady and reliable water supply to the institution. This upgrade has also benefited the surrounding community, as the borehole is fully operational, providing water to both the college and local residents.

Challenges: Despite these achievements, YTVC continues to face several challenges. The infrastructure remains underdeveloped, with inadequate training materials, office furniture, and equipment for workshops. Additionally, the growing student population has placed a strain on staffing, with only seven government-employed trainers available. There is a pressing need for additional trainers and resources to maintain the quality of education and meet the demands of the increasing enrolment.

Way Forward: To address these challenges, the Board is working closely with local and national stakeholders to enhance our capacity, including the completion of the three-phase electricity connection and further development of our facilities. With the support of the community, the government, and strategic partners, we are confident that YTVC will continue to grow and provide invaluable skills to the youth of our region. The Board remains dedicated to ensuring that YTVC becomes a model institution of excellence in technical and vocational education.

Report Prepared by:



Richard Ndavi Basil.

Chairman, Board of Management



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6. Report of the Principal

1. Introduction

Yatta Technical and Vocational College is a public institution established under the National Government's initiative through the NG-CDF Yatta Constituency. The college was completed and officially handed over in 2022. It was officially opened on 12 January, 2023 by the area Mp. Despite facing several operational challenges, the institution has made significant strides in providing technical and vocational education. To date, over 381 students have successfully completed short courses in key areas such as Gypsum, Tiling, Plumbing, and Computerized Motor Vehicle Diagnostics.

2. Leadership Track

The leadership of Yatta Technical and Vocational College has seen a transition of key figures since its establishment.

- **Mr. Albert Munane** (Pf No. 1989149579) was the first principal, serving for two years (2022-2023) before transferring to Masinga TVC.
- **Mr. Kenneth C.K. Njoroge** (Pf No. 1989150561) succeeded Mr. Munane on August 24, 2023. However, after a year in office, he was transferred to Nairobi National Polytechnic.
- **Madam Mary Nyiva Kaboro** (Pf No. 2001066400) is the current Principal, having assumed the role on October 15, 2024.

Furthermore, **Madam Mueke Pauline Mbinya** (Pf No. 1997098965), the first Deputy Principal, served for two and half years before her transfer to David Wambuli TVC, **Mr. John Musembi** has since been deployed as the current Deputy Principal Administration with **Madam Mutua Seraphine Katunge** being the newly deployed Deputy Principal Academics.

3. Administration Block, Classrooms, and Workshops

The college is housed in an administration block, classrooms and workshops, although these facilities are still in need of further equipment and resource development. In an effort to support the ongoing learning and training activities, the Principal secured local funding to purchase 10 trainers' chairs and 50 lecture chairs early February, 2025. However, significant gaps remain

- **Classroom and Training Materials:** Basic training materials and whiteboards are insufficient and require replenishment to support learning effectively. The number of lecture Chairs available is inadequate to meet the demands of the increasing student enrollment.
- **Offices and Staffroom:** The institution is in urgent need of additional furniture to accommodate the growing number of staff. Notably, there is a significant lack of trainers' desks, which are essential for effective teaching and organization.
- **Workshops:** Currently, all the workshops lack sufficient equipment to support the full range of hands-on training expected in each department.
- **Trainers:** Despite the increasing student population from the January intake, the institution currently has only seven trainers under PSC. As a result, there is a pressing need for additional trainers to help manage the growing workload and ensure quality education for all students.

4. Electricity Connectivity

As of February 17, 2025, the institution has been successfully connected to a **single-phase electricity supply** by Kenya Power (KPLC). Plans to upgrade this to a **three-phase electricity connection** are already underway. The **ReRec** (Rural Electrification and Renewable Energy Corporation) is in the final stages of design and paperwork, with installation anticipated soon. This improvement will ensure the institution can fully support its growing operational needs.

5. Staffing:

The staffing at Yatta Technical and Vocational College is as follows.

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Government Staff: Seven (7)

- **Principal:** Madam Mary Nyiva Kaboro (Pf. 2001086400)
- **Deputy Principal Administration:** Mr. John Musembi (Pf No. 2016067920)
- **Deputy Principal Academics:** Mutua Seraphine Katunge (Pf No. 1997100828)
- **Four Trainers:**
 - Shadrack Mumo Kivuva (Pf No.20230300018)
 - Patrick Nzioki Mutuku (Pf No. 20230347769)
 - Kelvin Macharia (Pf No. 21100264795)
 - Catherine Kanini Mutuku (PfNo. 20230545505)

Additionally, **three Board of Governors Trainers** and two non-teaching staffs have been employed to help manage the increased and support services respectively.

- Ndunga Charles Muema (Staff No: 2025/TR/001)
- Judah Geoffrey Mutisya (Staff No: 2025/TR/002)
- Matheka Jane Ndila (Staff No: 2025/TR/003)
- **Non-Teaching Staff**
 - **Accounts Clerk:** Madam Tracy Ndeto Mulovi (Staff No. 2025/NT/002)
 - **Cleaner:** Madam Maluki Mwikali (Staff No.: 2025/NT/001)

The institution engages additional workers on piece rates depending on operational demands.

6. Enrollment and Student Progress

Yatta TVC opened its doors for admission on May 2024 where the area Mp Hon. Robert Nguu Basil sponsored **381 trainees** for three months short courses earlier mentioned. In the September 2024, the institution attracted only **four trainees**, two pursuing Plumbing level 5, one in Automotive Engineering level 5 and Electrical Installation level 5. Currently, more than **95 trainees** have been admitted into the college in January 2023, pursuing various regular programs at levels ranging from Level 3 to Level 6 This increase in enrollment is directly attributed to the robust marketing strategy that was implemented in mid-December 2024 under the leadership of the new Principal. The college actively promoted its programs within the constituency, leading to the successful January intake of new trainees. Early this year, the institution also registered with **TVETA** and **KUCCPS**, and it is in the process of getting listed with **HELIB** to further support students. Additionally, early February, the college too launched a **functional website**, offering information and online access to various services

7. Institution Greening Program

As part of its commitment to sustainability and environmental conservation, the institution has successfully mobilized resources and planted more than 300 seedlings during December short rains of 2024, all of which are thriving. To support the growth of these plants, manure has been purchased, and termite-proof pesticides have been applied to protect them. This initiative is part of the institution's broader greening program aimed at promoting environmental responsibility

8. Maintenance

The college has put in place a proactive approach to the maintenance of as infrastructure, resources, tools, and equipment. A structured maintenance schedule is being followed to ensure all facilities remain in optimal condition. Regular inspections and servicing help to avoid breakdowns and ensure that the college operates smoothly.

9. Borehole and Water Supply

The college's borehole is fully operational and supplies water to both the institution and the surrounding community, The water supply is maintained to ensure a steady flow for the needs of the college and local residents. The institution continues to prioritize regular maintenance of the borehole to ensure sustainability and uninterrupted water supply.

10. Land

The institution sits on a 13-acre plot of land, providing ample space for expansion and production purposes. The land is securely enclosed with a perimeter wall and two strategically positioned gates. The leadership is committed to protecting the land from encroachment and misuse. It is also important to note that the land title deed is available and securely held.

Conclusion

Yatta Technical and Vocational College has made significant progress in its short time of operation. While challenges remain in terms of infrastructure, staffing, and equipment, the current leadership and administration have demonstrated a commitment in addressing these gaps. The institution's enrolment is on an upward trajectory, and it is well-positioned for future growth and expansion, especially with the ongoing improvements in resources, staffing, and the development of new programs. The support of the community and the continued efforts in operational planning will ensure that the institution continues to thrive in the years to come.

Mary Nyiva Kaboro

Principal/BOG Secretary



7. Statement of Performance against Predetermined Objectives

8. Corporate Governance Statement

i) Appointment of BOG Members

The Board of Governors was appointed by the Cabinet Secretary Ministry of Education with effect 12 September, 2022 for a term of three years, there are 7 board members. The Board may set up sub-committees and assign them responsibilities as it may deem fit.

ii) Meeting of the Board and its Committees.

