

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 30 JUL 2025

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BY:

Hon. Owen Baya, CBSMP
Deputy Majority Leader

CLERK AT
THE TABLE:

Comole

OF

THE AUDITOR-GENERAL

ON

TURKANA NORTH TECHNICAL AND
VOCATIONAL COLLEGE

FOR THE YEAR ENDED

30 JUNE, 2024





TURKANA NORTH TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2024

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

Table of Contents

1.	Acronyms and Definition of Key Terms.....	ii
2.	Key Entity Information and Management	iii
3.	The Board of Governors.....	viii
4.	Key Management Team.....	xi
5.	Chairman’s Statement.....	xiii
6.	Report of the Principal.....	xiv
7.	Statement of Performance against Predetermined Objectives.....	xvi
8.	Corporate Governance Statement.....	xxi
9.	Management Discussion and Analysis	xxiii
10.	Environmental and Sustainability Reporting Statement.....	xxiv
11.	Report of the Board of Governors.....	xxv
12.	Statement of Board of Governors Responsibilities.....	xxvi
13.	Report of the Auditor General on Turkana North Technical and Vocational College. xxviii	
14.	Statement of Financial Performance for the Year Ended 30 June 2024.....	1
15.	Statement of Financial Position as At 30th June 2024.....	2
16.	Statement of Changes in Net Asset for the Year Ended 30 June 2024	3
17.	Statement of Cash Flows for the Year Ended 30 June 2024.....	4
18.	Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2024.....	5
19.	Notes to the Financial Statements.....	6
20.	Appendices.....	36

1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College

B. Definition of Key Terms

Comparative Year	-	Means the prior period.
Fiduciary Management	-	Key management personnel who have financial responsibility in the entity
TVETA	-	Technical Vocational education Training Authority
MOE	-	Ministry of Education.
TNTVC	-	Turkana North Technical and Vocational College.

Key Entity Information and Management (Continued)

(i) Principal Legal Adviser

The Attorney General

State Law Office




Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

3.The Board of Governors

 <p>MR. LOCHA ERUKUDI CHAIRPERSON</p>	<p>Mr Locha Erukudi was born in the year 1982, He is the current chairman of Board of Governors of Turkana North Technical and Vocational College. He has Masters of Education from Mt Kenya University and Bachelor of education from Mt Kenya. He also has post graduate diploma in project management and a diploma in Education from international TTC.</p>
 <p>MR. AMON MOROWA. MEMBER</p>	<p>Mr. Amon Morowa is the currently the vice chairman of Board of Governors of Turkana North Technical and Vocational College. He has a higher national diploma in mechanical engineering from Mombasa polytechnic, certificate in construction plan part 1 and 2 from Kenya polytechnic, Technician certificate from KEWI and senior management course from Kenya Institute of Administration.</p>
 <p>MS. BRENDA KOKOI ENGOMO. MEMBER</p>	<p>Ms. Brenda Kokoi is currently Member of Board of Governors of Turkana North Technical and Vocational College. She has a bachelor degree in development studies, Diploma in Teaching with specialty in Biology and chemistry.</p>

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

halls			
KRA4: Adequately equip workshops			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To equip the Engineering workshop	Equipped workshop	Effective teaching and learning	Workshop partially equipped with basic training equipment's.
To equip the Building/Civil workshop	Equipped workshop	Effective teaching and learning	Workshop partially equipped with basic training equipment's.

STRATEGIC ISSUE TWO: STAKEHOLDERS WELFARE

Strategic objective 1:

To create a conducive learning and living environment for Trainees

Strategy 1.1:

Create positive learning and living environment

KRA1: Provide lunch program for the trainees

Strategic Objectives	Outcome	Outcome Indicator	Achievements
To offer lunch to trainees at a fee	Functional lunch program	Lunch program	Lunch was provided to trainees

Strategy 2.1:

Create positive working environment

KRA1: Organize capacity training for staff

Strategic Objectives	Outcome	Outcome Indicator	Achievements
To plan for capacity trainings	Trained staff	Scheduled training	Staff were facilitate foe various workshops and trainings.

