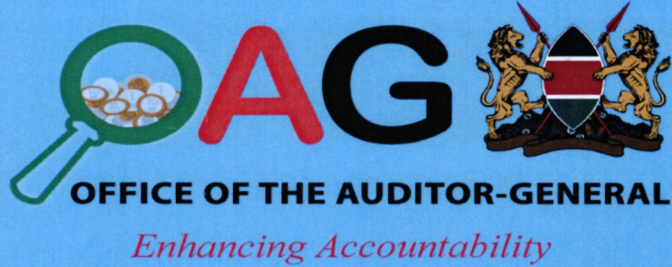


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REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 27 JUN 2023	DAY: TUESDAY
TABLED BY: Hbn. Owen Baya, MP Deputy Leader, Majority	
OF HON. AT THE TABLE: Wazir MUSALE	

THE AUDITOR-GENERAL

ON

**TINDIRET TECHNICAL AND
VOCATIONAL COLLEGE**

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



TINDIRET TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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I. Key Entity Information and Management

(a) Background information

The Tindiret Technical and Vocational College (TTVC) is a public tertiary college established under the TVET Act No 29 of 2013. It is under the regulation of the Technical Vocational Education and training Authority (TVETA) and is currently licensed to train and offer external examinations under the Kenya National Examinations Council (KNEC).

On 1st April 2019, a hand over ceremony from the contractor to the Mentor institution – Kaiboi Technical Training Institute marked its first day to open doors to the public. The first Principal of the College was posted on 19th June 2019. An official opening ceremony followed shortly after on 29th June 2019 and much later, its first Board of Governors was inaugurated on 10th February 2020. TTVC is domiciled in Kenya, located five (5) km East of Kopere-Tindiret road in Tindiret division, Soba location, Sigoria sub-location in Nandi County. Currently, it runs its single campus on a one storey building seating on a seven (7) acre farm. The institute is under the Ministry of Education.

TTVC has four major departments offering twenty-five (25) approved courses in Building & Civil Engineering, Electrical Engineering, Information Communication Technology, Agricultural Studies and Business Studies trades.

(b) Principal Activities

Vision: To be a top-rated institute in Technical Education, vocational training, Research and Innovation.

Mission: To provide Technical and vocational training to learners to meet the global market demands.

Motto: Citadel of Skills, Enterprise and Progress.

Mandate:

- To produce skilled artisan, craftsmen and technicians for both public and private sectors.
- To provide technical knowledge, vocational skills and attitudes necessary for man power development.
- To provide increased training opportunities for school leavers that will enable them to be self-supporting.
- To develop practical skills and attitude that will lead to income earning activities in the society

(c) Key Management

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

- Board of Governors members
- Accounting officer/ Principal
- Management and Heads of Department

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Abdi Tiony
2.	Deputy principal	Joseph Kitam
3	Registrar	Boniface Leboo
4	Dean of students	Enid Sergon
5	Head of finance	Sammy Kirui

(e) Fiduciary Oversight Arrangements

TTVC is oversighted by the Ministry of Education State Department of Vocational training through the directorate of TVET. This activity is undertaken by the Board of Governors

Key Entity Information and Management (Continued)**(f) Entity Headquarters**

Tindiret Technical and Vocational College,
P.O. Box 126, - 40110,
Kopere Maraba Road,
Songhor,
Nandi County,
Kenya.

(g) Entity Contacts

Telephone: (+254) 746 550 647
E-mail: tindirettvc@gmail.com/info@ttvc.ac.ke
Website: www.ttvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Nandi Hills Branch
P.O BOX 184 - 30301
A/C No. 1263943721

(i) Independent Auditors





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




Nairobi, Kenya



(j) Principal Legal Adviser

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




II. The Council/Board of Governors


No.	Member/ Director	Details
1.	 <p data-bbox="331 719 767 752">Mrs. Margaret Chepkemoi Koech</p>	<p data-bbox="863 360 1430 461">Margaret is currently the chairperson of the Board of Governors Tindiret TVC, born in 28/12/1969</p> <p data-bbox="863 468 1430 757">MSc international hotel management Bachelor of education, home economics Currently CEO chalan properties ltd Worked as head of commercial services dept: Multimedia university of Kenya Member of Board Kenyatta national hospital Independent Director.</p>
2.	 <p data-bbox="331 1158 580 1191">John Oloo Gwendo</p>	<p data-bbox="863 768 1385 1200">John Gwendo Oloo is currently a senior lecturer at the School of Education Department of Technology Education at Moi University. He was born on 21st November 1978. He holds a Masters of Science in Information Systems and B.Ed. (Technology Education) with an Experience of 10 Years in Technology education and Governance of TVET institutions. He has held Board membership in several other institutions before.</p>
3.	 <p data-bbox="331 1599 533 1632">Mr. Joel Kemei</p>	<p data-bbox="863 1290 1414 1581">Joel Kemei is currently a senior Principal at the Senetwo primary school. He holds a Diploma in Education Management He was born on 9/2/1966. He has an Experience of 30 Years in education and Governance of TVET institutions. He has held Board membership in several other institutions before.</p>
4.		<p data-bbox="863 1659 1422 1883">Joel -Misoi is currently a senior Manager at Diguna Polytechnic – a Mission sponsored Vocational training centre. He is a retired senior education quality assurance officer Principal at the Senetwo primary school. He holds a Diploma in Education</p>

	Mr. Joel Misoi	<p>Management</p> <p>He was born on 25/06/1957. He has an Experience of 30 Years in education sector and Governance of TVET institutions. He has held Board membership in several other institutions before.</p>
5.	 <p>Ms. Jepchirchir Kibor</p>	<p>Jepchirchir Kibor is an entrepreneur and community opinion leader. Born on 11/8/1964 she holds Bachelors of commerce in business management (marketing option) from Moi University with over 30 years experience in community development, partnerships and business. She has held various leadership and Board positions in several community and political institutions.</p>
6.	 <p>Mr. Moses Kolum</p>	<p>Moses Kolum is currently the General Commercial manager at Muhoroni Agro chemical and Food Company LTD. Born 22/03/1966, he holds a master's in business administration and a Bachelor of arts with an Experience of over 20 Years in Human Resource Management, company operations, Government procedures and performance contracting. He has held several Board position in several institutions before.</p>
7.	 <p>Ms. Alice Sitienei</p>	<p>Alice Sitienei is currently a sub-county director of Education in the Ministry of Education. She holds a Masters in education from Moi University. She was born on 11.11.1976. She has an Experience of 20 Years in education sector, community development and Governance of both basic education and TVET institutions. He has held Board membership in several other institutions before.</p>

<p>8.</p>	 <p>Mr. Abdi Tiony Secretary to the Board</p>	<p>Mr. Abdi Tiony is currently the Principal and the Secretary to the BOG of Tindiret Technical and Vocational College. He holds a Master of Education in Technology Education and a Bachelor's Degree in the of Education in Technology Education. Born on 15th March 1979, he has over 15 years in TVET management in several institutions; he has also international experience in linkages and fellowships. Highly skilled in Mechanical Machining, ICT, organizational governance, ISO, project planning and management.</p>
<p>9.</p>	 <p>Gichuru Mutulili, County Director of TVET,</p>	<p>Born on 3rd September, 1966 he is the current TVET County Director Uasin Gishu, Nandi and Elgeyo Marakwet Region. He is the PS representative of the Ministry in the Board and provide advice and guidelines on Ministry's strategic goals, mandate and policy direction. He holds Master's in Business Administration (Management Information Systems) and B.Ed. (Arts) Mathematics & Business Studies. Further, has wealth experience in public service particularly in Educational management particularly ISQ Training, Performance management, project management, financial management, procurement management and monitoring and evaluation of programmers and projects having served as a teacher, education officer in various positions and Counties</p>