▪ Board of Governors meetings

The meeting of the board are held at least once every term in a calendar year. In order to facilitate the smooth running of its affairs, the Institute board establishes such committees with the membership and with such terms of reference as it may deem fit. The chairperson may at any time call upon request by a majority of the members call special meeting of the council. During the year 2023/24 the board and its committees held a total of 5 meetings (both ordinary and special meetings. The record of meetings attendance of the board and its committee is tabulated below:-

Boards' and its committee meetings

| s/no | Name of Committee | No. of Regular meetings | No of special meeting |
|-------------|------------------------------|--------------------------------|------------------------------|
| 1. | Full Board | | |
| 2. | Executive Board of Governors | | |
| 3. | Finance and Audit Committee | | |
| | Total | | |

▪ Committee of the board of governors

In order to facilitate the smooth running of its affairs, the Institute Board establishes such committees with the membership and with such terms of reference as it may deem fit. The following committees were in place during the year 2023:-

- i) Academic, Research AND Human Resource Committee
- ii) Finance, Administration and Procurement committee
Risk and Audit Committee

The board of Governors nominates the Chairperson of each committee of the board provided that in the absence of the Chairperson of any committees, the members present and constituting a quorum may select one person from among them to chair the meeting. The chairperson of the Institute Board and the Principal are ex-officio members of every committee of the board.

iii) Role and Functions of Board of Governors

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

- a) Overseeing the conduct of Education and training in the institutions in accordance with the provisions of this TVET Act and any other written law.
- b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this TVET Act and any other written law.
- c) Administering and managing the property of the institution,
- d) Developing and implementing the institutions strategic plan,
- e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;
- f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;

(g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions TVET Act, 85 2013 Technical and Vocational Education and Training No. 29

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(h) Mobilizing resources for the institutions.

(l) Developing and reviewing programmes for training and to make representations thereon to the Board.

J) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act,

(k) Approving collaboration or association with other institutions and industries in and outside Kenya

(1) Recruiting and appointing trainers from among qualified professionals and practising trade's persons in relevant sectors of industry;

(m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the TVET Authority,

n) Making regulations governing organization, conduct and discipline of the staff and students,

(0) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the ministry

(p) Providing for the welfare of the students and staff of the institutions;

(q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions.

(r) Discharging all other functions conferred upon it by this Act or any other written law,

(iv) Board remuneration

The board of governors do not receive a salary. They are however paid sitting allowance for every meeting attended.

(V) Induction Training

The TVET Act No. 29 of 2013 Section 28 and 29 establishes and gives mandate to the Board of Governors to manage the TVET institutions on behalf of the Cabinet Secretary.

It is a requirement that the Governing members understand their functions and conduct through induction program, well and hence need for induction. Areas of training include:

Role of Board of Governors in TVET institution.

- i. Policies, Laws and TVET reforms.
- ii. Corporate Governance in TVET institutions
- iii. Financial Management in TVET institutions.
- iv. Procurement and Assets Disposal in TVET institutions
- v. Human Resource Management.
- vi. Project Management.

9. Management discussion and analysis

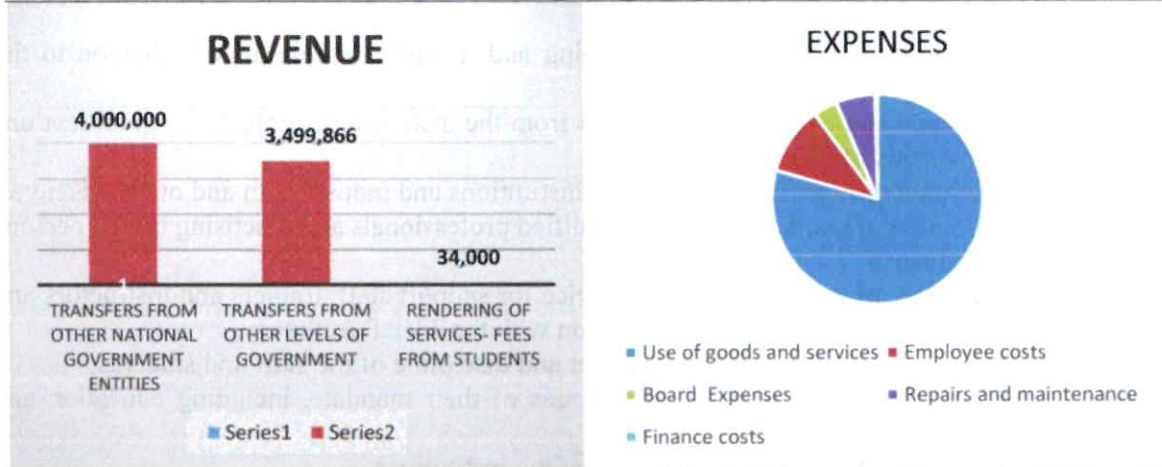
The institute realized a significant increase in revenue collection compared by the period FY 2021/2022 last year.

| No | | Year 2023/2024 | Year 2022/ 2023 |
|----|-------------------|----------------|-----------------|
| 1 | Total Revenue | 7,533,866 | 0 |
| 2 | Total Expenses | 6,031,118 | 0 |
| | Surplus / Deficit | 1,502,748 | 0 |

ii) Revenue & Expenses

In the year Transfer from National government grew to kes7,533,866 in year 2023-24. On Expenses, use of goods & services was highest at Kes 4,990,365, represented by blue in the pie chart.

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Institute’s compliance with statutory requirements

The institute complies with various statutory requirements, e.g. deduction and remittance of P.A.Y.E, N.H.I.F and N.S.S.F among others.

Major risks facing the entity

Financial constrains-limited finances due to poor fees payment, the institute has not beers able to start projects in time.

Security threats- Present due to lack of perimeter wall.

Material arrears in statutory/ financial obligations

There were no material arrears at end of the financial year.

10. Environmental And Sustainability Reporting Statement

- i. Sustainability strategy and profile
- ii. Environmental performance
- iii. Employee welfare
- iv. Market place practices-
- v. Corporate Social Responsibility / Community Engagements

11. Report of the Board of Governors

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

Principal activities

The principal activities of the entity are rehabilitation and training.

Results

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

Board of Governors

The members of the Board /Council who served during the year are shown on page x. During the year no director retired/ resigned and none was appointed.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Date: 20/5/2025



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

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

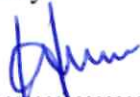
The council members are responsible for the preparation and presentation of the financial statements, which give a true and fair view of the state of affairs of the YTVC for and as at the end of the financial year (period) ended on June 30 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (ii) 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 : (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The council members accept responsibility for the YTVC's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act, and the TVET Act) entities should quote applicable legislation as indicated under). The council members are of the opinion that the YTVC's financial statements give a true and fair view of the state of YTVC's transactions during the financial your ended June 30, 2021, and of the YTVC's financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the YTVC, which have been relied upon in the preparation of the YTVC's financial statements as well as the adequacy of the systems of internal financial control.


Nothing has come to the attention of the council members to indicate that the YTVC 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 financial statements were approved by the Board on 30 SEPTEMBER, 2024 and signed on its behalf by:

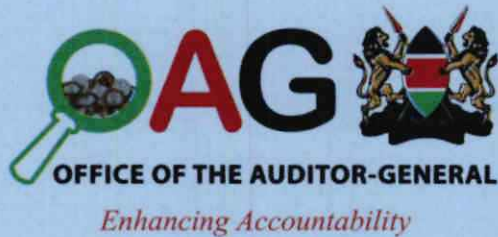

.....
Richard Ndavi Basil
Chairperson of the Board




.....
Mary Nyiva Kaboro
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON YATTA TECHNICAL AND VOCATIONAL COLLEGE FOR EIGHTEEN (18) MONTHS' PERIOD ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Yatta Technical and Vocational College set out on pages 1 to 50, which comprise of the statement of financial position as at 30 June, 2024, and the statement of financial performance, statement of cash flows,

Report of the Auditor-General on Yatta Technical and Vocational College for eighteen (18) months' period ended 30 June, 2024

statement of changes in net assets and statement of comparison of budget and actual amounts for the eighteen (18) months' period 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 Yatta Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Fuel Expenditure

The statement of financial performance and as disclosed in Note 15 to the financial statements reflect Kshs.4,807,719 in respect to use of goods and services. Included in the amount is an expenditure on fuel totalling Kshs.149,000 which was not supported by duly completed mileage claim forms, and was erroneously charged to various expense items such as administration, advertisement, training and capacity building.