KRA2: Provide clear communication channels

Strategic Objectives	Outcome	Outcome Indicator	Achievements
To design a communication structure	Displayed communication structure	Free flow of information	Communication structure in place

KRA8: Organize for end of term get together

Strategic Objectives	Outcome	Outcome Indicator	Achievements
To schedule a get together for every term	Improved team spirit	Scheduled get together	The event of get together was organized every term.

STRATEGIC ISSUE THREE: INFRASTRUCTURE

Strategic Objective 1:

To provide adequate and equipped training & learning facilities

Strategy 1.1:

Construct new training and learning facilities

KRA1: Construct more lecture halls

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

Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide enough lecture halls for all courses	Adequate lecture hall	100% completion	Lectures halls are enough.
Strategy 1.2:			
Equip all training and learning facilities			
KRA1: Procure more chairs			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide enough chairs for Trainees	Adequate chairs	Adequate chairs	Chairs provided for trainees
KRA2: Procure furniture for staff and trainees			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide sufficient furniture for staff and trainees	Adequate tables, chairs	Furnished rooms	Furniture for staff were procured
KRA3: Put up a suggestion box			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To place suggestion boxes at strategic areas	Suggestion boxes	Utilization of suggestion boxes	Suggestion Box was installed
KRA4: Put up noticeboards			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To have notice boards at strategic areas	Notice boards	Pinned notices	Notice board was installed
STRATEGIC ISSUE FOUR: ICT INTEGRATION			
Strategic Objective 1:			
To enhance new technology for promotion of learning and comply with the current and ever changing ICT			
Strategy 1.1:			
Enhance ICT Infrastructure			
KRA2: Procure more computers			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide adequate computers	Adequate computers	Utilization of computers	Additional computers were procured
STRATEGIC ISSUE FIVE: COLLEGE IMAGE			
Strategic Objective 1:			
To actively promote and maintain the good image of the College			
Strategy 1.1:			
Create positive awareness			
KRA1: Do widespread marketing			
Strategic Objectives	Outcome	Outcome Indicator	Achievements

Turkana North Technical and Vocational College.

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

To engage a professional marketer	Professional marketer	Active marketing activities	Marketing was conducted
To print fliers and brochures	Increased awareness	Active marketing activities	More fliers and brochures were printed.
KRA2: Design an interactive website			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To have an active updated website	Interactive website	Updated website	The was active and up to date
KRA4: Advertise the College on social media			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To have active social media platforms	Updated social media platforms	Active social media platforms	We have an active Facebook and Twitter accounts
KRA5: Put up a sign post at a strategic point			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To strategically place the sign post	Clear directions	Clear directions	Signpost installed strategically
KRA6: Take part in events with other Colleges and colleges			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To actively participate in social activities	Improved college image	Number of social events attended	Public events attended and national holidays
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide co-operate shirts to trainers	Improved college image	Cooperate wear day	Printed polo t-shirts were procured
KRA2: Plant ornamental trees			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To plant specific ornamental trees	Ornamental trees	Appealing environment	Trees were planted on the college compound
KRA3: Fit signage's at strategic points			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To put up signage's	Clear directions	100% completion	Signage's installed
Strategic Objective 2:			
To enhance positive public view of the College			
Stratcgy 2.1:			
Enhance positive relationship with the public			
STRATEGIC ISSUE SIX: CO& EXTRA CURRICULAR ACTIVITIES			
Strategic Objective 1:			
To enhance games and sporting activities			
Strategy 1.1:			
Avail adequate games and sporting facilities			

Turkana North Technical and Vocational College.