III. Management Team

No.	Member/ Director	Details
1.	 <p>Principal and Secretary to the Board</p>	<p>Mr. Abdi Tiony is currently the Principal and the Secretary to the BOG of Tindiret Technical and Vocational College. He holds a Master of Education in Technology Education and a Bachelors Degree in the same trade area. Born on 15th March 1979, he has over 15 years in TVET management in several institutions; he has also international experience in linkages and fellowships. Highly skilled in Mechanical Machining, ICT, organizational governance, ISO, project planning and management.</p>
2.	 <p>Mr. Joseph Kitam Deputy Principal</p>	<p>Joseph Kitam is currently the deputy Principal at Tindiret Technical and Vocational College. He has previously held managerial positions in several other colleges and high schools before. He holds a degree in Educating Technology from Moi university.</p>
3.	 <p>Mr. Boniface Kipchumba Leboo Ag. Registrar</p>	<p>Mr. Boniface Kipchumba Leboo is currently the acting Registrar at Tindiret TVC, born in 25th April, 1984. He holds a Bachelor of Education Science and Business Studies from Catholic University of Eastern Africa and a diploma in Information Technology from Ollessos Technical Training Institute. He has previously served as a Computer and Business Teacher at Lelmokwo High School and a director of studies at the same institution.</p>

4.	 <p>Mr. Sammy Kirui Finance Officer.</p>	<p>Mr. Sammy Kirui is the current Finance Officer Tindiret TVC, born in 24th February, 1992. He holds a B.COM Finance Option Degree from the Catholic University of Eastern Africa (CUEA). He is a CPA Finalist from Destiny College of Accountancy. He has a wide experience in accounting management and practice from several busy institutions including having worked as Assistant Accountant: Bedrock Holdings Kisumu for three years.</p>
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IV. Chairman's Statement

I am pleased to present our 2021/2022 financial statement and performance. This year's financial statements may as well mark an important point for the Board of TTVC. The first three year term of office is soon coming to an end and it would be important to reflect on the journey this far. This financial statement accords us such an important opportunity. TTVC has over its nascent years depended on strong stakeholder relations in all its performance and growth prospects. The performance is owed to the fact that the Government of Kenya set up the college in the first place while the NG-CDF sent in its first cohort of pioneer trainees. There are other great stakeholders including the office of the affirmative action fund and the community that have ensured we take off thus far. All these and much more will shape our strategic direction and inform our future plans.

Right from the beginning, the Board was acutely aware that the strength and agility of our Board will be tested in the way we set off. Laying the foundations of a great college in pursuit of its vision remained our motivation in the last three years we have been in existence. To ensure this happens, we sought to lay the necessary structures like guiding the management into writing its very first strategic plan, putting in place a board charter and an almanac.

All the foregoing has guided us not only into a strategic direction but also enable us implement set targets and objectives especially in curriculum implementation, physical facilities development and overall growth of the college. We intended to achieve a breakeven point within our first three years of operation. We calculated this breakeven point to be at an enrolment figure of 800 trainees. Sadly we have not been able to hit that target attributable to a number of factors. We intend to soon have a critical look at some of these factors with a view to surmounting every challenge posed. Already, our recently developed strategic plan lays an important road map towards this realization.

Looking into the future, we see opportunities as well as new challenges to our College. We face many challenges and it's in times like this that we must remain focussed on our goal and purpose, running safe operations to ensure survival. We will continue engaging key stakeholders to hold our hand through this.

On behalf of the Board of Governors, I extend my appreciation to the Government of the Kenya, the Ministry of Education, our esteemed stakeholders, the management and staff for continued support, cooperation and contribution towards driving our strategy and college success.

MARGARET KOECH
BOG CHAIRPERSON

Date



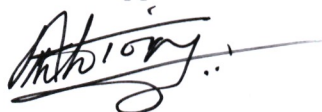
V. Report of the Principal

It is my pleasure to present the annual statement of finances for audit for the financial year ended 30 June, 2022.

With the direction of the Board, the management of TTVC is committed to ensuring that the college takes off well. Naturally, our instincts were trained towards growth in trainee numbers. We deployed considerable resources towards marketing strategies with a view of attracting and retaining more trainees and staff from other regions. Sadly, most of our efforts during the year were watered down by a myriad of challenges. My appreciation goes to the board of Governors for guiding us to write its first strategic plan. We remain committed to pursuit of our vision to be the top rated TVET College. This we will do by ensuring quality delivery of our services especially curriculum implementation.

Looking into the future, Management remains optimistic that the college will pick up to a growth trajectory despite the current fluid socio economic environment. I am honoured to lead a great college that stared recently to a great hope and prospects. It is indeed my pleasure to change the lives of youth who would otherwise be languishing in a state of despair back in the villages. I look forward to collective effort to create and sustain a lasting impact.

My sincere appreciation to all people of good will.



ABDI TIONY,
PRINCIPAL/SECRETARY TO THE BOARD,

Date



VI. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

Tinderet Technical and Vocational College has two (2) strategic pillars and objectives within current Strategic Plan for the FY 2021-2022. These strategic pillars are as follows:

Pillar 1: Technological, Quality of Training.

Pillar 2: Research, Science Technology and Innovation.

Tinderet Technical and Vocational College develops its annual work plans based on the above pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Vocational College achieved its performance targets set for the FY 2021/22 period for its strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Technological, Quality of Training	Improve examination performance rate	Improve KNEC Examination % pass from 51% to 60%	Use of WIFI in research.	9% increase
Research, Science Technology and Innovation.	Increase goss enrolment in Science Engineering and Technological courses(SET)	Community outreach in Nandi and Kisumu Counties. Participation in TVET Fairs and exhibitions	Outreach	160 Students

VII. Corporate Governance Statement

According to the provisions of the TVET Act 2013 (Second schedule section 1), The Board of Governors of a public institution shall consist of not less than seven and not more than Nine members appointed by the Cabinet Secretary. In the case of TTVC, during the financial year under review, there were eight (8) Members appointed to the Board of TTVC as listed on table on page (iv) and (v) above. The Principal who is also the Secretary to the Board formed the ninth member.

Section 7 of the second schedule of the TVET Act provides for a three-year term renewable once for a member of the Board. The members were appointed at diverse dates within the year to provide for succession planning.

During the year under review, the Board of TTVC held the following meetings.

DATE OF MEETING	NATURE OF MEETING	MEMBERS IN ATTENDANCE
9th August 2021	PC REVIEW AND BOARD SENSITIZATION	4
3 rd September 2021	HUMAN RESOURCE COMMITTEE MEETING	4
17th September 2021	HUMAN RESOURCE, FINANCE AND ADMINISTRATION COMMITTEE	5
24 th September 2021	RISK & AUDIT COMMITTEE	5
1 st October 2021	FULL BOARD MEETING	5
12 th November 2021	INFRASTRUCTURE AND RESOURCE MOBILIZATION COMMITTEE	5
19 th November 2021	HUMAN RESOURCE, FINANCE AND ADMINISTRATION COMMITTEE	3
3rd December 2021	FULL BOARD	9
21 st January 2022	HUMAN RESOURCE, FINANCE AND ADMINISTRATION COMMITTEE	2
25th January 2022	FULL BOARD	7
29 th March 2022	EDUCATION, INFRASTRUCTURE, RESOURCE MOBILIZATION COMMITTEE	4
30th March 2022	HUMAN RESOURCE, FINANCE AND ADMINISTRATION COMMITTEE	4
12 th April 2022	FULL BOARD MEETING	7
17 th June 2022	RISK & AUDIT COMMITTEE	3
28 th June 2022	EDUCATION, INFRASTRUCTURE, RESOURCE MOBILIZATION COMMITTEE	3

The functions of the Board of Governors shall include:

1. Overseeing the conduct of education and training in the institution in accordance with the provisions of this Act and any other written law.
2. Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law.
3. Administering and managing the property of the institution.
4. Developing and implementing the institutions' Strategic Plan.
5. Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institution.
6. 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.
7. 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 of this Act.
8. Mobilization resources for the institution.
9. Developing and reviewing programmes for training and to make representations thereon to the Board.
10. Regulating the admission and exclusion of students from the institution, subject to a qualifications framework and the provisions of this Act.
11. Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the board.
12. Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry.
13. Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institution, in consultation with the Authority.
14. Making regulations governing organization, conduct and discipline of the staff and students.
15. Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Board.
16. Providing for the welfare of the students and staff of the institution.

17. Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institution.
18. Discharging all other functions conferred upon it by this Act or any other written law.

VIII. Management Discussion and Analysis

During the financial year under review, the following provides highlights of the performance at TTVC.

Statement of Financial Performance

For the year ended 30th June, 2022, Tindiret Technical and Vocational College received Kshs. 14,682,500 as Transfers from the National Government.

Statement of Financial Position

Tindiret Technical and Vocational College opening capital asset fund encompasses of a single storey building comprising of office, classrooms and twin workshop which was constructed by the Government of Kenya valued at Kshs. 50,708,202. Furniture and fittings were obtained from the government with additional acquisition by the College at a value of Kshs 963,208, Computers valued at Kshs 2,108,900 and Plant, Property and equipment valued at Kshs 97,543,750.

Additional the college acquired an Enterprise Resource Planning (ERP) System valued at Kshs 2.316.000.

Statement of Changes in Net Assets

The institution had neither revaluation gain nor fair value adjustments to report during the financial year ended 30th June 2022.

PPE Schedule (Property Plant and Equipment)

The opening of PPE was Ksh **160,166,364** and the college had an addition on assets of Kshs **2,009,858** from furniture and computers giving rise to net assets of Kshs **162,176,222**

Depreciation at various class rates had a depreciation value of Kshs 14,434,259 leaving a net value of total assets at Kshs 147,741,963.

In conclusion, there were no projects undertaken at TTVC and therefore none is ongoing. Tindiret Technical and Vocational College is duly registered by Kenya Government with its courses duly approved by a regulatory body TVETA. Also, the institution is an approved KNEC assessment centre.

IX. Environmental and Sustainability Reporting Statement

Tindiret Technical and Vocational College seeks to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, as clearly articulated in the strategic plan. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

Sustainability strategy and profile

Performance contracting (PC) is a great way to anchor service delivery in measurable objectives and targets. Tindiret Technical and Vocational College is currently in the Performance Contracting

cycle and has signed a plan with the Ministry of Education. This will go a long way in support of the strategic plan to ensure targets are achieved. This ensures sustainability in the planned period. However, some of the leading challenges we face in this regard include:

Inadequate Staffing: In order to deal with the issue of staff shortage, the college has employed nineteen BOG Trainers. This is causing a strain on the College's Budget. It is hoped that with government intervention to employ more PSC trainers in the future this burden can be alleviated.

Increased competition from other local colleges. The college is facing stiff competition from Developed Local Colleges, hence there is need for more funds for marketing the institution
Cost of Education, More students from the locality cannot afford to pay for school fees. Most of them rely on Bursaries.

HIV and AIDS: To curb this menace, the Collage has adopted a proactive measure by initiating a sensitization program for staff and students on how to prevent HIV & AIDS through the Guidance and Counselling Department and a PC committee on HIV and AIDS.

Environmental performance

Through Performance contracting, the institution has in place a committee on national cohesion and principles of governance committee/ Environment. Through this committee the college has been able to organise tree planting drives and suitability education sensitization sessions in the college. Tindiret Technical and Vocational College is also aligned to the UNESCO-UNEVOC on the agenda of greening TVET. Moreover, this committee is currently working on a greening TVET policy to further drive the sustainability agenda forward.

The institution's management is committed to environmental sustainability and managing waste through the 3Rs mantra of reduce, recycle, reuse. The staff and students are educated on proper waste management practices like reduce use of papers and encourage the use of new technological methods like emails, WhatsApp, e-bills. E-waste is also managed considerably well. We are affiliated to a regional waste disposal centre.

Employee welfare

Tindiret Technical and Vocational College staff are the most vital resource. It is what we bank on to execute anything and everything humanly possible to achieve the college's vision. The Board of TTVC has already laid grounds for great management of staff welfare. We have in place a Human Resource Policy and Procedures Manual. This has fostered cordial and professional working environment that promotes the rights and needs of our clients and staff altogether.

Market place practices-

Tindiret Technical and Vocational College is committed to responsible and fair market place practices. The following are some of the efforts made in this regard;

a) TTVC is committed to foster a corruption free environment. All its dealing are conducted in a strictly corruption free manner and respect of all clients. Suppliers are competitively sourced

through open annual tendering process while political interference of the college affairs is discouraged.

b) There is currently a running memorandum of Understanding between TTVC and neighbouring clinic to make the health care needs of TTVC community.

c) All contracts with suppliers and obligations with stakeholders are honoured. This is evident with the very low pending bills.

Corporate Social Responsibility / Community Engagements

With support from the Lake Victoria South Water Works Development Agency, the institute allowed its farm to host a water borehole and connected it to electricity to supply water to the college, the neighbouring Primary Schools and the community at large. This has been a very life changing project in that it has saved the community from travelling up to five kilometres in search of the all-essential commodity. Currently the college meets all the maintenance and utility bills of the facility.

X. Report of the Council/Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the TTVC's affairs.

Principal activities

The principal activities of the entity are to train in Technical and Vocational Education. During the year under review, we had a total of 286 trainees. We deployed considerable resources towards marketing strategies with a view of attracting and retaining more trainees and staff from other regions. We remain committed to pursuit of our vision to be the top rated TVET college. This we will do by ensuring quality delivery of our services especially curriculum implementation.

Results

The results of the entity for the year ended June 30, 2022 are set out on page 1-61


Board of Governors

The members of the Board who served during the year are shown on page (iv) and (v) of this document. During the year none of the Board members retired/ resigned.

Auditors

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

By Order of the Board



ABDI TIONY,
PRINCIPAL/SECRETARY TO THE BOARD,

Date



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

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

The BOG members are responsible for the preparation and presentation of TTVC's financial statements, which give a true and fair view of the state of affairs of TTVC for and as at the end of the financial year (period) ended on 30 June, 2021. 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 TTVC ; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of TTVC; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


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


Nothing has come to the attention of the Board of Governors members to indicate that the TTVC 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 Tindiret Technical and Vocational College's financial statements were approved by the Board

on 3/4/23 and signed on its behalf by:


Name Gichuru **03 APR 2023**
Chairperson of the Board/Council



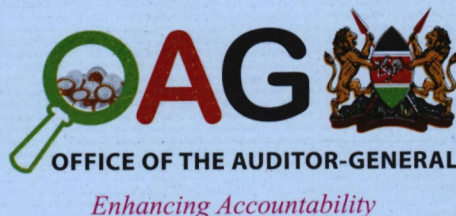
Tiony ABDI MURWA
Name
Accounting Officer/Principal



03 APR 2023

REPUBLIC OF KENYA

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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 TINDIRET TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tindiret Technical and Vocational College set out on pages 1 to 56, which comprise of the statement of financial position as at 30 June, 2022, the statement of financial performance, statement of

changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and 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 Tindiret Technical and Vocational College as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013, and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit had the following inaccuracies;

- 1.1 The statement of financial performance reflects comparative depreciation and amortization expense of Kshs.16,044,757 while the audited 2020/2021 financial statements reflects nil expenditure;
- 1.2 The statement of financial performance reflects comparative net deficit for the year of Kshs.14,606,338 while the audited 2020/2021 financial statements reflects a surplus of Kshs.1,438,419 resulting to an unexplained variance of Kshs.16,044,757;
- 1.3 The statement of financial position reflects comparative accumulated deficit of Kshs.14,606,338 while the audited 2020/2021 financial statements reflects a surplus of Kshs.1,438,419 resulting to an unexplained variance of Kshs.16,044,757;
- 1.4 The statement of cash flows reflects comparative other income of Kshs.1,000 while the audited 2020/2021 financial statements reflects nil amount;
- 1.5 The statement of cash flows reflects net cash flows from operating activities of Kshs.5,658,600 while casting revealed Kshs.5,659,400 resulting in an unexplained difference of Kshs.800;
- 1.6 Note 31 on property, plant and equipment reflects cost of furniture and fittings balance of Kshs.2,980,867 while casting revealed Kshs.3,767,075 resulting to an unexplained variance of Kshs.963,208.