In the circumstances, the accuracy and validity of Kshs.149,000 spent on fuel could not be confirmed.

2. Misclassification of Revenue

The statement of financial performance and as disclosed in Note 8 to the financial statements reflects Kshs.3,499,866 being revenue from transfers from County - Yatta National Government Constituencies Development Fund. The revenue was wrongly classified under revenue from non-exchange transactions instead of revenue from exchange transactions. In addition, the register of students reporting for the short courses and the criteria used in nominating the beneficiaries of the courses were not provided for audit review.

In the circumstances, the accuracy and authenticity of Kshs.3,499,866 revenue from non-exchange transactions could not be confirmed.

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

Key Audit Matters

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

Other Information

The Management is responsible for the other information set out on pages v to xix which comprise of Key Entity Information and Management, 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 Statement of 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. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Authenticate Academic and Professional Certificates

Review of personal files of staff members recruited during the period under review revealed that academic and professional certificates were not authenticated with the relevant authorities as required by the guidelines issued from the State Department for Technical, Vocational Education and Training Circular No. MOE/TVET/2/76/VOLXIV (24) dated 6 October, 2023.

In the circumstances, Management was in breach of the State Department circular.

2. Irregularities in Staff Recruitment

Review of staff recruitment revealed that during the period, three (3) Public Service Commission (PSC) staff members were recruited. However, individual panellist score sheets for the three positions were not provided for audit review. In addition, shortlisting of candidates under catering and accommodation position was not consistent as candidates without a diploma in technical education were short listed while the same criterion was used to disqualify other candidates.

Further, needs assessment was not done before declaration of available vacancies resulting in all recruited staff not posted by the Public Service Board since the College did not have students in the respective areas of specializations.

In the circumstances, the regularity of the recruitment could not be confirmed.

3. Irregular Employment

Review of recruitment records revealed that three (3) staff were employed during the period under review. However, records including vacancy advertisements, interview minutes, candidate evaluations, and selection approvals were not provided for audit review. In addition, the Secretary's employment contract had not been signed as at the time of audit in April, 2025, and there was no acceptance letter in the employee's file.

In the circumstances, the regularity of employment for the three staff could not be confirmed.

4. Failure to Maintain an Imprest Register

During the period under review, the College did not maintain an imprest register contrary to Regulation 93(4)(c) of the Public Finance Management (National Government) Regulations, 2015 which states that before issuing temporary imprests under Paragraph (2), the Accounting Officer shall ensure that the applicant has been recorded in the imprest register including the amount applied for. In addition, no imprest warrants were maintained contrary to Regulation 91(2) of the Public Finance Management (National Government) Regulations, 2015 which states that the officer authorized to hold and operate an imprest shall make formal application for the imprest through an imprest warrant.

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

5. Lack of Training Needs Assessment

During the period under review, the College did not conduct a training needs assessment to address emerging issues and needs. This is contrary to Section H.3 (1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which states that training needs assessment is a performance audit that generates and provides information to assess the inadequacy of knowledge and skills which inhibits an organization from attaining its objectives.

In the circumstances, Management was in breach of the Public Service manual.

6. Failure to Deduct and Remit Statutory Deductions

Management did not deduct and remit mandatory National Social Security Fund (NSSF) and National Hospital Insurance Fund (NHIF) contributions contrary to Section 20(1)(a) and (b) of the National Social Security Fund Act, 2013 and Section 16(1) of the National Hospital Insurance Fund Act, 1998 (Amended, 2012) respectively which state that;

- i) the commencement date and subject to the provisions of Sub-Section (3) and Section 21, an employer shall pay to the Pension Fund in respect of each employee in his or her employment the employer's contribution at six per centum of the employee's monthly pensionable earnings and the employee's contribution at six per centum of the employee's pensionable earnings deducted from the employee's earnings.
- ii) a person liable to pay a standard contribution under Section 15 shall pay such contribution through monthly deductions from his salary or other remuneration and the employer of such person shall be liable to deduct and to pay the contribution to the Board on behalf of and to the exclusion of that person.

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

7. Weaknesses in Procurement

During the period under review, the College did not have a Procurement Officer. In addition, there was no procurement plan, list of prequalified suppliers, tender/quotation register.

In the absence of a Procurement Officer and records, the transparency and accountability in the procurement process could not be confirmed.

8. Irregular Procurement Processes

Note 15 to the financial statements reflects Kshs.4,807,719 in respect to use of goods and services. However, a sample of payment vouchers amounting to Kshs.2,059,684 for various activities revealed that:

- i. There were no requisitions from the user department contrary to Regulation 71(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that pursuant to Section 73 of the Act, the head of the user department shall initiate the procurement process through a requisition as per the approved procurement plan.
- ii. The procurement documents including the quotations, opening and evaluation reports, professional opinion and the Inspection and Acceptance Committee reports were not provided for audit review. This is contrary to Regulation 91(2)(3)(4) and 35(4) of the Public Procurement and Asset Disposal Regulations, 2015 which requires the Accounting Officer of a procuring entity to appoint opening, evaluation and Inspection and Acceptance Committees to open, evaluate, inspect and accept goods respectively.
- iii. There were no stores records to confirm how the goods were taken on charge contrary to Regulation 93(3) of the Public Procurement and Asset Disposal

Regulation, 2020 which states that the goods procured shall be taken on charge by the officer responsible for the stores after the user department has confirmed the quantity and quality of the goods, works or services, before they are issued to the respective user department.

In the circumstances, the regularity and value for Kshs.2,059,684 spent on purchase of teaching materials could not be confirmed.

9. Lack of an Approved Budget

Audit review of financial statements revealed that Management did not have an approved budget during the period under review. This is contrary to Regulation 43(b) of the Public Finance Management (National Government) Regulations, 2015 which states that an Accounting Officer shall ensure that public funds entrusted to their care are properly safeguarded and are applied for purposes for only which they were intended and appropriated by the National Assembly.

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

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

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

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

The College had not established an internal audit function. This is contrary to Section 73(1)(a) of the Public Finance Management Act, 2012 which provides that every National Government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. As such the College did not benefit from the assurance and advisory services from the internal audit function.

In the circumstances, the effectiveness of internal controls could not be confirmed.

2. Lack of Strategic and Operational Plans, Human Resource and Finance Policies

During the audit it was noted that the College did not have strategic and operational plans which exposes the Institution to risks, including misallocation of resources, inability to

track performance, operational inefficiencies and accountability. In addition, the College lacked an approved Human Resource Policy, and the College was operating without a formal Finance Policy to govern budgeting, expenditure controls, and financial management processes.

In the circumstances, effectiveness of strategic decisions, allocation of resources, performance tracking, operational efficiency, staff and financial management could not be confirmed.

3. Lack of Risk Management Policy, Risk Register, Disaster Recovery and Business Continuity Plan

Review of the records and systems revealed that the College did not have a Risk Management Policy and a framework for management of risk which made it difficult to identify, assess and control risk. Further, the College did not maintain a risk register. In addition, the College did not have a strategy for recovery of lost data to allow for business continuity in the event of a disaster.

In the circumstances, the effectiveness of risk management systems put in place could not be confirmed.