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

KRA1: Procure balls for different games			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide balls for every ball game	Enough balls	Enhanced ball games	Balls were procured
KRA3: Purchase first aid kits			
Strategic Objectives	Outcome	Outcome Indicator	Achievements
To provide good quality first aid kit	Quality First aid kit	Utilization of the first aid kit	First aid kit procured

8. Corporate Governance Statement

APPOINTMENT OF BOARD

The Chairman and Members of the Board were appointed by the Cabinet Secretary of Education on 7th June 2022 for a 3-year term.

INDUCTION AND TRAINING OF THE BOARD

Board induction Was held on 16th to 17th March 2023 at Noble hotel Eldoret.

CORPORATE GOVERNANCE

During the year under review, Members of the Board committed themselves to the service of Turkana North Technical and Vocational College and upheld the tenets of good corporate Governance by being transparent, accountable, persons of integrity, socially responsive, promoted excellence and exercised fairness in all dealings.

ROLE AND FUNCTIONS OF THE BOARD OF GOVERNORS.

During the year in review the Board held a total of 8 meetings. The meetings consisted one scheduled meeting every quarter.

The following are functions of the Board of Governors as stipulated in the TVET Act 2013 Section 29

- a) Overseeing the conduct of education and training in the institution in accordance to the Act and other written laws
- b) Promoting and maintaining standards, quality and relevance in education and training in the institution
- c) Administering and managing the property of the institution
- d) Developing and implementing the institutions' strategic plan
- e) Preparing annual estimates of revenue and expenditure for the institution incurring expenditure on behalf of the institution,
- f) Receiving on behalf of the institution, fees, grants, subscriptions donations, bequests or other monies and make disbursements to the institution or other bodies or persons
- g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of the TVET Act.
- h) Mobilizing resources for the institution
- i) Developing and reviewing programmes for training and to make representations thereon to the TVETA Board
- j) Regulating the admission and exclusion of students from the institution, subject to a qualification framework and the provisions of the TVET Act
- k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by TVETA board
- l) Determining terms and conditions of support staff, trainers and instructors and remunerating the staff of the institution in consultation with TVETA
- m) Making regulations governing organization, conduct and discipline of staff and students.

Turkana North Technical and Vocational College.

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

- n) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submitting the same to TVET Board
- o) Providing for welfare of students and staff of the institution
- p) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in institution
- q) Discharging all functions conferred upon it by the Act or any other written Law.

9. Management Discussion and Analysis

The college closed the year with a surplus of **Kshs.249,413** compared to previous financial year **FY 2022/2023** which college had a surplus of **Kshs.768,604**.

Compliance with statutory requirements.

The college has complied with all statutory requirements. It has been issued with registration certificate, NSSF membership, and NHIF membership and is tax compliant. During the year under review the college made prompt remittance to all statutory bodies.

Major risk facing the college.

In the financial year under review the college faced the following challenges in service delivery to the students,

- i. Delayed disbursement of student's loans and scholarships has impacted negatively on fees collections and therefore huge arrears. This led to college closing the financial year with sundry debtors from students' fees of **Kshs.899,860**.

Project implemented by the College.

The college did not have any project in the financial year under review.

10. Environmental and Sustainability Reporting Statement

1. Sustainability strategy and profile

The Principal intends to undertake other income generating activities to generate more income and also put in place strategies to minimize the costs of college operations as well as doing marketing of college program to increase the number of trainees.

2. Environmental performance

The board of governance has plans to undertake an environmental sustainability audit and developed an environmental policy to address the issues of environmental sustainability that will be identified during the audit.

3. Employee welfare

The institution has set up staff welfare to be able to support staff members and also by monthly payments of staff NSSF deductions to the relevant body. The college also intends to carry out occupational health and safety Audit of college workplace to ensure staff safety in workplace.

4. Market place practices

The institution also promotes students sports activities by participating in the KATTI regional and national student's competition. It also offers promotes staff capacity building by sponsoring staff to training seminars especially the top management and heads of departments.

5. Community Engagements

During the year under review, the College carried out various CSR activities to impact the society such as tree planting, road safety awareness and helping the less fortunate in our community.