In the circumstances, the accuracy and completeness of the above figures reflected in the financial statements could not be confirmed.

2. Unsupported Property, Plant and Equipment Balance

The statement of financial position reflects property plant and equipment balance of Kshs.147,741,7963 as disclosed in Note 31 to the financial statements. However, Management did not provide evidence to show how the values were arrived at and the fixed asset register was not provided for audit. In addition, the policy on depreciation and amortization, the method of depreciation and applicable rates for each class of property, plant and equipment was not stated.

In the circumstances, accuracy, completeness and valuation of the property, plant and equipment balance of Kshs.147,741,7963 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of comparison of budget and actual amounts reflects final income budget of Kshs.56,420,000 and actual on comparable basis of Kshs.24,503,703 resulting to a revenue short fall of Kshs.31,916,297 or 57% of the budget. Similarly, the College spent Kshs.33,793,362 out of budgeted expenditure of Kshs.56,420,000 resulting in budget under absorption of Kshs.23,140,637.

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

2. Underfunding of Student Capitation

During the year under review the College had six hundred and forty-six (646) students which translates to expected grants of Kshs.19,380,000 at a rate of Kshs.30,000 per student. However, the College received only Kshs.14,682,500 resulting to underfunding of Kshs.5,197,500.

The underfunding may have negatively impacted the College's planned activities and service delivery.

3. Unresolved Prior Year Matters

There were issues raised in the audit report for 2021/2021 financial year. However, no report or recommendations from the Management and oversight bodies were submitted for audit verification and therefore the issues remain unresolved .

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Law on Ethnic Composition

Review of the College's personnel records indicate there were nine (9) Board of Management members out of whom seven (7) or 78% were from the dominant community while all the four (4) senior Management were from the same community. Similarly, out of thirty-six (36) non-teaching employees, thirty-four (34) or 94% are from the dominant community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community".

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

2. Lack of Occupational Safety and Health Committee

During the year under review, the safety and health committee had not been established. This was contrary to Section 9(1) of the Occupational Safety and Health Act, 2007 which requires every occupier to establish a safety and health committee at the workplace in accordance with regulations prescribed by the Minister if there are twenty or more persons employed at the workplace. Further, there was no evidence of safety and health audit contrary to Section 11(1) which stipulates that the occupier of a workplace shall cause a thorough safety and health audit of his workplace to be carried out at least once in every period of twelve months by a safety and health advisor.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the

financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of a Fixed Assets Register

During the year under review, Management did not maintain a fixed asset register to indicate the model and serial number, quantity/size, responsible official, class, category of assets and its condition among other details. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, the internal controls on maintenance of fixed assets register could not be confirmed.

2. Lack of an Internal Audit Function

During the year under review, Management had not established an internal audit function. This was contrary to Section 73(1) of the Public Finance Management Act, 2012 which requires 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.

In the circumstances, Management are not provided with assurance regarding effectiveness of internal controls and risk management.

3. Lack of Key Policies

In the year under review, key policies including inventory management policy, creditors' management policy, debt management policy and risk management policy among others were not established. This was contrary to Regulation 165(1) of the Public Finance Management (National Governments) Regulations, 2015 which states that the Accounting Officer shall ensure that the National Government entity develops (a) risk management strategies, which include fraud prevention mechanism; and (b) a system of risk management and internal control that builds robust business operations.

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

4. Lack of Approved Staff Establishment

The College does not have an approved staff establishment that indicates optimum staffing levels. In addition, there was no evidence that the salaries paid were based on salary structures and job groups approved by Salaries and Remuneration Commission (SRC).

In the circumstances, the effectiveness of internal controls on staffing and salary structures 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 control, 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or to cease operations.

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

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

The Board of Governors is responsible for overseeing the 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 May, 2023

TINDIRET TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2022

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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	14,682,500	11,190,000
Grants from donors and development partners	7	0	0
Transfers from other levels of government	8	0	0
Public contributions and donations	9	0	0
		14,682,500	11,190,000
Revenue from Exchange transactions			
Rendering of services- fees from students	10	9,821,203	9,664,880
Sale of goods	11	800	0
Rental revenue from facilities and equipment	12	0	0
Finance income	13	0	0
Other income	14	0	1,000
Revenue from Exchange transactions		9,822,003	9,665,880
Total Revenue		24,504,503	20,855,880
Expenses			
Use of goods and services	15	11,530,900	11,251,264
Employee costs	16	6,044,139	5,219,482
Board /Council Expenses	17	970,665	1,532,210
Depreciation and amortization expense	18	14,434,259	16,044,757
Repairs and maintenance	19	278,111	1,405,150
Contracted services	20	0	0
Grants and subsidies	21	0	0
Finance costs	22	21,289	10,755
Total Expenses		33,279,363	35,463,618
Other Gains/(Losses)			
Gain on sale of assets	23	0	1,400
Unrealized gain on fair value of investments	24	0	0
Impairment loss	25	0	0
Total Other Gains/(Losses)		0	1,400
Net surplus for the year		-8,774,860	-14,606,338
Attributable to:			
Surplus/(deficit) attributable to minority interest		0	0
Surplus attributable to owners of the controlling entity		0	0
		-8,774,860	-14,606,338

TINDIRET TECHNICAL AND VOCATIONAL COLLEGE

Annual Report and Financial Statements for the year ended 30th June 2022

The Financial Statements set out on pages 1 to 8 were signed by:


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Chairman of Council/Board

Date



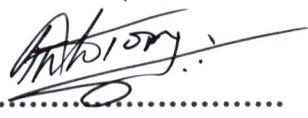

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Finance Officer

ICPAK No 35762

Date




.....

Principal

Date



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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	4,891,519	1,242,777
Current portion of receivables from exchange transactions	27(a)	16,885,784	1,778,640
Receivables from non-exchange transactions	28	0	2,452,500
Inventories	29	423,829	3,453,157
Investments	30	0	0
		22,201,132	8,927,074
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	0	0
Investments	30	0	0
Property, plant, and equipment	31	147,741,963	157,755,364
Intangible assets	32	0	0
Investment property	33	0	0
		0	157,755,364
Total Assets		169,943,095	166,682,438
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	34	4,473,134	902,640
Refundable deposits from customers	35	301,000	34,000
Current provisions	36	0	0
Finance lease obligation	37	0	-
Current portion of borrowings	41	0	0
Deferred income. Prepayments	38	0	1,144,640
Employee benefit obligation	39	0	0
Payments received in advance		0	0
Non-Current Liabilities		4,774,134	2,081,280
Finance lease obligation	37	0	0
Deferred income	38	0	0
Non-Current Employee Benefit Obligation	39	0	0
Non-Current Provisions	40	0	0
Borrowings	41	0	0

TINDIRET TECHNICAL AND VOCATIONAL COLLEGE

Annual Report and Financial Statements for the year ended 30th June 2022

Service Concession Liability	42	0	0
Deferred Tax Liabilities	49	0	0
		0	0
Total Liabilities		4,774,134	2,081,280
Net Assets		165,168,961	164,601,158
Reserves			0
Accumulated Surplus		683,445	-14,606,338
Capital Fund		164,485,516	172,743,655
Total Net Assets and Liabilities		165,168,961	158,137,317

The Financial Statements set out on pages 1 to 8 were signed by:


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Chairman of Council Board

Date



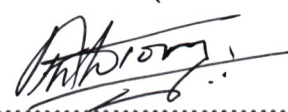

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Finance Officer

ICPAK No 30182

Date




.....