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

Responsibilities of Management and the Board of Governors

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

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

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

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

The Board of Governors is responsible for overseeing the College'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

26 May, 2025


YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

14. Statement of Financial Performance For The Period Ended 30 June 2024


| | Notes | 2023-2024 | 2022-2023 |
|---|-------|------------------|-----------|
| | | Kshs | Kshs |
| Revenue from Non-Exchange transactions | | | |
| Transfers from other National Government | 6 | 4,000,000 | |
| Transfers from other levels of government | 8 | 3,499,866 | |
| | | 7,499,866 | |
| Revenue from Exchange transactions | | | |
| Rendering of services- fees from students | 10 | 201,567 | |
| Revenue from Exchange transactions | | 201,567 | |
| Total Revenue | | 7,701,433 | |
| Expenses | | | |
| Use of goods and services | 15 | 4,807,719 | |
| Employee costs | 16 | 720,000 | |
| Board Expenses | 17 | 224,000 | |
| Repairs and maintenance | 19 | 367,400 | |
| Finance costs | 22 | - | |
| Total Expenses | | 6,119,119 | |
| Other Gains/(Losses) | | | |
| Gain on sale of assets | 23 | - | |
| Total Other Gains/(Losses) | | - | |
| Net surplus for the year | | 1,582,315 | |

The notes set out on pages 6 to 56 form an integral part of these Financial Statements.


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



Chairman of Board
 Date 20/5/2025



Principal
 Date 20/5/2025



Finance officer
 Date 20/5/2025



YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

15. **Statement of Financial Position As At 30th June 2024**

| Description | Notes | 2023-2024 | 2022-2023 |
|--|-------|-------------------|-----------|
| | | Kshs | Kshs |
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 26 | 1,502,748 | |
| Current portion of receivables from exchange | 27a | 167,567 | |
| Total Current Assets | | 1,670,315 | |
| Non-Current Assets | | | |
| Property, plant, and equipment | 32 | 53,000,000 | |
| Total Non-Current Assets | | | |
| Total Assets (A) | | 54,670,315 | |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables from exchange | 36 | 88,000 | |
| Refundable deposits from customers | 37 | - | |
| Total Current Liabilities | | 88,000 | |
| Non-Current Liabilities | | | |
| Finance lease obligation | 39 | - | |
| Total non-current liabilities | | - | - |
| Total Liabilities (B) | | 88,000 | - |
| Net Assets (A-B) | | 54,582,315 | |
| Represented By: | | | - |
| Accumulated Surplus | | 1,582,315 | - |
| Capital Fund | | 53,000,000 | - |
| Net Assets | | 54,582,315 | - |


The Financial Statements set out on pages 1 to 5 were signed on behalf of the Institute Board of Governors by:



Chairman of Board



Principal



Finance officer

Date: 20/05/2025

Date: 20/5/2025

Date: 20/5/2025



16. Statement of Changes in Net Asset For The Period Ended 30 June 2023

| Description | Revaluation reserve | Accumulated Fund | Capital Grants/Fund | Total |
|--|----------------------------|-------------------------|----------------------------|-------------------|
| Balance b/f at July 1, 2022 | | | 53,000,000 | 53,000,000 |
| Revaluation gain | - | - | - | - |
| Surplus/(deficit) for the year | - | - | - | - |
| Capital grants received during the year | - | - | - | - |
| Transfer of depreciation/amortisation from capital fund to Retained earnings | - | - | 53,000,000 | 53,000,000 |
| At June 30, 2023 | - | - | 53,000,000 | 53,000,000 |
| At July 1, 2023 | | | | |
| Revaluation gain | | | | |
| Surplus/(deficit) for the year | - | 1,502,748 | - | 1,502,748 |
| Capital grants received during the year | - | - | - | - |
| Transfer of depreciation/amortisation from capital fund to Retained earnings | - | - | - | - |
| At June 30, 2024 | - | 1,502,748 | 53,000,000 | 54,502,748 |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

17. Statement of Cash Flows For The Period Ended 30 June 2024

| Description | Note | 2023-2024 | 2022-2023 |
|--|------|------------------|-----------|
| | | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from National Government entities | | 7,499,866 | |
| Rendering of services- Fees from students | | 34,000 | |
| Total Receipts | | 7,533,866 | |
| Payments | | | |
| Use of goods and services | | 4,807,719 | |
| Employee Costs | | 632,000 | |
| Board Expenses | | 224,000 | |
| Repairs and maintenance | | 367,400 | |
| Finance Costs | | - | |
| Total Payments | | 6,031,118 | |
| Net cash flows from operating activities | 47 | 1,502,748 | |
| Cash flows from investing activities | | | |
| Purchase of property, plant, equipment and intangible assets | | - | |
| Net cash flows used in investing activities | | - | |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | - | |
| Repayment of borrowings | | - | |
| Net cash flows used in financing activities | | - | |
| Net increase/(decrease) in cash and cash equivalents | | - | |
| Cash and cash equivalents at beginning of the period | 26 | - | |
| Cash and cash equivalents at end of the period | 26 | 1,502,748 | |

18. Statement of Comparison of Budget & Actual amounts For Period Ended 30 June 2024

| Description | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | Utilization Difference |
|---|------------------|-------------|------------------|----------------------------|------------------------|------------------------|
| Transfers from other National Government entities | 4,000,000 | | 4,000,000 | 4,000,000 | - | 0% |
| Transfers from other levels of government | 3,600,000 | | 3,600,000 | 3,499,866 | (100,134) | -3% |
| Rendering of services- fees from students | 201,567 | | 201,567 | 34,000 | 166,000 | -83% |
| Total Income | 7,801,567 | | 7,801,567 | 7,533,866 | (100,134) | -1.2% |
| Expenses | | | | | | |
| Use of goods and services | 5,950,000 | | 5,950,000 | 4,790,365 | (1,159,635) | (19%) |
| Employee costs | 720,000 | | 720,000 | 632,000 | 68,000 | 9.71% |
| Board Expenses | 150,000 | | 150,000 | 224,000 | - | 49% |
| Repairs and maintenance | | | | 367,400 | - | N/A |
| Finance costs | 8,000 | | 8,000 | 17,354 | 9354 | 116% |
| Grants and subsidies | | - | - | | - | - |
| Total Expenditure | 6,828,000 | - | 6,828,000 | 6,031,118 | (776,882) | -11% |
| Surplus For the Period | 973,567 | - | 973,567 | 1,502,748 | 529,181 | 54% |

There were lesser transfers from other levels of Government by -3%
 Rendering or services dropped by 83%
 Uses of goods dropped by 19 % due to low enrolment hence usage.
 Board expenses went up by 49 %
 Finance costs were exceeded by 116% due to increased transactions.

19. Notes to the Financial Statements

1. General Information

The institution was incorporated/ established under the TVET Act 2013 in 1958. The entity is domiciled in Kenya and is located at Machakos County, Machakos county.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying YTVC accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

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

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

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

3. Adoption of New and Revised Standards

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

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

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

| Standard | Effective date and impact: |
|--|--|
| IPSAS 43: Leases | Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. |
| IPSAS 45: Property Plant and Equipment | Applicable 1st January 2025 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 | Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

| | |
|--|---|
| | <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

YTVC did not early adopt any new or amended standards in year 2024.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

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

b) Budget information

The original budget for FY 2023/2024 was approved by the Board on 22.04.2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the YTVC upon receiving the respective approvals in order to conclude the final budget. Accordingly, the YTVC recorded no additional appropriations as at the end of quarter two on the FY 2023/2024. The YTVC's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts as per the statement of financial performance has been presented under section 11 of these financial statements.

c) Taxes

Current income tax

The YTVC is not exempted from paying taxes.

Sales tax/ Value Added Tax

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

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

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

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

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

g) Intangible assets

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

h) Research and development costs

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

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

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

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Financial assets

Classification

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

Subsequent measurement

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

k) Provisions

Provisions are recognized when YTVC 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 YTVC 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

YTVC 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

YTVC 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 YTVC in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Social Benefits

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

YTVC creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

YTVC 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.

p) Foreign currency transactions

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

q) 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.

r) Related parties

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

s) Service concession arrangements

YATTA TECHNICAL AND VOCATIONAL COLLEGE

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

YTVC 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, YTVC recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, YTVC also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) 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.

u) Comparative figures

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

v) Subsequent events

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

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of YTVC 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 YTVC.
- 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 38.