11. Report of the Board of Governors

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

Principal activities

The principal activities of Turkana North Technical and Vocational College is to offer training middle level technicians.

Results

The results of the entity for the year ended June 30 2024 are set out on page 1 to 5.

Board of Governor.

The members of the Board who served during the year are shown on page **viii** and **x**. During the year 2024 No director retired/ resigned.

Auditors

The Auditor General is responsible for the statutory audit of the college in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or Certified Public Accountants were nominated by the Auditor General to carry out the audit of the college for the period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board
PRINCIPAL
TURKANA NORTH T.V.C.
P. O. BOY ILDKITUNG - LUDWAP
DATE 5/5/2025
.....

12. Statement of Board of Governors Responsibilities.

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

The Board members are responsible for the preparation and presentation of Turkana North TVC's financial statements, which give a true and fair view of the state of affairs of Turkana North TVC for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of Turkana North TVC, (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 Turkana North TVC, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility of Turkana North TVC's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, and the TVET Ac 2023 – entities should quote applicable legislation as indicated under. The Board members are of the opinion that Turkana North TVC's financial statements give a true and fair view of the state of Turkana North TVC's transactions during the financial year ended June 30, 2023, and

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

of the Turkana North TVC's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Turkana North TVC, which have been relied upon in the preparation of the Turkana North TVC's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the college ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The College Financial Statements were approved by the Board on 27/9/2024 and signed on its behalf by:


.....

MR. LOCHA ERUKUDI.

CHAIRPERSON OF THE BOARD.


.....

MR. HAMISI SAKWA

ACCOUNTING OFFICER/PRINCIPAL.

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON TURKANA NORTH TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for 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.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Turkana North Technical and Vocational College set out on pages 1 to 36, which comprises of the statement of financial position as at 30 June, 2024, the statement of financial performance, statement of

Report of the Auditor-General on Turkana North Technical and Vocational College for the year ended 30 June, 2024

changes in net assets, statement of cash flows, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Turkana North Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Lack of Ownership and Valuation Documents for the Fixed Assets

Note 13 to the financial statements reflects property, plant and equipment movement schedule with nil balances. However, and as previously reported, physical verification revealed the College owned land, buildings, furniture and computers which had not been valued. In addition, land and motor vehicle ownership documents were not provided for verification.

In the circumstances, the accuracy, completeness and ownership of the nil balance for land, buildings, motor vehicles and other assets could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Turkana North 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 judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the other information set out on page ii to xxvii which comprise of Key Entity Information and Management, Report of Principal, Statement of performance against agreed objectives, Corporate Governance Statement, Management discussion and analysis, Environmental and Sustainability reporting statement and

Statement of Board of Management responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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. Un-Approved Board Expenses

The statement of financial performance for the year under review reflects board expenses amount of Kshs.752,585. However, there was no evidence that the board allowances were paid using rates approved by the board and the cabinet secretary contrary to Section 17, second schedule of the Technical and Vocational Education and Training Act, 2013.

In the circumstances, the regularity of the board expenses of Kshs.752,585 could not be confirmed.

2. Failure to Deduct and Remit Statutory Deductions

The statement of financial performance for the year ended 30 June, 2024 reflects employee costs of Kshs.814,800 as disclosed in Note 9 to the financial statements. However, there was no evidence that Management deducted and remitted monthly statutory dues for the National Hospital Insurance Fund (NHIF) and National Social Security Fund (NSSF) from the employees' salaries paid during the year under review. This was contrary to Section 20(1) of the NSSF Act and Section 16(1) of the NHIF Act which require an employer to make deductions at the applicable rates and remit the deductions on or before the due dates.

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

3. Non-Establishment of Occupational Safety and Health Committee

Review of the College operations during the financial year revealed that the College, as an occupier, did not establish a Safety and Health Committee at the workplace as required under Section 9(1) of the Occupational Safety and Health Act, 2007. Further, Management did not provide a safety and health audit report as required under 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 (12) months by a safety and health advisor.