Principal

Date



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

Description	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/ Development Grants/Fund	Total
At July 1, 2020	0	0	8,019,886	172,506,671	180,526,557
Revaluation gain	0	-	-	-	0
Fair value adjustment on quoted investments	-	0	-	-	0
Total comprehensive income	-	-	14,606,338	-	0
Capital/development grants received during the year	-	-	-	7,340,157	7,340,157
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	16,044,757	-	-
At June 30, 2021	0	0	9,458,305	163,802,071	173,260,376
At July 1, 2021	0	0	9,458,305	163,802,071	173,260,376
Revaluation gain	0	-	-	-	0
Fair value adjustment on quoted investments	-	0	-	-	0
Total comprehensive income	-	-	-8,774,860	-	-8,774,860
Capital/development grants received during the year	-	-	0	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	0	-	-
At June 30, 2022	0	0	683,445	163,802,071	164,485,516

Note:

1. The institution had no revaluation gains.
2. Capital/Development Grant received of Ksh. 7,340,157 and depreciation of Ksh. 16,044,757 is with reference to a prior year adjustment.

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

Description		2021-2022	2020-2021
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	500,000	11,190,000
Public contributions and donations		0	0
Rendering of services- fees from students	10	24,002,903	9,664,880
Sale of goods	11	800	0
Rental revenue from facilities and equipment		0	0
Finance income		0	0
Other income		0	1000
Total Receipts		24,503,703	20,855,880
Payments			
Compensation of employees	16	6,044,139	5,219,482
Use of goods and services	15	11,530,899	11,251,264
Finance cost	22	21,288.97	10,755
Repairs and maintenance	19	278,111	1,405,150
Taxation paid		0	20,000
Board /Council Expenses	17	970,665	1,532,210
Grants and subsidies paid		0	0
Total Payments		18,845,103	19,438,861
Net Cash Flows from operating activities	43	5,658,600	1,417,019
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	31	-2,009,858	-1,293,450
Proceeds from sale of property, plant and equipment		0	0
Net cash flows used in investing activities		-2,009,858	-1,293,450
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		0	0
Deposits receipts		0	0
Net cash flows used in financing activities		0	0
Net Increase/(Decrease) in Cash and Cash equivalents		3,648,742	1,242,777
Cash and Cash equivalents at 1 JULY 2021	26	1,242,777	1,242,777
Cash and Cash equivalents at 30 JUNE 2022	26	4,891,519	1,242,777

The Financial Statements set out on pages 1 to 8 were signed by:

		
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Chairman of Council Board	Finance Officer	Principal
Date 03 APR 2023	ICPAK No 3082	Date
		

Indiret Technical and Vocational Training College
Annual Report and Financial Statements for the year ended 30th June 2022

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

Description	Original budget 2021-2022	Adjustments 2021-2022	Final budget 2021-2022	Actual on comparable basis 2021-2022	Performance difference 2021-2022	Utilization Difference 2021-2022
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other govt entities and govt grants	30,000,000	0	30,000,000	14,682,500	15,317,500	-51
Public contributions and donations	0	0	0	0	0	0
Rendering of services- fees from students	26,420,000	0	26,420,000	9,821,203	16,598,797	-62
Sale of goods	0	0	0	800	-800	0
Finance income	0	0	0	0	0	0
Other income	0	0	0	0	0	0
Gains on disposal, rental income and agency fees	0	0	0	0	0	0
Total Income	56,420,000	0	56,420,000	24,504,503	31,915,497	-57
Expenses						
Compensation of employees	7,000,000	0	7,000,000	6,044,139	955,861	14
Use of goods and services	46,352,000	0	46,352,000	11,530,899	34,821,101	75
Finance costs	0	0	0	21,288.97	-21,289	0
Depreciation Cost	0	0	0	14,434,259.00	-14,434,259	0
Repairs and Maintenance	1,500,000	0	1,500,000	278,111	1,221,889	81
Rent paid	0	0	0	0	0	0
Remuneration of directors	1,568,000	0	1,568,000	970,665	597,335	38
Grants and subsidies paid	0	0	0	0	0	0
Total Expenditure	56,420,000	0	56,420,000	33,279,361.97	23,140,637	41
Deficit For the Period	0	0	0	-8,775,659		

(Budget notes)

1. The College had projected to receive Kshs 30 million through Government Grants but Kshs 15.3 million was received bringing a difference of 51% in the Transfers from Government and 57% in the Total Income in current financial period.
2. The Use of goods and services were below the budget by Ksh 34,821,101 due to low enrolment

XVIII. Notes to the Financial Statements

1. General Information

Tindiret Technical and Vocational College entity is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to train technical and vocational students.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the TTVC's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 6-49

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

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

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

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

TINDIRET TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2022

Standard	Effective date and impact:
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement

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Standard	Effective date and impact:
	Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1 st January 2023.
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

iii. Early adoption of standards

TTVC did not early-adopt any new or amended standards in year 2022.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

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

Interest income

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

Dividends

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

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Council or Board on 4th June, 2021. 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 entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

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

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule 2 of the 2013 Act.

Sales tax/ Value Added Tax

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

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

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

Notes to the Financial Statements (Continued)

d) Investment property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of **40** years.

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

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

e) Property, plant and equipment

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

f) Leases

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

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

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

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

g) Intangible assets

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

h) Research and development costs

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

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

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

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

j) Inventories

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

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

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

k) Provisions

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

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

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

Contingent liabilities

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

Contingent assets

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

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

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

o) Foreign currency transactions

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

p) Borrowing costs

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

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

q) Related parties

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

r) Service concession arrangements

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

s) Cash and cash equivalents

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

t) Comparative figures

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

u) Subsequent events

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

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

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

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.