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.

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

| Description | 2023-2024 | 2022-2023 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Unconditional Grants | | |
| Operational/Recurrent grant | 4,000,000 | |
| Total unconditional Grants | 4,000,000 | |
| Conditional Grants amortised/ recognised in revenue | | |
| Other Organizational Grants | | |
| Total Government Grants and Subsidies | 4,000,000 | |

(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 | FY2022-2023 |
|--|--|--|---|---|--------------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Ministry Education/State Department of Vocational & Technical Training | 4,000,000 | | | 4,000,000 | |
| Total | 4,000,000 | - | - | 4,000,000 | |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

Notes to the Financial Statements (Continued)

7. Grants from Donors and Development Partners

| Description | FY 2023-2024 | FY 2022-2023 |
|---|--------------|--------------|
| | Kshs | Kshs |
| JICA- Research Grant | - | - |
| World Bank Grants | - | - |
| In-Kind Donations | | |
| Donations transferred to revenue-conditions met | | |
| Other Grants (specify) | | |
| Total Grants from Development Partners | | |

(a) Reconciliations of grants from donors and development partners

| Description | FY 2023-2024 | FY 2022-2023 |
|--|--------------|--------------|
| | Kshs | Kshs |
| Balance unspent at beginning of year | - | - |
| Current year receipts | - | - |
| Conditions Met - Transferred to Revenue | - | - |
| Conditions Yet To Be Met - Remain Liabilities | - | - |

8. Transfers from Other Levels of Government

| Description | FY2023-2024 | FY2022-2023 |
|------------------------------------|------------------|-------------|
| | Kshs | Kshs |
| Transfer from County – Yatta NGCDF | 3,499,866 | - |
| Total Transfers | 3,499,866 | - |

9. Public Contributions and Donations

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Public Donations | | - |
| Donations from Local Leadership | | - |
| Donations from Religious Institutions | | - |
| Donations from Alumni | | - |
| Other Donations | | - |
| Total Donations and Contributions | | - |

(Provide brief explanation for this revenue)

YATTA TECHNICAL AND VOCATIONAL COLLEGE

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

Notes to the Financial Statements (Continued)

10. Rendering of Services

| Description | FY2023-2024 | FY2022-2023 |
|---|----------------|-------------|
| | Kshs | Kshs |
| | | - |
| Tuition Fee | 201,567 | |
| Total Revenue from The Rendering of Services | 201,567 | |

*Fee for 3 students, having paid ksh.34,000 leaving a balance of ksh.167,567.

11. Sale of Goods

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| | | |
| Face masks | | |
| Other sales (specify) | | |
| Total Revenue from Sale of Goods | | |

12. Rental revenue from facilities and equipment

| Description | FY2023-2024 | FY2022-2023 |
|-----------------------|-------------|-------------|
| | Kshs | Kshs |
| Hiring Out Facilities | | |
| Total | | |

Notes to the Financial Statements (Continued)

13. Finance Income

| Description | FY2023-2024 | FY2022-2023 |
|-------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Cash investments and fixed deposits | - | - |
| Interest income from treasury bills | - | - |
| Interest income from treasury bonds | - | - |
| Interest from outstanding debtors | - | - |
| Interest on savings account | | |
| Total finance income | | |

(Interest is earned on savings account.)

14. Miscellaneous Income

| Description | FY2023-2024 | FY2022-2023 |
|----------------------------|-------------|-------------|
| | Kshs | Kshs |
| Reimbursements and refunds | | |
| Graduation fees | | |
| Services concession income | | |
| Income written back | | |
| Disposals | | |
| Total other income | | |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

Notes To the Financial Statements (Continued)

15. Use of Goods and Services

| Description | FY2023-2024 | FY2022-2023 |
|-------------------------------|--------------------|--------------------|
| | Kshs | Kshs |
| Activity & Sports | 262,200 | |
| Administration Expenses | 1,216,680 | |
| Advertising | 488,200 | |
| Cleaning materials | 17,200 | |
| Water | 15,000 | |
| Electricity | - | |
| Travelling & accomodations | 523,400 | |
| Subscriptions | 30,000 | |
| Teaching & learning materials | 2,168,885 | |
| Training Expenses | 68,800 | |
| Bank charges | 17,354 | |
| | 4,807,719 | |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024
Notes To the Financial Statements (Continued)

16. Employee Costs

| Description | FY2023-2024 | FY2022-2023 |
|-----------------------|----------------|-------------|
| | Kshs | Kshs |
| Salaries and wages | 720,000 | |
| Employee Costs | 720,000 | |

*The employee cost paid for the period was ksh. 632,000 leaving a salary payable of ksh 88,000 as indicated in note 36.

17. Board/Council Expenses

| Description | FY2023-2024 | FY2022-2023 |
|------------------|----------------|-------------|
| | Kshs | Kshs |
| Other Allowances | 224,000 | |
| Total | 224,000 | |

18. Depreciation and Amortization expense

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Property, plant and equipment | | |
| Intangible assets | | |
| Investment property carried at cost | | |
| Total depreciation and amortization | | |

19. Repairs and Maintenance

| Description | FY2023-2024 | FY2022-2023 |
|---------------------------------------|----------------|-------------|
| | Kshs | Kshs |
| Property | | |
| Investment property – earning rentals | | |
| Equipment and machinery | 367,400 | |
| Vehicles | | |
| Total Repairs and Maintenance | 367,400 | |

Notes To the Financial Statements (Continued)

20. Contracted Services

| Description | FY2023-2024 | FY2022-2023 |
|----------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Actuarial valuations | - | - |
| Investment valuations | - | - |
| Property valuations | - | - |
| Security Services | | |
| Total contracted services | | |

21. Grants and Subsidies

| Description | FY2023-2024 | FY2022-2023 |
|------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Community Development | - | - |
| Education Initiatives and Programs | - | - |
| Social Development | - | - |
| Social benefits expenses | - | - |
| Community Trust | - | - |
| Sporting Bodies | - | - |
| Total Grants and Subsidies | - | - |

22. Finance Costs

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Borrowings (Amortized Cost)* | - | -- |
| Finance Leases (Amortized Cost) | - | - |
| Unwinding of Discount from lease liabilities | - | - |
| Withholding tax on interest | | |
| Bank charges | - | |
| Total Finance Costs | - | |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024
Notes To the Financial Statements (Continued)

23. Gain On Sale of Assets

| Description | FY2023-2024 | FY2022-2023 |
|-------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Property, Plant and Equipment | - | - |
| Intangible Assets | - | - |
| Other Assets not capitalised | - | - |
| Total Gain On Sale of Assets | - | - |

24. Gain/(loss) on Fair Value Investments

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Fair value on equity investments | - | - |
| Fair value arising from investment property | - | - |
| Fair value arising from biological assets | - | - |
| Fair value- other financial assets (specify) | - | - |
| Total Gain | - | - |

25. Impairment Loss

| Description | FY2023-2024 | FY2022-2023 |
|-------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Property, Plant and Equipment | - | - |
| Intangible Assets | - | - |
| Total Impairment Loss | - | - |

26. Cash and Cash Equivalents

| Description | FY2023-2024 | FY2022-2023 |
|--|------------------|-------------|
| | Kshs | Kshs |
| KCB Current Account | 1,502,748 | |
| Total Cash and Cash Equivalents | 1,502,748 | |

Notes To The Financial Statements (Continued)

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

| Financial Institution | Account number | FY2023-2024 | FY2022-2023 |
|------------------------------------|----------------|------------------|-------------|
| | | Kshs | Kshs |
| a) Current Account | | | |
| KCB Current Account | 1293132012 | 1,502,748 | |
| Sub- Total | | 1,502,748 | |
| b) On - Call Deposits | | | |
| Kenya Commercial Bank | | - | - |
| Equity Bank – etc. | | - | - |
| Sub- Total | | - | - |
| c) Fixed Deposits Account | | | |
| Kenya Commercial Bank | | - | - |
| Bank B | | - | - |
| Sub- Total | | - | - |
| d) Staff Car Loan/ Mortgage | | | |
| Kenya Commercial Bank | | - | - |
| Bank B | | - | - |
| Sub- Total | | - | - |
| e) Others(Specify) | | | |
| Cash in Transit | | - | - |
| Cash in Hand | | - | - |
| Mobile Money account | | - | - |
| Sub- Total | | - | - |
| Grand Total | | 1,502,748 | |