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

4. Non-Compliance with Law on Gender Balance for Board Members

Review of the College's records revealed that during the year, the board of management comprised of eight (8) members, out of whom seven (7) or 88% were male contrary to the Public Service Commission Human Resource Manual, 2016 Section B.7 (2) that requires that the government will endeavor to have a gender balanced civil service by continuously implementing the constitutional requirement that not more than two-thirds (2/3) of the positions in its establishment are filled by either gender.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

During the financial year under review, there was no internal audit review of the College's activities contrary to Section 73(3)(b) of the Public Finance Management Act, 2012 which requires that the Internal Auditor shall conduct internal auditing which includes risk-based, value-for-money and systems audits aimed at strengthening internal control mechanisms that could have an impact on achievement of the strategic objectives of the entity.

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

2. Weak Information Technology Internal Control Environment

Review of the Information Technology Internal Controls revealed that the College did not have an ICT Policy, had not developed an IT continuity and disaster recovery plan which is important in ensuring that the College recovers its functionality in case of an unplanned incident or disaster.

Further, the College did not have an approved IT strategic committee and strategic plan which is important in performing the oversight function and formulation of policies to ensure that the IT department functions properly to assist in achievement of the College's objectives in an economic, efficient and effective way.

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

3. Lack of Risk Management Policy and Strategy

Review of the College operations revealed that Management did not put in place an approved risk management policy and risk management framework including strategies and procedures to assess, identify, measure, prioritize and mitigate risks in the entity.

In the circumstances, Management lacks a mechanism to help in detecting and mitigation of any possible risk in the College.

4. Lack of a Board Charter and Board Work Plan

Verification of the documents provided revealed that the College did not have a board charter and board work plan in place. This was contrary to the Mwongozo Code of Governance for State Corporations. There was no evidence of quality assurance processes, risk management strategies and board members competency development in the governance objective of the board.

In the circumstances, effectiveness of the board and governance structures could not be confirmed.

5. Lack of an Approved Staff Establishment, Salary Structure and Human Resource Policies

Review of the College records revealed that it did not have approved Human Resource policies and salary structure. In addition, the College operated without an authorized staff establishment to support the establishment of appropriate structures to manage staffing, posting, training, skills retention, and succession plans.

In the circumstances, the College lacked proper guidance on remuneration of the teaching and non-teaching staff and may not effectively plan on its staffing needs and progression.

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 Management

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

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain 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 Management 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 June, 2025

14. Statement of Financial Performance for the Year Ended 30 June 2024

Description	Notes	Current	Comparative
		FY2023-2024	FY2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	2,297,820	1,220,625
Revenue from Non-Exchange transactions		2,297,820	1,220,625
Revenue from Exchange transactions			
Rendering of services- fees from students	7	473,246	730,380
Revenue from Exchange transactions		473,246	730,380
Total Revenue		2,771,066	1,951,005
Expenses			
Use of goods and services	8	954,268	517,901
Employee costs	9	814,800	328,000
Board Expenses	10	752,585	336,500
Total Expenses		2,521,653	1,182,401
Net surplus/(deficit) for the year		249,413	768,604

The notes set out on pages 6 to 37 form an integral part of the Annual Financial Statements.

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

Jirongafurwa

Chairman of Board

Date 5/5/2025

[Signature]

Principal
PRINCIPAL
TURKANA NORTH T.V.C.
P. O. BOX ILOKITUNG - LODWAP
Date 5/5/2025

[Signature]

Finance Officer

ICPAK No: ASOC/2583
Date 5/5/2025

15. Statement of Financial Position as At 30th June 2024

Description	Notes	Current FY2023-2024	Comparative FY2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	11	118,156	189,224
Current portion of receivables from exchange transactions	12	899,860	579,380
Inventories		-	-
Total Current Assets		1,018,016	768,604
Non-Current Assets			
Property, plant, and equipment	14	-	-
Total Non-Current Assets		-	-
Total Assets		1,018,016	768,604
Liabilities			
Current Liabilities			
Payments received in advance		-	-
Refundable deposits from customers		-	-
Total Current Liabilities		-	-
Net Assets		1,018,016	768,604
Accumulated Surplus		1,018,016	768,604
Total Net Assets and Liabilities		1,018,016	768,604

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

Jongafosowa

Chairman of Board

Date 5/5/2025

[Signature]

Principal

TURKANA NORTH T.V.C.
P. O. BOX ILOKITAUNG-LUDWAP
Date 5/5/2025

[Signature]

Finance Officer

ICPAK No: Assoc/2583
Date 5/5/2025

16. Statement of Changes in Net Asset for the Year Ended 30 June 2024

Description	Revaluation reserve	Accumulated Fund	Capital Fund	Total
At July 1, 2022	-	-	-	-
Revaluation gain	-	-	-	-
Surplus for the year	-	768,604	-	768,604
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2023	-	768,604	-	768,604
At July 1, 2023	-	768,604	-	768,604
Revaluation gain	-	-	-	-
Surplus for the year	-	249,413	-	249,413
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2024	-	1,018,016	-	1,018,016

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

17. Statement of Cash Flows for the Year Ended 30 June 2024

Description		Current FY2023-2024	Comparative FY2022-2023
Description	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from National Government	6	2,297,820	1,220,625
Rendering of services- fees from students	7	152,766	151,000
Total Receipts		2,450,586	1,371,625
Payments			
Use of goods and services	8	954,268	517,901
Employee costs	9	814,800	328,000
Board Expenses	10	752,585	336,500
Total Payments		2,521,653	1,182,401
Net Cash Flows from operating activities	15	- 71,067	189,224
Cash flows from investing activities			
Purchase of property, plant, equipment	14	-	-
Net cash flows used in investing activities		-	-
Net Increase/(Decrease) in Cash and Cash equivalents		- 71,067	189,224
Cash and Cash equivalents at 1 JULY 2023	11	189,224	-
Cash and Cash equivalents at 30 JUNE 2024	11	118,157	189,224

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

	Original annual Budget	Adjustments	Final Annual Budget	Actual Cumulative to date	Performance difference	% of Utilization
	a	b	c=a+b	d	Kshs	e=d/c %
Revenue		Kshs	Kshs	Kshs	Kshs	%
Transfers from National Government entities	2,000,000		2,000,000	297,820	1,702,180	85%
Transfers from other Govt entities Govt grants (Re current grants)	643,320		643,320	2,000,000	297,820	46%
Rendering of services-fees from students	1,679,725		1,679,725	473,246	1,206,479	72%
Donation				-	-	-
Total Income	4,323,045		4,323,045	2,771,066	3,206,479	74%
Expenses						
Use of goods and services	1,398,000		1,398,000	954,268	443,732	32%
Employee costs	1,281,725		1,281,725	814,800	466,925	36%
Board /Council Expenses	1,000,000		1,000,000	752,585	247,415	25%
Repairs and maintenance				-	-	
Total Expenditure	3,679,725		3,679,725	2,521,653	1,158,072	
Surplus For the Period	643,320		643,320	249,413		31%

19. Notes to the Financial Statements

1. General Information

Turkana North Technical and Vocational College is established by and derives its authority and accountability from TVETA Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to provide Technical and vocational Education and Training to citizens of Kenya

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 Turkana North TVC'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 19**. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Turkana North TVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act, the TVET Act 2013, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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 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. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Research and development costs

Turkana North TVC 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.

i) Financial instruments

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

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

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

Inventories (Continued)

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

k) Provisions

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

Contingent liabilities

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

Contingent assets

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

l) Social Benefits

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

m) Nature and purpose of reserves

Turkana North TVC creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

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

p) Foreign currency transactions

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

q) Borrowing costs

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

r) Related parties

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

s) Service concession arrangements

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

t) Cash and cash equivalents

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

u) Comparative figures

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

v) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

*

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

6. Transfers from other National Government entities

Description	June 2024	June 2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	297,820	-
Operational Grant	2,000,000	1,220,625
Total unconditional Grants	-	-
Conditional Grants amortised/ recognised in revenue		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	2,297,820	1,220,625

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognized in capital fund.	Total grant income during the year	June 2023
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET Ministry	2,297,820	-	-	2,297,820	1,220,625
	-	-	-	-	-
Total	2,297,820	-	-	2,297,820	1,220,625

The details of the reconciliation have been included under appendix III.

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

7. Rendering of Services

Description	June 2024	June 2023
	Kshs	Kshs
Tuition	252,445	369,336.74
Repair and Maintainance	88,732	22,751.81
Local Transport and Travel	27,207	46,222.38
Electricity Water and Conservancy	27,207	45,061.29
Personal Emoluments	22,440	159,235.00
Activity	31,100	46,305.32
Industrial attachment	13,779	41,467.45
Registration	6,890	-
Student ID	3,445	-
Total Revenue	473,246	730,380.00

The revenue amount of Ksh.473,246 for Rendering of services consists of actual receipts of Kshs.152,766 and a receivable amount of Kshs.320,480.

8. Use of Goods and Services

Description	June 2024	June 2023
	Kshs	Kshs
Administrative cost	799,505	517,901
Bank charges	2,113	-
Electricity water expenses	112,650	-
Subsription fee	40,000	-
Activity	-	-
Industrial attachment	-	-
Medical	-	-
Total good and services	954,268	517,901

9. Employee Costs

Description	June 2024	June 2023
	Kshs	Kshs
Salaries and wages	814,800	328,000
Employee related costs - contributions to pensions and medical aids	-	--
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Social contributions	-	-
Employee Costs	814,800	328,000

10. Board Expenses.

Description	June 2024	June 2023
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	-	-
BOG Sitting Allowances	752,585	336,500
Other Board/Council Expenses	-	-
Total	752,585	336,500

11. Cash and Cash Equivalent

Description	June 2024	June 2023
	Kshs	Kshs
Current Account	118,156	189,224
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Total Cash and Cash Equivalent	118,156	189,224

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

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

Financial Institution	Account number	June 2024	June 2023
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1304665496	118,156	189,224
ABC Bank		-	-
Sub- Total		118,156	189,224
b) Others.			
Cash in Hand		-	-
Sub- Total		-	-
Grand Total		118,156	189,224

12. Receivables from Exchange transactions

12 (a) Current Receivables from Exchange transactions

Description	June 2024	June 2023
	Kshs	Kshs
Current Receivables		
Student Debtors	899,860	579,380
Students Council Control Account	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	-	-
Less: Provision for bad debts	-	-
Total Current Receivables	899,860	579,380

12 (b) Ageing Analysis of Receivables from Exchange transactions

Description	June 2024		June 2023	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	320,480.00	36%	579,380	100%
Between 1- 2 years	579,380	64%		-
Over 2 years	-	-		-
Total (a+b)	899,860	100%	579,380	100%

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

13. Property, Plant and Equipment

	Landed	Buildings	Motor vehicles	Furniture and fittings	Computers	Reference books	Property, Plant and equipment	Capital Work in Progress	Capital Work in progress-staff House	Biological Assets	Total
Depreciation rate		0.025	0.25	0.125	0.333	0.25	0.125				
Cost		Shs	Shs	Shs	Shs	Shs	Shs	Shs			Shs
As at 1 July 2023	-										
Additions											
Disposals											
Transfer/adjustments											
At 30th June 2024	-										
Depreciation and impairment											
At 30th June 2023											
Depreciation	-										
Disposals											
Impairment											
Transfer/adjustment											
At 30th June 2024	-										
Net book values	-										
At 30 th June 2023	-										
At 30 th June 2024	-										

**Turkana North Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30th June 2024.**

Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and have not been valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020).

14 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Reference books	-	-	-
Total	-	-	-

14. Cash generated from operations.

		June 2024	June 2023
	Note	ksh	ksh
Surplus for the year before tax		249,413	768,604
Adjusted for non cash activities			-
Depreciation		-	-
Adjustment for Working Capital adjustments			-
Increase in inventory			-
Increase in receivables		320,480	579,380
Increase in payables		-	-
Increase in payments received in advance		-	-
Net cash flow from operating activities	15	- 71,067	189,224

15. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize 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 counter party will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange	-	-	-	-

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
transactions				
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2024	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

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 non-collectable amounts that the company has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

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

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

(ii) Liquidity risk management

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

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

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

Description	June 2024	June 2023
	Kshs	Kshs
Rent income from gov't. agencies	-	-
Water sales to govt. agencies	-	-
Others	-	-
Total	-	-
B) Purchases from related parties		
Purchases of electricity from KPLC	-	-
Purchase of water from gov't service providers	-	-
Rent expenses paid to gov't agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others	-	-
Total	-	-
b) Grants /Transfers from the Government	-	-
Grants from National Gov't	2,297,820	1,220,625
Grants from County Government	-	-
Donations in Kind	-	-
Total	2,297,820	1,220,625
c) Expenses incurred on behalf of related parties	-	-
Payments of Salaries and Wages for college Employees	814,800	328,000
Payments for Goods and Services	-	-
Total	814,800	328,000
d) Key Management Compensation	-	-
Directors' emoluments	752,585	336,500
Compensation to Key Management	-	-
Total	752,585	336,500

17. Segment Information

The college operates one office

Contingent Assets and Contingent Liabilities

Contingent Assets

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

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

Contingent Liabilities

Description	June 2024	June 2023
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
	-	-
Total	-	-

18. Capital Commitments

Capital Commitments	June 2024	June 2023
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

19. Events After The Reporting Period

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

20. Ultimate And Holding Entity

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

Turkana North TVC is a State Corporation or a Semi-Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

21. Currency

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

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1				
4.2				
4.4				

.....

Name: **SAKWA HAMISI**

Principal/Accounting Officer

TURKANA ROPTH T.V.C.

P.O. BOX 110 KITPUNG-LODWAR

Date: **5/5/2025**

**Turkana North Technical and Vocational College.
Annual Report and Financial Statements for the year ended 30th June 2024.**

Appendix II: Projects Implemented by: Turkana North Technical and Vocational College.

Projects

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

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

Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
N/A						

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

Appendix III : INTER-ENTITY CONFIRMATION LETTER.

Name of transferring entity: **STATE DEPARTMENT OF TECHNICAL VOCATIONAL EDUCATION TRAINING**

Name of beneficiary entity: **TURKANA NORTH TECHNICAL AND VOCATIONAL COLLEGE.**

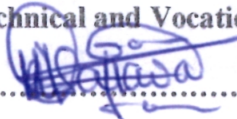
Confirmation of amounts received by TURKANA NORTH TVC as at 30th June 2024.					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks.
FT232711G1VY	28 th Sep 2023	500,000	-	500,000	
FT24018DXF7X	18 th Jan 2024	500,000	-	500,000	
FT24031M023C	31 st Jan 2024	500,000	-	500,000	
FT24197NV2Z	15 th July 2024	500,000	-	500,000	
FT24018	18 th Jan 2024	56,000	-	56,000	
FT241273RM92	6 th May 2024	56,000	-	56,000	
FT2412730PT1	6 th May 2024	64,000	-	64,000	
FT24173LRVK9	21 st June 2024	53,820	-	53,820	
Total		2,297,820		2,297,820	

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

Head of Accounts Department – State Department of TVET:

Name Sign Date

Head of Accounts Department – Turkana North Technical and Vocational College

Name SAKWA HAMISI Sign  Date 5/5/2025

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

Appendix IV: Reporting of Climate Relevant Expenditures

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

Appendix V: Reporting on Disaster Management Expenditure

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