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Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2021-2022	2020-2021
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	14,182,500	11,190,000
Operational Grant	500,000	0
Other Grants	0	0
	0	0
Conditional Grants		
Library Grant	0	0
Hostels Grant	0	0
Administration Block Grant	0	0
Laboratory Grant	0	0
Learning Facilities Grant	0	0
Other Organizational Grants	0	0
Total Government Grants and Subsidies	14,682,500	11,190,000

(a) Transfers from other Government entities (Categorized)

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

7. Grants from Donors and Development Partners

Description	2021-2022	2020-2021
	Kshs	Kshs
JICA- Research Grant	0	0
World Bank Grants	0	0
In-Kind Donations	0	0
Other Grants	0	0
Total Grants from Development Partners	0	0

Reconciliations of grants from donors and development partners

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance unspent at beginning of year	0	0
Current year receipts	0	0
Conditions Met - Transferred to Revenue	0	0
Conditions Yet To Be Met - Remain Liabilities	0	0

8. Transfers from Other Levels of Government

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfer from County	0	0
Transfer from University	0	0
Transfer from Institute	0	0
Total Transfers	0	0

9. Public Contributions and Donations

Description	2021-2022	2020-2021
	Kshs	Kshs
Public Donations	0	0
Donations from Local Leadership	0	0
Donations from Religious Institutions	0	0
Donations from Alumni	0	0
Other Donations	0	0
Total Donations and Contributions	0	0

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Notes to the Financial Statements (Continued)

10. Rendering of Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Fees	3,512,160	2,631,360
Activity Fees- Sports	574,876	835,900
Industrial Attachment Fees	504,123	998,000
Examination Fees	449,479	0
Library Fees	222,756	373,490
Personal Emolument	2,094,908	2,423,900
Repair Maintenance and Improvement	430,960	509,800
Local Travel & Transport	515,793	615,000
Electricity Water and Conservancy	301,247	404,600
Medical and Insurance	148,782	204,080
Activity- Student Union	102,094	131,900
ICT	226,771	246,000
Contingencies	219,330	239,850
Registration Fees	72,782	17,000
Student ID	30,790	0
arrears	17,131	0
Administrative Fees	254,452	0
Capitation(Students)	19,607	0
Caution Money	123,160	34,000
Total Revenue from The Rendering Of Services	9,821,203	9,664,880

11. Sale of Goods

Description	2021-2022	2020-2021
	Kshs	Kshs
	0	0
Sale of Books	0	0
Sale of Publications	0	0
Sale of Farm Produce	0	0
Cafeteria sales	0	0
Disposal of Containers	800	0
Total Revenue from Sale of Goods	800	0

These are proceeds from the sale of cooking oil containers

12. Rental revenue from facilities and equipment

Description	2021-2022	2020-2021
	Kshs	Kshs
Hire of Facilities and Equipment		
Contingent Rental	0	0
Operating Lease Revenue		
Total	0	0

Notes to the Financial Statements (Continued)

13. Finance Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Cash investments and fixed deposits	0	0
Interest income from treasury bills	0	0
Interest income from treasury bonds	0	0
Interest from outstanding debtors	0	0
Total finance income	0	0

14. Other Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance recoveries	0	0
Consultancy fees	0	0
Income from sale of tender	0	1000
Services concession income	0	0
Reimbursements and refunds	0	0
Graduation fees	0	0
Miscellaneous (<i>specify</i>)	0	0
Total other income	0	1000

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Notes to The Financial Statements (Continued)

15. Use of Goods and Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	335,830.00	42,500
Industrial attachment costs	220,700	191,650
Electricity, water & Conservancy	785,262	993,727
Security	0	0
Professional and consultancy services	0	0
Subscriptions	10,750	105,000
Advertising	142,810	244,100
Examination fees	1,592,960	5,597,174
Audit fees	0	0
Catering, conferences, and delegations	0	0
Travelling and accommodation(LT&T)	1,271,060	609,945
Fuel and oil	0	0
Insurance	0	0
Legal expenses	0	0
Licenses and permits	0	0
Postage	4,895	4,920
Printing and stationery	295,610	648,085
Rent expenses	0	0
Skills development levies	0	0
Telephone expenses	0	0
Internet expenses	154,329	472,543
Training expenses	0	0
Activity & Sports Expense	279,360	257,080
Hire of facilities expense	20,000	0
ICT fcc expense	14,000	0
General administrative and learning materials	0	0
insurance for students (At attachment)	67,382	0
Library Expense	9,800	0
Medical Expense (At the College)	18,950	1,050
Performance contract expenses	255,900	72,600
project practical expense	7,500	0
Research / Innovation & Outreach Extension	213,380	0
Student union Expense	180,710	15,750
Tuition Equipment & Stores	1,118,695	
Training and Capacity Building	763,060	157,700
Refreshments	422,509	428,258

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Administrative Expense(s)	2,548,907	1,133,655
Sports	696,240	
Sanitation	100,300	275,527
Total good and services	11,530,899	11,251,264

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Notes to the Financial Statements (Continued)

16. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	5,079,839	4,463,344
Employee related costs - contributions to pensions and medical aids	799,392	756,138
Travel, motor car, accommodation, subsistence and other allowances	0	0
Housing benefits and allowances	0	0
Overtime payments	0	0
Performance and other bonuses	0	0
Social contributions	164,908	0
Employee Costs	6,044,139	5,219,482

17. Board/Council Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Chairman's Honoraria	0	0
Directors Emoluments	970,665	1,532,210
Other Allowances	0	0
Other Board/Council Expenses	0	0
Total	970,665	1,532,210

18. Depreciation and Amortization expense

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	14,434,259	16,044,757
Intangible assets	0	0
Investment property carried at cost	0	0
Total depreciation and amortization	14,434,259	16,044,757

19. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs	Kshs
Property	278,111	1,405,150
Investment property – earning rentals	0	0
Equipment and machinery	0	0
Vehicles	0	0
Furniture and fittings	0	0
Computers and accessories	0	0
Total Repairs and Maintenance	278,111	1,405,150

Notes to the Financial Statements (Continued)

20. Contracted Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Actuarial valuations	0	0
Investment valuations	0	0
Property valuations	0	0
Total contracted services	0	0

21. Grants and Subsidies

Description	2021-2022	2020-2021
	Kshs	Kshs
Community Development	0	0
Education Initiatives and Programs	0	0
Social Development	0	0
Community Trust	0	0
Sporting Bodies	0	0
Total Grants and Subsidies	0	0

22. Finance Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Borrowings (Amortized Cost)	0	0
Finance Leases (Amortized Cost)	0	0
Unwinding of Discount	0	0
Interest on Bank Overdrafts	0	0
Bank Charges	21,288.97	10,755
Total Finance Costs	21,288.97	10,755

23. Gain On Sale of Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Other Assets not capitalised	0	1400
Total Gain On Sale of Assets	0	1,400

Notes to the Financial Statements (Continued)

24. Unrealized Gain on Fair Value Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Investments at Fair Value	0	0
Total Gain	0	0

25. Impairment Loss

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Total Impairment Loss	0	0

26. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	4,891,519	1,242,777
On - Call Deposits	0	0
Fixed Deposits Account	0	0
Staff Car Loan/ Mortgage	0	0
Others (Specify)	0	0
Total Cash and Cash Equivalents	4,891,519	1,242,777

Notes to The Financial Statements (Continued)

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

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank		4,891,519	1,242,777
Equity Bank, etc.		0	0
Sub- Total		4,891,519	1,242,777
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank – etc.		0	0
Sub- Total		0	0
c) Fixed Deposits Account			
Kenya Commercial Bank		0	0

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Bank B		0	0
Sub- Total		0	0
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
e) Others(<i>Specify</i>)		0	0
Cash in Transit		0	0
Cash in Hand		0	0
Mobile Money account		0	0
Sub- Total		0	0
Grand Total		4,891,519	1,242,777

27. Receivables from Exchange transactions

27(a) Current Receivables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Receivables		
Student Debtors	16,885,784	1,778,640
Rent Debtors	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	(0)	(0)
Total Current Receivables	16,885,784	1,778,640

27(b) Long- term Receivables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	0	0
Advance Payments	0	0
Public Organizations	0	0
Less: Impairment Allowance	(0)	(0)
Total	0	0
Current Portion Transferred To Current Receivables	(0)	(0)
Total Non-Current Receivables	0	0
Total Receivables	0	0

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

Description	2021-2022	2020-2021
	Kshs	Kshs
At the beginning of the year	0	0
Provisions during the year	0	0
Recovered during the year	0	0
Write offs during the year	0	0
At the end of the year	0	0

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Notes to the Financial Statements (Continued)

28. Receivables from Non-Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Receivables		
Capitation Grants*	0	2,452,500
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	(0)
Less: Impairment Allowance	(0)	2,452,500
Total Current Receivables	0	2,452,500

28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	(0)	(0)
Written off during the year	(0)	(0)
At the end of the year	0	0

29. Inventories

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable stores	423,829	800,000
Maintenance stores	0	0
Health Unit stores	0	0
Electrical stores	0	1,500,000
Cleaning Materials stores	0	673,157
Catering stores	0	480,000
Total Inventories at lower of Cost and Net Realizable Value	423,829	3,453,157

30. Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Financial Institution		
CBK	0	0
CBK	0	0
Sub- Total	0	0
b) Investment with Financial Institutions/ Banks		
Bank X	0	0
Bank Y	0	0
Sub- Total	0	0
c) Equity Investments (Specify)		
Equity/ Shares in Company	0	0
Sub- Total	0	0
Grand Total	0	0

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			Nominal Value of Shares	Fair Value of Shares	
	Direct Shareholding	Indirect Shareholding	Effective Shareholding		Current Year	Prior Year
	%	%	%	Kshs	Kshs	Kshs
Entity A	0	0	0	0	0	0
Entity B	0	0	0	0	0	0
	0	0	0	0	0	0

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Notes to the Financial Statements (Continued)

31. Property, Plant and Equipment

	Buildings Kshs	Land Ksh	Motor vehicles Kshs	Furniture and fittings Kshs	Computers Kshs	ERP System Kshs	Plant and equipment Kshs	Capital Work in progress Kshs	Total Kshs
Cost									
At 1 July 2021	49,440,497	7,000,000	0	2,803,867	1,062,250	2,316,000	97,543,750	0	160,166,364
Additions		0	0	963,208	1,046,650	0	0	0	2,009,858
Disposals		0	0		0	0	0	0	0
Transfers/Adjustments		0	0	0	0	0	0	0	0
At 30th June 2022	49,440,497	7,000,000	0	2,980,867	2,108,900	2,316,000	97,543,750	0	162,176,222
Depreciation And Impairment									
At 1 July 2021		0	0	0	0	0	-	0	0
Depreciation	-1,236,012		0	-372,608	-632,670	0	12,192,968	0	-14,434,259
Impairment		0	-	-	-	0	-	-	0
At 30 June 2022	48,204,485	7,000,000	0	2,608,259	1,476,230	2,316,000	85,350,781	0	147,741,963
Disposals		0	-	-	-	0	-	0	0
Impairment		0	0	-	-	0	-	-	0
Transfer/Adjustment		0	0	0	0	0	-	0	0
At 30th June 2022	48,204,485	7,000,000	0	2,608,259	1,476,230	2,316,000	85,350,781	0	147,741,963
Net Book Values	48,204,485	7,000,000	0	2,608,259	1,476,230	2,316,000	85,350,781	0	147,741,963

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Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020).

31 (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	0	0	0
Buildings	0	0	0
Plant And Machinery	0	0	0
Motor Vehicles including Motorcycles	0	0	0
Computers and Related Equipment	0	0	0
Office Equipment, Furniture, And Fittings	0	0	0
Total	0	0	0

32. Intangible Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Cost		
At beginning of the year	0	0
Additions	0	0
At end of the year	0	0
Additions–internal development		0
At end of the year	0	0
Amortization and impairment		
At beginning of the year	0	0
Amortization	0	0
At end of the year	0	0
Impairment loss	0	0
At end of the year	0	0
NBV	0	0

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Notes to the Financial Statements (Continued)

33. Investment Property

Description	2021-2022	2020-2021
	Kshs	Kshs
At beginning of the year	0	0
Additions	0	0
Disposal during the year	(0)	(0)
Depreciation	(0)	(0)
Impairment	(0)	(0)
At end of the year	0	0

34. Trade and Other Payables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	1,326,500	902,640
Fees paid in advance	3,146,634	0
Salary deductions	0	0
Third-Party Payments	0	0
Other Payables	0	0
Total Trade and Other Payables	4,473,134	902,640

35. Refundable Deposits from Customers/Students

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumer deposits	0	0
Caution money	301,000	34,000
Other refundable deposits	0	0
Total Deposits	301,000	34,000

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Notes to the Financial Statements (Continued)

36. Current Provisions

Description	Leave provision	Bonus provision	Gratuity Provisions	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at The Beginning Of The Year	0	0	0	0	0
Additional Provisions	0	0	0	0	0
Provision Utilised	(0)	(0)	(0)	(0)	(0)
Change Due To Discount And Time Value For Money	(0)	(0)	(0)	(0)	(0)
Transfers From Non -Current Provisions	0	0	0	0	0
Total Provisions	0	0	0	0	0

37. Finance Lease Obligation

Description	2021-2022	2020-2021
	Kshs	Kshs
At the start of the year	0	0
Discount interest on Lease Liability	0	0
Paid during the year	(0)	(0)
At end of the year	0	0

Maturity Analysis

Period	Amount
	Kshs
Year 1	0
Year 2	0
Year 3	0
Year 4	0
Year 5 and Onwards	0
Less: Unearned Interest	(0)
	0

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Notes to the Financial Statements (Continued)

Analysed as:

Description	Amount
	Kshs
Current	0
Non- Current	0
Total	0

38. Deferred Income

Description	2021-2022	2020-2021
	Kshs	Kshs
National Government	0	0
International Funding Bodies	0	0
Public Contributions and Donations	0	1,144,640
Total Deferred Income	0	1,144,640

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	0	0	0	0
Additions during the year	0	0	0	0
Transfers to capital fund	(0)	(0)	(0)	(0)
Transfers to income statement	(0)	(0)	(0)	(0)
Other transfers	(0)	(0)	(0)	(0)
Balance carried forward	0	0	0	0

Analysed as:

Description	Amount
	Kshs
Current	0
Non- Current	0
Total	0

Notes to the Financial Statements (Continued)

39. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2021-2022	2020-2021
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total Employee Benefits Obligation	0	0	0	0	0

Retirement benefit Asset/ Liability

The entity operates a defined benefit scheme for all full-time employees from July 1, 20. The principal assumptions used for the purposes of valuation are as follows:

Description	2021-2022	2020-2021
	Kshs	Kshs
Discount Rates	0	0
Future Salary Increases	0	0
Future Pension Increases	0	0
Mortality (Pre- Retirement)	0	0
Mortality (Post- Retirement)	0	0
Withdrawals	0	0
Ill Health	0	0
Retirement	0	0

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Notes to the Financial Statements (Continued)

Recognition of Retirement Benefit Asset/ Liability

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

Description	2021-2022 Kshs	2020-2021 Kshs
The return on defined plan assets	0	0
Actuarial gains/ losses arising from changes in demographic assumptions	0	0
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	0	0
Actuarial gains and losses arising from experience adjustments	0	0
Others (<i>specify</i>)	0	0
Adjustments for restrictions on the defined benefit asset	0	0
Remeasurement of the net defined benefit liability (asset)	0	0

b) Amounts recognised in the Statement of Financial Position

Description	2021-2022 Kshs	2020-2021 Kshs
Present value of defined benefit obligations(a)	0	0
Fair value of plan assets(b)	0	0
Funded status(=a-b)	0	0
Restrictions on asset recognised	0	0
Others	0	0
Net asset or liability arising from defined benefit obligation	0	0

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. Employees contribute 50% while employers contribute 50% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

Notes To The Financial Statements (Continued)

40. 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	0	0	0	0	0
Additional Provisions	0	0	0	0	0
Provision utilised	(0)	(0)	(0)	(0)	(0)
Change due to discount and time value for money	0	0	0	0	0
Less: Current portion	(0)	(0)	(0)	(0)	(0)
Total deferred income	0	0	0	0	0

41. Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance at beginning of the year	0	0
External borrowings during the year	0	0
Domestic borrowings during the year	0	0
Repayments of external borrowings during the year	(0)	(0)
Repayments of domestic borrowings during the year	(0)	(0)
Balance at end of the year	0	0

41 a) Analysis of External and Domestic Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
External borrowings		
Dollar denominated loan	0	0
Sterling pound denominated loan	0	0
Euro denominated loan	0	0
Domestic borrowings		
Kenya shilling loan	0	0
Total balance at end of the year	0	0

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Notes to the Financial Statements (Continued)

41 b) Breakdown of Long and Short-Term Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
Short Term Borrowings(Current Portion)	0	0
Long Term Borrowings	0	0
Total	0	0

42. Service Concession Arrangements

Description	2021-2022	2020-2021
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	0	0
Accumulated depreciation to date	(0)	(0)
Net carrying amount	0	0
Service concession liability at beginning of the year	0	0
Service concession revenue recognized	(0)	(0)
Service concession liability at end of the year	0	0

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Notes to the Financial Statements (Continued)

43. Cash generated from operations

	2021-2022	2020-2021
Surplus for the year before tax	Kshs	Kshs
Adjusted for:		
Depreciation	0	0
Non-Cash grants received	0	0
Contributed assets	0	0
Impairment	0	0
Gains and Losses on Disposal of Assets	0	0
Contribution to provisions	0	0
Contribution to impairment allowance	0	0
Finance Income	0	0
Finance Cost	(21,289)	0
Working Capital Adjustments		
Decrease in Inventory	2,243,120	0
Increase in Receivables	(3,086,915)	0
Increase in Deferred Income	0	0
Increase in Payables	3,570,494	0
Increase in Payments received in advance	2,953,190	0
Net Cash Flow from Operating Activities	5,658,600	0

44. 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

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Notes to the Financial Statements (Continued)

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

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

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

44. Financial Risk Management (Continued)

(i) Credit risk (continued)

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

The 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.

Notes to the Financial Statements (Continued)

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2021				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2022	0	0	0	0
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

44. Financial Risk Management (Continued)

(iii) Market risk

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

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

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

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

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Notes to the Financial Statements (Continued)

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The 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 2022			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities			
Trade and Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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.

44. Financial Risk Management (Continued)

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30th June 2022			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities			
Trade and Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

a) 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.

Notes to the Financial Statements (Continued)

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2022			
Euro	10%	0	0
USD	10%	0	0
2022			
Euro	10%	0	0
USD	10%	0	0

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.

44 Financial Risk Management (Continued)

(iii) Market risk (Continued)

b) Interest rate risk(continued)

Sensitivity analysis

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

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Notes To The Financial Statements (Continued)

iv)Capital Risk Management

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	0	0
Capital Reserve	0	0
Total Funds	0	0
Total Borrowings	0	0
Less: Cash and Bank Balances	(0)	(0)
Net Debt/(Excess Cash and Cash Equivalents)	0	0
Gearing	0	0

45. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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Notes to the Financial Statements (Continued)

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	0	0
Rent income from govt. agencies	0	0
Water sales to govt. agencies	0	0
Others (<i>specify</i>)	0	0
Total	0	0
B) Purchases from related parties		
Purchases of electricity from KPLC	785,262	0
Purchase of water from govt service providers	0	0
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. agencies (KATTI)	110,000	0
Others (<i>specify</i>)	0	0
Total	895,262	0
b) Grants /Transfers from the Government		
Grants from National Govt	14,682,500	11,190,000
Grants from County Government	0	0
Donations in Kind	0	
Total	14,682,500	11,190,000
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages	6,044,139	0
Payments for Goods and Services	0	0
Total	6,044,139	
d) Key Management Compensation		
Directors' emoluments	970,665	1,532,210
Compensation to Key Management	0	0
Total	970,665	1,532,210

46. Segment Information

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Notes to the Financial Statements (Continued)

47. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	0	0
Assets arising from determination of Court Cases	0	0
Reimbursable Indemnities and Guarantees	0	0
Others (<i>Specify</i>)	0	0
Total	0	0

Contingent Liabilities

Description	2021-2022	2020-2021
	Kshs	Kshs
Contingent Liabilities		
Court Case	0	0
Bank guarantees in favour of subsidiary	0	0
Contingent liabilities arising from Contracts including PPPs	0	0
Others (<i>Specify</i>)	0	0
Total	0	0

48. Capital Commitments

Capital Commitments	2021-2022	2020-2021
	Kshs	Kshs
Authorised for	0	0
Authorised and Contracted for	0	0
Total	0	0

Notes to the Financial Statements (Continued)

49. Deferred Tax Liability

Deferred tax is calculated on all temporary differences under the liability method using the enacted tax rate, currently 30%. The net deferred tax liability at year end is attributable to the following items:

Description	2021-2022	2020-2021
	Kshs	Kshs
Accelerated Capital Allowances	0	0
Unrealised Exchange Gains/(Losses)	0	0
Revaluation Surplus	0	0
Tax Losses carried forward	(0)	(0)
Provisions for Liabilities and Charges	(0)	(0)
Net Deferred Tax Liability/(Asset)	0	0
The movement on the deferred tax account is as follows:		
Balance at beginning of the year	0	0
Credit to revaluation reserve	(0)	(0)
Under provision in prior year	0	0
Income statement charge/(credit)	0	0
Balance at end of the year	0	0

50. Events After the Reporting Period

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

51. Ultimate and Holding Entity

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

52. Currency

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

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Ref:2019-2020-1-01-1064-23-TITTV-C-10	Failure to observe one third (1/3)Rule on Staff Establishment	The Management is committed to meeting the required Staff Establishment	Not Resolved	30/6/2023
Ref:2019-2020-1-01-1064-23-TITTV-C-10	Failure to meet ethnic balance in the Board of Governors	The current BOG term is lapse soon and the nomination panel of the next board will be duly briefed of this requirement.	Not resolved	30/6/2023

11m7
ABD1
Indira

Name
 Accounting Officer
 (Principal TTVC)
 Date



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Appendix II: Projects Implemented

Projects

There were no 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	None					

Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	None					

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Appendix III- Inter-Entity Confirmation Letter

TINDIRET TECHNICAL AND VOCATIONAL COLLEGE

Tel: 0746 550647;
 Email: info@ttvc.ac.ke
 Website: www.ttvc.ac.ke



P O BOX 126 - 40110 SONGHOR
 NANDI COUNTY

Tindiret Technical and Vocational College
 P.O. Box 126, - 40110,
 Kopere Maraba Road,
 SONGHOR, NANDI COUNTY,
 KENYA.

The Tindiret Technical and Vocational College wishes to confirm the amounts disbursed and received as at 30th June 2022 is as indicated in the table below.

Confirmation of amounts received by Tindiret TVC as at 30 th June 2022								
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022				Total (D)=(A+B+C)	Amount Received by Tindiret TVC as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)				
	13.7.2021	0	0	0	0	500,000	-500,000	
	13.7.2021	0	0	0	0	2,452,500	-2,452,500	

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23.11.2021	0	0	0	3,442,500	-3,442,500
02.03.2022	0	0	0	3,442,500	-3,442,500
03.06.2022	0	0	0	4,845,000	-4,845,000
Total	0	0	0	14,682,500	-14,682,500

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

Head of Accountants department of beneficiary Entity:

Name *Tomy ABDI KHAWA* Sign *[Signature]* Date *03 APR 2023*



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Appendix IV: Reporting of Climate Relevant Expenditures

Tindiret Technical and Vocational College,
P.O. Box 126, - 40110,
Kopere Maraba Road,
Songhor,
Kenya.

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

Tibiny ASDI MURINA 0721336950

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
None									

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Appendix V: Disaster Expenditure Reporting Template

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