27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

| Description | FY2023-2024 | FY2022-2023 |
|----------------------------------|----------------|-------------|
| | Kshs | Kshs |
| Current Receivables | | |
| Student Debtors | 167,567 | |
| Rent Debtors | | |
| Consultancy Debtors | | |
| Other Exchange Debtors | | |
| Less: Impairment Allowance | | |
| Total Current Receivables | 167,567 | |

27 (b) Long- term Receivables from Exchange transactions

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Non-Current Receivables | | |
| Refundable Deposits | - | - |
| Advance Payments | - | - |
| Public Organizations | - | - |
| Less: Impairment Allowance | (-) | (-) |
| Total | - | - |
| Current Portion Transferred To Current Receivables | (-) | (-) |
| Total Non-Current Receivables | - | - |
| Total Receivables | - | - |

27 (c) Ageing Analysis of Receivables from Exchange transactions

| Description | FY2023-2024 | | FY2022-2023 | |
|--------------------|-------------|------------|----------------|-------------|
| | Kshs | | Kshs | |
| | Current FY | % of total | Comparative FY | % of the to |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total (a+b) | - | % | - | % |

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

| Description | FY2023-2024 | FY2022-2023 |
|------------------------------|-------------|-------------|
| | Kshs | Kshs |
| At the beginning of the year | - | - |
| Provisions during the year | - | - |
| Recovered during the year | (-) | (-) |
| Write offs during the year | (-) | (-) |
| At the end of the year | - | - |

28. Receivables from Non-Exchange transactions

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| Current Receivables | | |
| Capitation Grants* | - | - |
| Transfers from Other Govt. entities | - | - |
| Undisbursed Donor Funds | - | - |
| Other Debtors (Non-Exchange Transactions) | - | - |
| Less: Impairment Allowance | (-) | (-) |
| Total Current Receivables | - | - |

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

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

| Description | FY2023-2024 | | FY2022-2023 | |
|--------------------|-------------|----------------|----------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | - | % | - | % |

YATTA TECHNICAL AND VOCATIONAL COLLEGE**Annual Report and Financial Statements for the period ended 30th June 2024****28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions**

| Description | FY2023-2024 | FY2022-2023 |
|---------------------------------------|--------------------|--------------------|
| | Kshs | Kshs |
| At the beginning of the year | - | - |
| Additional provisions during the year | - | - |
| Recovered during the year | (-) | (-) |
| Written off during the year | (-) | (-) |
| At the end of the year | - | - |

29. Inventories

| Description | FY2023-2024 | FY2022-2023 |
|--|--------------------|--------------------|
| | Kshs | Kshs |
| Maintenance stores | | |
| Stationary | | |
| Less: Impairment allowance | | |
| Total Inventories at lower of Cost and Net Realizable Value | | |

Notes to the Financial Statements (Continued)

30. Investments in financial assets

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| a) Investment in Treasury Bills and Bonds | | |
| Financial Institution | | |
| CBK | - | - |
| CBK | - | - |
| Sub- Total | - | - |
| b) Investment with Financial Institutions/ Banks | | |
| Bank X | - | - |
| Bank Y | - | - |
| Sub- Total | - | - |
| c) Equity Investments (Specify) | | |
| Equity/ Shares in Company xxx | - | - |
| Sub- Total | - | - |
| Grand Total | - | - |

d) Shareholding in other entities

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

| Name of Entity where Investment is Held | No of Shares | | | | Fair Value of Shares | Fair Value of Shares |
|---|---------------------|-----------------------|------------------------|-------------------------|----------------------|-----------------------|
| | Direct Shareholding | Indirect Shareholding | Effective Shareholding | Nominal Value of Shares | Insert Current FY | Insert Comparative FY |
| | % | % | % | Kshs | Kshs | Kshs |
| Entity A | - | - | - | - | - | - |
| Entity B | - | - | - | - | - | - |
| | - | - | - | - | - | - |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

31. Prepayments

| Description | FY2023-2024 | FY2022-2023 |
|--------------------------------------|-------------|-------------|
| | Kshs. | Kshs. |
| Prepaid Rent | - | - |
| Prepaid Electricity Costs | - | - |
| Other Prepayments (<i>Specify</i>) | - | - |
| Total | - | - |

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32. Property, Plant and Equipment

| Cost | Land | Buildings | Motor vehicles | Furniture and fittings | Computers | Machinery | Plant and Equipment | Capital Work in progress | Total |
|------------------------------------|------|------------|----------------|------------------------|-----------|-----------|---------------------|--------------------------|------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| At 1 July 2023 | - | 53,000,000 | | | | | | | 53,000,000 |
| Additions | - | - | | | | | | | - |
| Disposals | - | - | | | | | | | - |
| Transfers/adjustments | - | | | | | | | | |
| As at 30 June 2024 | - | 53,000,000 | | | | | | | 53,000,000 |
| Depreciation and impairment | - | - | | | | | | | - |
| At 1 July 2023 | - | | | | | | | | |
| Depreciation | - | | | | | | | | |
| On Disposals | - | - | | | | | | | - |
| Impairment | - | - | | | | | | | - |
| Transfer/adjustment | - | - | | | | | | | - |
| As at 30 June 2024 | - | 53,000,000 | | | | | | | 53,000,000 |
| Net book values | | | | | | | | | |
| As at 30 June 2024 | | 53,000,000 | | | | | | | 53,000,000 |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

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).

32 (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 | 53,000,000 | - | 53,000,000 |
| Machinery | | | |
| Plant And Machinery | | | |
| Motor Vehicles including Motorcycles | | | |
| Computers and Related Equipment | | | |
| Office Equipment, Furniture, And Fittings | | | |
| WIP | | | |
| Total | 53,000,000 | - | 53,000,000 |

33. Intangible Assets

| Description | FY2023-2024 | FY2022-2023 |
|------------------------------------|--------------------|--------------------|
| | Kshs | Kshs |
| Cost | | |
| At beginning of the year | | |
| Additions | | |
| At end of the year | | |
| Additions–internal development | | |
| At end of the year | | |
| Amortization and impairment | | |
| At beginning of the year | | |
| Amortization | | |
| At end of the year | | |
| Impairment loss | | |
| At end of the year | | |
| NBV | | |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the period ended 30th June 2024

Notes to the Financial Statements (Continued)

34. Investment Property

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| At beginning of the year | - | - |
| Additions | - | - |
| Disposal during the year | (-) | (-) |
| Depreciation | (-) | (-) |
| Impairment | (-) | (-) |
| Gain or loss on fair value- if fair value is elected | - | - |
| At end of the year | - | - |

35. Biological Assets

| | FY2023-2024 | FY2022-2023 |
|------------------|-------------|-------------|
| | Kshs | Kshs |
| Cattle | - | - |
| Trees | - | - |
| Others (Specify) | - | - |
| Total | - | - |

36. Trade and Other Payables

| Description | FY2023-2024 | | FY2022-2023 | |
|---------------------------------------|----------------|-----------------------|--------------------|-----------------------|
| | Kshs | | Kshs | |
| Trade payables | 88,000 | | | |
| Fees paid in advance | | | | |
| Salary deductions | | | | |
| Third-Party Payments | | | | |
| Other Payables | | | | |
| Total Trade and Other Payables | 88,000 | | | |
| | | | | |
| Ageing analysis: | Current | % of the Total | Comparative | % of the Total |
| Under one year | | 100% | | 100 |
| 1-2 years | - | % | - | - |
| 2-3 years | - | % | - | - |
| Over 3 years | - | % | - | - |
| Total (to tie to totals above) | | 100% | | 100 |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
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Outstanding staff salaries.

37. Refundable Deposits from Customers/Students

| Description | FY2023-2024 | | FY2022-2023 | |
|--|-------------------|-----------------------|-----------------------|-----------------------|
| | Kshs | | Kshs | |
| Consumer deposits | - | | - | |
| Caution money | | | | |
| Other refundable deposits | | | | |
| Total Deposits | | | | |
| | | | | |
| Ageing analysis: | Current FY | % of the Total | Comparative FY | % of the Total |
| Under one year | | | | |
| 1-2 years | | | | |
| 2-3 years | | | | |
| Over 3 years | | | | |
| Total (to tie to totals deposits above) | | 100% | | 100% |

38. Current Provisions

| Description | Leave provision | Bonus provision | Gratuit y Provisions | Other provision | Total |
|---|-----------------|-----------------|----------------------|-----------------|----------|
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Balance at The Beginning of The Year | - | - | - | - | - |
| Additional Provisions | - | - | - | - | - |
| Provision Utilised | (-) | (-) | (-) | (-) | (-) |
| Change Due To Discount And Time Value For Money | (-) | (-) | (-) | (-) | (-) |
| Transfers From Non -Current Provisions | x | x | x | x | x |
| Total Provisions | x | x | x | x | x |

39. Finance Lease Obligation

| Description | FY2023-2024 | FY2022-2023 |
|--------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| At the start of the year | - | - |
| Discount interest on Lease Liability | - | - |
| Paid during the year | (-) | (-) |
| At end of the year | - | - |

Maturity Analysis

| Period | Amount |
|-------------------------|--------|
| | Kshs |
| Year 1 | - |
| Year 2 | - |
| Year 3 | - |
| Year 4 | - |
| Year 5 and Onwards | - |
| Less: Unearned Interest | (-) |
| Total | - |

Analysed as:

| Description | Amount |
|--------------|--------|
| | Kshs |
| Current | - |
| Non- Current | - |
| Total | - |

40. Deferred Income

| Description | FY2023-2024 | FY2022-2023 |
|------------------------------------|-------------|-------------|
| | Kshs | Kshs |
| National Government | | |
| International Funding Bodies | | |
| Public Contributions and Donations | | |
| Total Deferred Income | | |

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Notes to the Financial Statements (Continued)
The deferred income movement is as follows:

| Description | National government | International funders/donors | Public contributions and donations | Total |
|-------------------------------|---------------------|------------------------------|------------------------------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| Balance brought forward | | | | |
| Additions during the year | | - | - | |
| Transfers to capital fund | | - | - | |
| Transfers to income statement | | | | |
| Other transfers | | | | |
| Balance carried forward | | | | |

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

Analysed as:

| Description | Amount |
|--------------|--------|
| | Kshs |
| Current | |
| Non- Current | |
| Total | |

41. Employee Benefit Obligations

| Description | Defined benefit plan | Post-employment medical benefits | Other Provisions | Insert Current FY | Insert Comparative FY2021-2022 |
|---|----------------------|----------------------------------|------------------|-------------------|--------------------------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Current Benefit Obligation | - | - | - | - | - |
| Non-Current Benefit Obligation | - | - | - | - | - |
| Total Employee Benefits Obligation | - | - | - | - | - |

Retirement benefit Asset/ Liability

The entity doesn't operate a defined benefit scheme for all full-time employees

| Description | FY2023-2024 | FY2022-2023 |
|------------------------------|-------------|-------------|
| | Kshs | Kshs |
| Discount Rates | % | % |
| Future Salary Increases | % | % |
| Future Pension Increases | % | % |
| Mortality (Pre- Retirement) | % | % |
| Mortality (Post- Retirement) | % | % |
| Withdrawals | - | - |
| Ill Health | - | - |
| Retirement | - years | - years |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
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Recognition of Retirement Benefit Asset/ Liability

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

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| The return on defined plan assets | - | - |
| Actuarial gains/ losses arising from changes in demographic assumptions | - | - |
| Actuarial Gains/ Losses Arising From changes In Financial Assumptions | - | - |
| Actuarial gains and losses arising from experience adjustments | - | - |
| Others (<i>specify</i>) | - | - |
| Adjustments for restrictions on the defined benefit asset | - | - |
| Remeasurement of the net defined benefit liability (asset) | - | - |

b) Amounts recognised in the Statement of Financial Position

| Description | Current | Comparative |
|--|-------------|-------------|
| | FY2023-2024 | FY2022-2023 |
| | Kshs | Kshs |
| Present value of defined benefit obligations(a) | - | - |
| Fair value of plan assets(b) | (-) | (-) |
| Funded status(=a-b) | - | - |
| Restrictions on asset recognised | - | - |
| Others | - | - |
| Net asset or liability arising from defined benefit obligation | - | - |

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently varying to maximum of Kshs.2160 per employee per month. .

42. Payments received in advance.

| Description | FY2023-2024 | | FY2022-2023 | |
|-----------------------------|--------------------|-----------------|--------------------|------------------|
| | Kshs | | Kshs | |
| Fees received in advance | | | | |
| Others (Exams registration) | | | | |
| Total | | | | |
| | | | | |
| Ageing analysis: | Current | % of the | Comparative | % of |
| Under one year | FY2022-2023 | Total | FY2021-2022 | the Total |
| | | 100% | | |

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| | | | |
|--------------|--|-------------|--|
| 1-2 years | | % | |
| 2-3 years | | % | |
| Over 3 years | | % | |
| Total | | 100% | |

43. Borrowings

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| Balance at beginning of the year | - | - |
| External borrowings during the year | - | - |
| Domestic borrowings during the year | - | - |
| Repayments of external borrowings during the year | (-) | (-) |
| Repayments of domestic borrowings during the year | (-) | (-) |
| Balance at end of the year | - | - |

43 a) Analysis of External and Domestic Borrowings

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| External borrowings | | |
| Dollar denominated loan from 'xx organization' | - | - |
| Sterling pound denominated loan from 'yyy organization' | - | - |
| Euro denominated loan from 'zzz organization' | - | - |
| Domestic borrowings | - | - |
| Kenya shilling loan | - | - |
| Total balance at end of the year | - | - |

43 b) Breakdown of Long and Short-Term Borrowings

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Short Term Borrowings(Current Portion) | - | - |
| Long Term Borrowings | - | - |
| Total | - | - |

(NB: the total of this statement should tie to note 44 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

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44. Non-Current Provisions

| Description | Long service leave | Bonus Provision | Gratuity | Other Provisions | Total |
|---|--------------------|-----------------|----------|------------------|-------|
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Balance at the beginning of the year | - | - | - | - | - |
| Additional Provisions | - | - | - | - | - |
| Provision utilised | (-) | (-) | (-) | (-) | (-) |
| Change due to discount and time value for money | - | - | - | - | - |
| Less: Current portion | (-) | (-) | (-) | (-) | (-) |
| Total deferred income | - | - | - | - | - |

(NB: The current portion deducted in this note should tie to line on current portion transferred from non- current provisions under note 38)

45. Service Concession Arrangements

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Fair value of service concession assets recognized under PPE | - | - |
| Accumulated depreciation to date | (-) | - |
| Net carrying amount | = | = |
| Service concession liability at beginning of the year | - | - |
| Service concession revenue recognized | (-) | (-) |
| Service concession liability at end of the year | = | = |

46. Social Benefit Liabilities

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Health social benefit scheme | - | - |
| Unemployment social benefit scheme | - | - |
| Orphaned and vulnerable benefit scheme | - | - |
| People Living with disabilities benefit scheme | - | - |
| Elderly social benefit scheme | - | - |
| Bursary social benefits | - | - |
| Total | - | - |
| Current social benefits | - | - |
| Non- current social benefits | - | - |
| Total (tie to totals above) | - | - |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
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Notes to the Financial Statements (Continued)

47. Cash generated from operations.

| Surplus for the year before tax | FY2023-2024 | FY2022-2023 |
|--|--------------------|--------------------|
| | Kshs | Kshs |
| Surplus for the year before tax | 1,582,315 | |
| Adjusted for: | | |
| Depreciation | | |
| Non-Cash grants received | (-) | (-) |
| Contributed assets | - | - |
| Impairment | - | - |
| Gains and Losses on Disposal of Assets | (-) | (-) |
| Contribution to provisions | - | - |
| Contribution to impairment allowance | - | - |
| Finance Income | - | - |
| Finance Cost | - | - |
| Working Capital Adjustments | - | - |
| Increase in Inventory | | |
| Increase in Receivables | (167,567) | |
| Increase in Deferred Income | | |
| Increase in Payables | 88,000 | |
| Increase in Payments received in advance | | |
| Net Cash Flow from Operating Activities | 1,502,748 | |

Notes to the Financial Statements (Continued)

48. Financial Risk Management

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

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

(i) Credit risk

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

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

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

| Description | Total amount Kshs | Fully performin g Kshs | Past due Kshs | Impaired Kshs |
|--|------------------------------|---------------------------------------|--------------------------|--------------------------|
| At 30 June 2022 | | | | |
| Receivables from exchange transactions | | | - | - |
| Receivables from non-exchange transactions | | | - | - |
| Bank balances | | | - | - |
| Total | | | - | - |
| At 30 June 2023 | | | | |
| Receivables from exchange transactions | | | - | - |
| Receivables from non-exchange transactions | | | - | - |
| Bank balances | | | - | - |
| Total | | | - | - |

YATTA TECHNICAL AND VOCATIONAL COLLEGE
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Notes to the Financial Statements (Continued)
Financial risk management (continued)

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

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

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

(ii) Liquidity risk management

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

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

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|-------------------------------|-------------------|--------------------|---------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| At 30 June 2023 | | | | |
| Trade Payables | | - | - | - |
| Current Portion Of Borrowings | | - | - | - |
| Provisions | | - | - | - |
| Deferred Income | | - | - | - |
| Employee Benefit Obligation | | - | - | - |
| Total | | - | - | - |
| At 30 June 2024 | | - | - | - |
| Trade Payables | | - | - | - |
| Current Portion Of Borrowings | | - | - | - |
| Provisions | | - | - | - |
| Deferred Income | | - | - | - |
| Employee Benefit Obligation | | - | - | - |
| Total | | - | - | - |

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

The entity has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices not denominated in foreign currencies are paid after 60 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

| Description | In Kshs | Other currencies | Total |
|---|---------|------------------|-------|
| | Kshs | Kshs | Kshs |
| At 30 June 2024 | | | |
| Financial Assets (Investments, Cash, Debtors) | - | - | - |
| Liabilities | - | - | - |
| Trade and Other Payables | - | - | - |
| Borrowings | - | - | - |
| | - | - | - |
| Net Foreign Currency Asset/(Liability) | - | - | - |

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

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

Foreign currency sensitivity analysis

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

| U | Change in currency rate | Effect on Profit before tax | Effect on equity |
|-------------|----------------------------|--------------------------------|---------------------|
| | Kshs | Kshs | Kshs |
| 2022 | | | |
| Euro | 10% | - | - |
| Usd | 10% | - | - |
| 2023 | | | |
| Euro | 10% | - | - |
| Usd | 10% | - | - |

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

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

iv) Capital Risk Management

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

| Description | FY2023-2024 | FY2022-2023 |
|---|-------------|-------------|
| | Kshs | Kshs |
| Revaluation Reserve | - | - |
| Retained Earnings | | |
| Capital Reserve | | |
| Total Funds | | |
| Total Borrowings | | |
| Less: Cash and Bank Balances | | |
| Net Debt/(Excess Cash and Cash Equivalents) | | |
| Gearing | | |

49. 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 YTVC, holding 100% of YTVC 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;

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Notes to the Financial Statements (Continued)

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

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Transactions with Related Parties | | |
| a) Sales to related parties | | |
| Sales of electricity to govt agencies | - | - |
| Rent income from govt. agencies | - | - |
| Water sales to govt. agencies | - | - |
| Others (<i>specify</i>) | - | - |
| Total | - | - |
| B) Purchases from related parties | | |
| Purchases of electricity from kplc | - | - |
| Purchase of water from govt service providers | - | - |
| Rent expenses paid to govt agencies | - | - |
| Training and conference fees paid to govt. agencies | - | - |
| Others (<i>specify</i>) | - | - |
| Total | - | - |
| b) Grants /Transfers from the Government | | |
| Grants from National Govt | - | - |
| Grants from County Government | - | - |
| Donations in Kind | - | - |
| Total | - | - |
| c) Expenses incurred on behalf of related parties | | |
| Payments of Salaries and Wages for xx Employees | - | - |
| Payments for Goods and Services for XX | - | - |
| Total | | |
| d) Key Management Compensation | | |
| Directors' emoluments | - | - |
| Compensation to Key Management | - | - |
| Total | - | - |

50. Segment Information

YTVC doesn't operate in segmentation.

Notes to the Financial Statements (Continued)

51. Contingent Assets and Contingent Liabilities

Contingent Assets

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Contingent Assets | | |
| Insurance Reimbursements | - | - |
| Assets arising from determination of Court Cases | - | - |
| Reimbursable Indemnities and Guarantees | - | - |
| Others (<i>Specify</i>) | - | - |
| Total | - | - |

Contingent Liabilities

| Description | FY2023-2024 | FY2022-2023 |
|--|-------------|-------------|
| | Kshs | Kshs |
| Contingent Liabilities | - | - |
| Court Case Xxx against (<i>The Entity</i>) | - | - |
| Bank guarantees in favour of subsidiary | - | - |
| Contingent liabilities arising from Contracts including PPPs | - | - |
| Others (<i>Specify</i>) | - | - |
| Total | - | - |

52. Capital Commitments

| Capital Commitments | Current | Comparative |
|-------------------------------|-------------|-------------|
| | FY2023-2024 | FY2022-2023 |
| | Kshs | Kshs |
| Authorised for | - | - |
| Authorised and Contracted for | - | - |
| Total | - | - |

Notes to the Financial Statements (Continued)

53. Events After The Reporting Period

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

54. Ultimate And Holding Entity

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

55. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

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

Guidance Notes:

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

Mary Nyiva Kaboro

Name
Mary Nyiva Kaboro
Accounting Officer
The Principal



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Appendix II: Projects Implemented by YTVC.

Projects

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

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

Status of Projects completion

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

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

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Appendix III- Inter-Entity Confirmation Letter

[Insert your Letterhead]- N/A

[Insert name of beneficiary Entity]- N/A

[Insert Address]- N/A

The *[insert SC/SAGA/Fund name here-N/A]* wishes to confirm the amounts disbursed to you as at 30th June 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and

| Confirmation of amounts received by <i>[Insert name of beneficiary Entity]</i> as at 30 th June 2024 | | | | | | | |
|---|----------------|--|-----------------|-----------------------|-------------------|--|------------------------------|
| Reference Number | Date Disbursed | Amounts Disbursed by <i>[SC/SAGA/Fund-N/A]</i> (Kshs) as at 30 th June 2024 | | | | Amount Received by <i>[Beneficiary Entity]</i> (Kshs) as at 30 th June 2023 (E) | Differences (Kshs) (F)=(D-E) |
| | | Recurrent (A) | Development (B) | Inter-Ministerial (C) | Total (D)=(A+B+C) | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total | | | | | | | |

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

Head of Accountants department of beneficiary Entity:

Name MARY NYIVA KABORO Sign *[Signature]* Date 20/5/2024



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Appendix IV: Reporting of Climate Relevant Expenditures

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

Appendix V: Reporting on Disaster Management Expenditure

| Column I | Column II | Column III | Column IV | Column V | Column VI | Column VII |
|-----------|---------------|---------------|--|------------------|-----------------|------------|
| Programme | Sub-programme | Disaster Type | Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness) | Expenditure item | Amount (Ksh s.) | Comments |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |