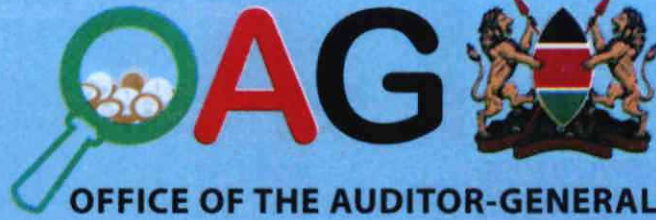


REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 JUN 2025	DAY: TUESDAY
TABLED BY:	HON. NAOMI WAQO, DEPUTY CHIEF WHIP.
CLERK-AT THE-TABLE:	PERPETUAL MUIGA.

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE KIHARU TECHNICAL AND VOCATIONAL  
TRAINING COLLEGE**

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

Revised 30th June 2024



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**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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



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

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms & Glossary of Terms**

TVET	Technical and Vocational Education and Training
BOG	Board of Governors
KTVC	Kiharu Technical & Vocational College
PSC	Public Service Commission
HOD	Head of Department
OHS	Occupational Health and Safety
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
ICT	Information and Communication Technology
CDACC	Curriculum Development, Assessment and Certification Council
NITA	National Industrial Training Authority
CBET	Competency Based Education and Training
IPSAS	International Public Sector Accounting Standards

**B. Definition of Key Terms**

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

**Comparative Year**- Means the prior period.

**2. Key College Information and Management**

**(a) Background information**

Kiharu Technical and Vocational College is established under the TVET Act of 2013 Section 20 (1) and was registered on 9<sup>th</sup> October 2023.

The College is located in Kiambu Location, Kiambu Division, Kiharu Sub-County, Murang'a County. It started in 2023 on land donated by the local community for the purpose. The foundation stone was laid by Hon Ndindi Nyoro MP Kiharu on 30<sup>th</sup> September 2019. The construction of the Institute buildings started on 25<sup>th</sup> November, 2021 and by 2023 the building had been completed.

The College was officially registered on 9<sup>th</sup> October 2023 and admitted the first batch of students in September 2023 and currently the college has student population of 199 students.

**(b) Principal Activities**

KTVC is a national public tertiary institution under the Ministry of Education; it operates under the Education Act 213 and TVET Act 2013 Laws of Kenya. The College's operations are also carried out in accordance with the Government policies and procedures as spelt out in official documents and circulars. The institution operates under the management of the Board of Governors appointed by the Minister in charge of Education. The Principal is the institution's CEO and the secretary to the BOG. On the day-to-day operations of the college, the Principal is assisted by the Deputy Principal, the Registrar, the Dean of Students and Heads of Departments. The students participate in College's governance through a student's association led by an elected student board

The college is Centre of excellence in Building Technology. The college has not yet received modern tools and equipment in the area of ICT, Building Technology and Electrical and Electronic Engineering. This government act was to bring to the youths of Murang'a County the modern technology so that they can have skills to equip and empower for the world of work which is also our motto.

Trainees trained in Kiharu Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Skills to equip and empower them to make a difference in this generation and generations to come. The Kiharu Technical and Vocational College is committed to offering the best and top-quality training. We provide the state -of- the -art modern facilities for training.

We do so to make our trainees more competitive and competent in their professions. Kiharu Technical and Vocational College is growing from strength to strength, we are determined to offer training in a diverse, qualitative and an interactive platform that creates and nurtures talents among trainees. We offer courses from Diploma, Craft, Artisan and skill upgrade levels for those people who are practicing and have no formal certificate. There is no age limit for you to be admitted at Kiharu TVC because we offer regular, part-time and school based trainings.

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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**Vision Statement**

To empower and equip trainees by imparting skills for the world of work

**Mission Statement**

To provide quality market-driven training, research, innovation and entrepreneurship for the dynamic labor market and economic development.

**Our core values are;**

1. Integrity
2. Equity
3. Professionalism
4. Teamwork
5. Customer focus
6. Innovation

**(c) Key Management**

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

- Board of Governors/ Management.
- Accounting officer/ Principal.
- Heads of Departments.
- Heads of sections.

**(d) Fiduciary Management**

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

SN.	Designation	Name
1.	Principal/Sec BoG	Dr. Daniel K. Wahungu, PhD
2.	Deputy principal Finance and Academics	Mr. Nahason Muriuki
3.	Ag.Registrar	Mr. James Mwangi
4.	Ag. Dean of students/Ag. HoD- Electrical and Electronics	Mr. Elvis Onacho
5.	Head of Finance	CPA Hannah Mwangi
6.	Ag. HoD – Business Studies	Mr. Patrick Wachira
7.	Ag. Industry Liaison Officer	Ms. Josephine Manyeki
8.	Ag. HoD – Hospitality and Tourism	Mr. Johnson Kibe
9.	Ag. HoD- Building and Civil Engineering	Mr. Martin Wambu
10.	Ag. HoD- Computing and Informatics/Monitoring and Evaluation	Ms. Tabitha Neurai

**Key College Information and Management (Continued)**

**(e) Fiduciary Oversight Arrangements**

**Audit and risk committee activities**

- Establish Internal Audit Functions
- Formulate whistle blowing Policy in the College
- Formulate and Review finance Policy
- Insurance of all assets general accident cover for students and BOG employees
- Formulation and Implementation of Anti- Corruption Policy
- Putting in place Security Surveillance Mechanisms
- Enhance Security of the Institution
- Formulation and Review of Security Policy
- Establish and Maintain Archives
- Formulate and Implement ICT Policy
- Carry out an audit on values of governance
- Ensure all financial transactions are properly authorized
- Ensure proper fees collection mechanisms
- Ensure proper systems controls in all service points

**Finance and operations committee activities**

- Human Resource Management
- In Charge of Assets Management
- Formulation of Policies
- Communication
- Infrastructural Development and Maintenances
- Adherence to Principles of Governance
- Development of Organizational Structure
- Establishment of Key Management Committees
- Strategic Planning
- Resource Mobilization
- Prepare Annual Procurement Plan
- Prepare Annual Budget
- Quarterly Financial Report
- Establish Internal Financial Control Systems
- Ensure adherence to Procurement Act and Regulations
- Final Financial Accounts
- Monitoring and Evaluation
- Ensure that external audit of financial statement is completed and submitted in time

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

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**Academic Committee Activities**

- Formulation and Review of the Academic Policy
- Quality Assurance
- Development and Implementation of New Programmes
- Determination of Resources:
  - Human Resource
  - Teaching/Learning Materials
- Curriculum Evaluation
- Establish Linkage between the College and Industry
- Ensure Relevance of Courses to Market Needs

**(f) College Headquarters**  
P.O. Box 29-10200  
Kiria-ini Murang'a Road  
Murang'a,  
KENYA

**(g) College Contacts**  
Telephone :( 254) 720-657-630  
E-mail: [kiharutvc@gmail.com](mailto:kiharutvc@gmail.com)  
Website: [www.kiharutvc.ac.ke](http://www.kiharutvc.ac.ke)


**(h) College Bankers**  
KCB Bank  
Murang'a Branch.  
P.O. Box 159-10200.  
Murang'a, Kenya

**(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

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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**3.The Board of Governors**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <b>Hon. Gerishon Nyagia Reuben</b> <b>Chair of the Board of Governors</b>	<p>Hon Gerishon Nyagia Rueben, born in 1956, holds a Bachelor of Education Science from Kenyatta University, Diploma in Education Management KEMI, Appointed to the Board of Kiharu Technical and Vocational College in 3rd July, 2024. He has also attended various managerial trainings/workshops programs. Hon Nyagia is currently working with Murang'a County Government as County Committee member (CEC) Education and Technical Training. He has previously served as school principal in various secondary schools in Murang'a county, Chairman of Murang'a Secondary Schools Heads Association, ACK Diocese of Mt. Kenya Central Education Department and Advisory Committee on Education Murang'a County. Vice chairman Abadare Region Secondary Schools Heads Association and Murang'a County Education Board. Current age 68.</p>
2.	 <b>Kamina Rosaline Njoki</b> <b>Executive</b> <b>BOG Member</b>	<p>Ms. Rosaline Kamina, born in 1962, holds Masters of Education (Special Education) Bachelor's Degree in Education (Special Education) from Kenyatta University. Diploma in Special Education (HI) from Kenya Institute of Special Education. Have over thirty nine(39) years professional experience, accumulated over the period working with various education institutes and Government agencies as a member of the Board of Directors Murang'a Water and Sanitation Company Limited, Senior Executive Officer KNUT Headquarters, Executive Secretary KNUT Murang'a, KNUT Women representative Murang'a North, Murang'a Education Assessment and Resource Center as assessment teacher, Murang'a school for the hearing impaired as assistant teacher, Appointed to the Board of Kiharu Technical and Vocational College in 3<sup>rd</sup> July 2024. Current age 62.</p>

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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3.	 <p>Prof. Mohamed Karama  <b>Executive</b>  <b>BOG Member</b></p>	<p>Prof. Mohamed Karama, born in 1952, holds a PhD in Public Health and Epidemiology from Kenyatta University, Master’s degree in Public Health and Epidemiology from Nagasaki University Japan, Higher Diploma in Environmental health sciences from Nairobi University, Diploma in Public Health from Medical Training College, Certificate in Computer Operations, Water Engineering Techniques College, He has acquired mid-level management in immunization programmes from KEPI and Environmental Health and Malaria Control Techniques from WHO Training Centre (Nigeria). He is fully conversant with institution governance matters having worked as Ag. Vice Chancellor and Deputy Vice Chancellor Umma University. Head of Public and Health Systems Research Program, Principal Research Officer, Chief Public Health Officer, Senior Public Health Officer, Public Health Officer 1 at KEMRI. Public health Officer at the Ministry of Health. Have over fifty (50) years professional experience, accumulated over the period working with various Education Institutes, NGOs and Government agencies having served as a member of Kenya Medical Research Institute Publications Committee and African Medical Research Foundation (AMREF) Scientific committee. He has a vast leadership experience gained from various organisations like AMREF, CPHR, KEMRI and Washington University. He has held various positions which includes mentorship and post graduate supervision and examination, Consultant-Management, Resource mobilization, Teaching and academic related functions Currently is the Ag. Vice-Chancellor Umma University. Appointed to the Board of Kiharu Technical and Vocational College in 3rd July, 2024. Current age 72.</p>
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**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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<p>4.</p>	 <p>CPA Muku Francis Gicheha  <b>Non-Executive  BOG Member</b></p>	<p>CPA Muku Francis Gicheha, born in 1982, holds Masters of Business Administration from UoN, Bachelor's degree in Business Administration (Accounting Option) from Kenya Methodist University, Certified Public Accountant (CPA K) and Advanced Certificate of Education (U.A.C.E) from Bugema Adventist College - Kampala. He has vast experience with Accounting, Taxation, Consultancy and Advisory Services. He is currently working with Ultra Electric Ltd. As the General manager. Appointed to the Board of Kiharu Technical and Vocational College in 3<sup>rd</sup> July, 2024. Current age 42.</p>
<p>5.</p>	 <p>Joan Gatwiri M  <b>Non-Executive  BOG Member</b></p>	<p>Ms. Joan Gatwiri M, born in 1992. Holds a Degree in Mass communication and Journalism from Mount Kenya University. Diploma in Mass communication and Journalism, East African School of Media Studies. Certificate in Kenyan Sign Language, Kenya Institute of Special Education and a Certificate in Computer Packages, Kenya Institute of Open Learning Have over nine (9) years professional experience, accumulated over the period working with various agencies as a merchandiser and team leader. Currently working as a Financial Advisor with ICEA Lion Group. Appointed to the Board of Kiharu Technical and Vocational College in 3<sup>rd</sup> July 2024. Current age 32.</p>
<p>6.</p>	 <p>Egn. Peter Kariuki  <b>Non-Executive  BOG Member</b></p>	<p>Engineer Peter Kariuki born in 1986 holds a Bachelor of Science in Electrical and Electronic Engineering from Jomo Kenyatta University of Agriculture and Technology. Beyond his professional endeavors, he actively engages in community development initiative, as he serves as a Board Member Murang'a Level 5 Hospital (Chairperson, Committee Finance, Human Resource and Institutional development) and St. Vincent Maragi Secondary School (Chairperson Academic, Environmental and Quality Standards). He has an extensive career spanning almost 7 years both in public and private Sector. Being a member of Engineers Board of Kenya (EBK). He is an avid reader and has vast knowledge and skills imparted through</p>

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		<p>training and seminars attended at KEMI, CDMIS, HOST AND RIGGING, E-SUMMIT among others. Currently holding a position as Program Officer at the Intergovernmental Relations Technical Committee (IGRTC). Appointed to the Board of Kiharu Technical and Vocational College in 3rd July 2024. Current age 38.</p>
7.	 <p><b>Shem Kihara</b>  <b>Non-Executive</b>  <b>BOG Member</b></p>	<p>Mr. Shem Kihara, born in 1968, holds a Bachelor's degree in Agricultural Engineering (upper second class) from Egerton College, Post graduate diploma in technical education from Kenya Technical Trainers College, Masters of Business Administration degree (HRM option) from Kenyatta College. Currently pursuing a PhD in Business Administration (HRM specialization) at the College of Nairobi. He is fully conversant with institution governance matters having worked as a senior teacher and a lecturer in various institutions which includes College of Nairobi (part time lecturer), Mathenge Institute of Technology, Giakanja High School (HOD careers), Moi Nyeri Complex Secondary School, He also has held various positions which includes CU patron, Consultant-Management, Human Resource and Careers, Chairman-development committee Full Gospel Churches of Kenya. Currently a part time lecturer at the College of Nairobi and the Director Nyeri Fountain Kindergarten. Current age 56.</p>
8.	 <p><b>Dr. Daniel K. Wahungu</b>  <b>Principal /Secretary BoG</b></p>	<p>Dr. Daniel K. Wahungu, born in 1970, holds a PhD in Sociology of Education and Policy Studies from Kenyatta University, Masters in Education from Kenyatta University, Bachelor of Arts from University of Nairobi and Post graduate Diploma in Education of Kenyatta University, he has enormous experience in teaching and management having worked with various institutions which includes Thika Technical Training Institute and Karima Girls High School Currently he is the Principal of Kiharu Technical and Vocational College and Secretary BoG. Current age 54.</p>

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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**4. Key Management Team**

SN.	Passport-Size Photo	Name, and Key Profession	Main area of Responsibility
1.		Dr. Daniel K. Wahungu, PhD	Principal /Accounting Officer/Secretary BoG
2.		Mr. Nahason Muriuki MSc. Information System BeD Sc.	Deputises the Principal and in charge of academic management and curriculum implementation
3.		CPA Hannah Mwangi CPA K. Bcom (Finance Option)	Finance Officer
4.		Mr. James Mwangi Diploma ICT	Registrar
5.		Mr. Elvis Onacho Diploma in Electrical and Electronic Engineering (power option)	Dean of Students /HoD- Electrical and Electronics

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6.		<p>Ms. Tabitha Ncurai  Diploma in Technical Education (Computer Studies)</p>	<p>HoD- Computing and Informatics/Monitoring and Evaluation</p>
7.		<p>Mr. Patrick Wachira  Diploma in Accounting</p>	<p>HoD – Business Studies</p>
8.		<p>Mr. Johnson Kibe  Diploma in Food and Beverage Management</p>	<p>HoD – Hospitality and Tourism</p>
9.		<p>Mr. Martin Wambu  Certificate in plumbing</p>	<p>HoD- Building and Civil Engineering</p>

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

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**5. Chairman's Statement**

It is my pleasure to present Kiharu Technical & Vocational College Annual Financial Statements for the financial year ended 30<sup>th</sup> June, 2024. The College Board notes with appreciation the continued support of the Government and other stakeholders in running the institution. The College continues to offer quality programmes that are market-driven and meet the demands of the market. The Board endeavours to work with the industry and other strategic partners and stakeholders in order to provide facilities to meet the challenges the College is facing.

There has been a steady increase in student population and expansion of the academic programmes, which has exerted a lot of pressure on the existing facilities, thereby necessitating the need for putting up more training facilities. The Board in collaboration with the relevant stakeholders is committed towards delivering the same.

During the financial year 2023/2024, the College embarked on various projects among them;

- a) Construction of ablution block, perimeter wall and modern gate, parking area funded by the ministry of Education
- b) Acquiring office desks for trainers and the college administrators.
- c) Acquiring of training equipment.
- d) Setting up of Jitume Lab awaiting 100 computers to be received from Ministry of Education for Jitume Program

The College is offering CDACC and NITA programmes, which was geared to support the government's push for the competence-based curriculum.

College has faced some challenges attributed to:

- a) The college has not received capitation and scholarship for the first batch of trainees. This resulted to underfunding of the college budget and downsizing of the core mandate budgets.
- b) The college has not received adequate PSC trainers from the ministry but we appreciate the five newly recruited PSC staff.
- c) The college has not received government equipment for training of CBET curriculum.

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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We continued with the measures of setting up of management and governance structures that reflect College status. During the year, the College received its new and pioneer Board of Governors. I thank the government for its financial support so far that has made it possible to implement the Kiharu TVC functions and programmes.

Finally, I wish to thank all stake holders for their continued support and dedication, even as we together strive to achieve greater heights of excellence.

Signed



Date 14/04/2025

**Hon. Gerishon Nyagia Reuben**  
**Chairperson Board of Governors**

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

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**6. Report of the Principal**

I am pleased to present the Annual report and Financial Statements of Kiharu Technical & Vocational College for the financial year ended 30<sup>th</sup> June, 2024. Kiharu Technical & Vocational College is an academic institution committed to imparting knowledge, skills and right attitudes through Technical, innovation and vocational for self-reliance of our trainees and bridge the skill gaps in the market.

**Academic and Student affairs**

During the financial year under review, the College received its first intake and it has remained on course. The main focus is quality, relevance, access and sustainability intended to consolidate and reshape the College with a view to living up to be the TVET institution of choice in the country.

The College had admissions for the 2023/2024 financial year in September 2023, January 2024 and May 2024 in the following academic programmes.

S.No	Programme	September, 2023	January, 2024	May, 2024
i.	Electrical and Electronic Engineering Department	28	10	8
ii.	Building and Civil Engineering Department	38	9	8
iii.	Hospitality & Cosmetology Department	30	16	10
iv.	ICT Department	30	2	6
v.	Business Studies and Entrepreneurship Department	2	0	2
<b>Total</b>		<b>128</b>	<b>37</b>	<b>34</b>

The College will have its first CDACC and NITA examination sitting November 2024, March 2025 and July 2025 within the next FY 2024/2025 of the normal academic calendar.

During the same period, the institution hired BOG trainers as reflected in the Curriculum-Based Establishment:

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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<b>SN</b>	<b>Academic Department</b>	<b>BOG Trainers</b>	<b>PSC Trainers</b>
1.	Electrical and Electronic Engineering Department	1	0
2.	Building and Civil Engineering Department	2	0
3.	Hospitality & Cosmetology Department	2	0
4.	ICT Department	2	0
5.	Business Studies and Entrepreneurship Department	1	0
<b>Total</b>		<b>8</b>	<b>0</b>

I am pleased to present the Annual Report and Financial Statements of Kiharu Technical & Vocational College for the financial year ended 30<sup>th</sup> June, 2024.

Signed 

Date: 14/04/2025

**Dr. Daniel K. Wahungu, PhD**  
**Principal/ Secretary BOG**

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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**7. Statement of Performance against Predetermined Objectives**

**SECTION A**

Kiharu TVC has 8 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2024/2026- 2027/2030. These strategic pillars are as follows:

- Pillar 1: Infrastructure Development
- Pillar 2: Access and Equity
- Pillar 3: Human Resource
- Pillar 4: Financial resources
- Pillar 5: Collaboration and Linkages
- Pillar 6: Institutional Corporate Governance/Management  
Publicity of the College
- Pillar 7: ICT (Equipment and Technology)
- Pillar 8: Research and Innovation

Kiharu TVC develops its annual work plans based on the above 8 pillars. Assessment of the Board's performance against its annual work plan will be done on a quarterly basis. The College achieved its performance targets set for the FY 2023/24 period for its 8 strategic pillars, as indicated in the diagram below:

Pillar no	Strategic issues	Strategic Objective	Key Performance Indicators	Activities	Achievements
1:	Infrastructure improvement	To provide adequate infrastructure for quality service delivery	Increased capacity for quality service delivery	- Develop infrastructure plans and designs - Source for funding	Improved service delivery
2:	Access and equity	To enhance access and equity to quality TVET training	No. of students enrolled No. of programmes launched	Design flexible and blended learning programmes	Enrolled its first batch of students in five departments
3:	Human Resource	Liaise with the PSC for meeting gaps in teaching and support staff	- Trainers engaged both PSC and BoG. - non trainers hired	-Teaching staffing gaps addressed	5 PSC Trainers, 11 Trainers hired by BoG, and 7 support staff
4:	Financial Resources	Enhance fees collection	To improve the financial position of the college	Control systems established and implemented	Enhanced fees collection and more liquidity
5:	Collaboration and Linkages	Review and strengthen existing	Mechanisms for benchmarking and joint cooperation in TVET	Number of mechanisms implemented	Number of mechanisms implemented

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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		frameworks for collaborations and linkages in TVET	developed and implemented		
6:	Institutional ,Corporate Governance /Management	Improve Institutional corporate governance/Management	Organisational structure, HIV/Aids, Drug and substance Abuse, Safety measures, Gender mainstreaming, Disability Mainstreaming Affirmation policies	Establish institutional policies, strategies and programmes that are responsive to effective governance and management of TVET	Number of policies in place- all the policies were developed and awaiting approvals.
7:	ICT (Equipment and Technology)	Promote effective application of ICT	e-books to be acquired	Acquisition of e-books	e-books to be acquired
8:	Research and Innovation	Create forums for sensitization of staff and students -Develop a reward system for innovations	Institutionalize research and development	Participate in TVET Fairs	number of fairs to be participated on, regional, national

**SECTION B**

**College's compliance with statutory requirements**

The college has been complying with all statutory requirements.

**SECTION C**

**Key projects and investment decisions the College is planning/implementing**

The college does not have any ongoing project.

**SECTION D**

**Major risks facing the College**

**FINANCIAL RISK MANAGEMENT**

The college activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The college'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 college 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 college financial risk management objectives and policies are detailed below:

**(i) Credit risk**

The college 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.

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 carrying amount of financial assets recorded in the financial statements representing the college maximum exposure to credit risk without taking account of the value of any collateral obtained.

The customers under the fully performing category are paying their debts as they continue trading.

The college has significant concentration of credit risk.

The board of governors sets the college'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 college board of governors, who have built an appropriate liquidity risk management framework for the management of the college short, medium and long-term funding and liquidity management requirements. The college manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

**(iii) Audit risk.**

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

**(iv) Market risk.**

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 college 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 college'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 college exposure to market risks or the manner in which it manages and measures the risk.

**iv) Capital Risk Management**

The objective of the college capital risk management is to safeguard Kiharu TVC's ability to continue as a going concern.

**SECTION E**

**Material arrears in statutory/financial obligations**

The current financial obligation is in terms of trade payables of Ksh 689,220

**SECTION F**

**The college's financial probity and serious governance issues**

The college does not have any financial probity and serious governance issues

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

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**8. Corporate Governance Statement**

**A. Board Meetings for the Year Ended 30<sup>th</sup> June 2024**

There was no Board Committee for the Year Ended 30th June 2024.

**B. Conflict of Interest**

The Board of Governors that was currently constituted has declared no interest in the affairs of the College, personal or business related.

**C. Board Remuneration**

Sitting allowance for Board members and chairman honorarium are guided by the approved payment as guided by the Principal Secretary State Department for Technical Vocational Education and Training. The remuneration for Board members consists of sitting and subsistence allowances in connection with Board & Board committee and Chairperson's activities.

**D. Roles and Functions of the Board**

The Roles of the Board include;

- i) Exercise overall fiduciary oversight of the College operations.
- ii) Policy formulation for use within the institution.
- iii) Oversight on matters of personnel development.
- iv) Budgetary control of the College Revenues and Expenditure.
- v) Establishment of strong internal control environment.
- vi) Assessment and control of Financial Risk.
- vii) Assessment and control of Audit Risk.
- viii) Financial reporting oversight and control.

**E. Appointment and removal of Board members**

The appointment of Board members is the prerogative of the Cabinet Secretary, Ministry of Education

**F. Induction and Training**

Current Kiharu Technical and Vocational College Board of Governors were inducted in the 2024/2025 financial year.

**G. Governance Audit**

The Board has put in place a combination of processes and structures to inform, direct, manage and monitor the activities of the College towards the achievement of its objectives. There is an independent audit and risk committee that reports to the Board on a regular basis. The audit and risk committee plays a key role in assisting the Board to fulfill its oversight responsibilities in areas such as financial reporting, internal control systems, risk management systems and the external audit functions.

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

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**H. Internal Controls**

The College has implemented and maintained internal controls designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard and maintain accountability of the College's assets.

Such controls are based on Law, Government & College regulations, Policies and circulars and are implemented by trained personnel with appropriate segregation of duties. The effectiveness of the system of internal controls is monitored regularly through operational meetings and the annual external audit.

**I. Going Concern**

The College Board confirms that Kiharu College has adequate resources to continue in operation for the foreseeable future and therefore, the continued use of going concern as a basis of preparing the financial statements.

**9. Management Discussion and Analysis**

**FINANCIAL PERFORMANCE**

**A. INCOME ANALYSIS**

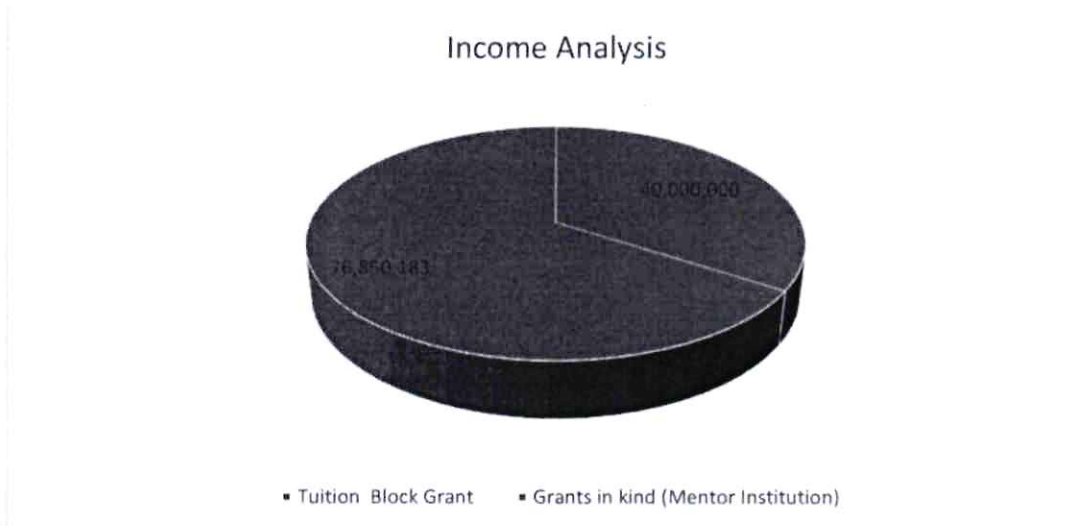


Figure 1- Pie Chart showing Revenue for FY 2023/2024

**Comparison of Income 2022/2023 and 2023/2024**

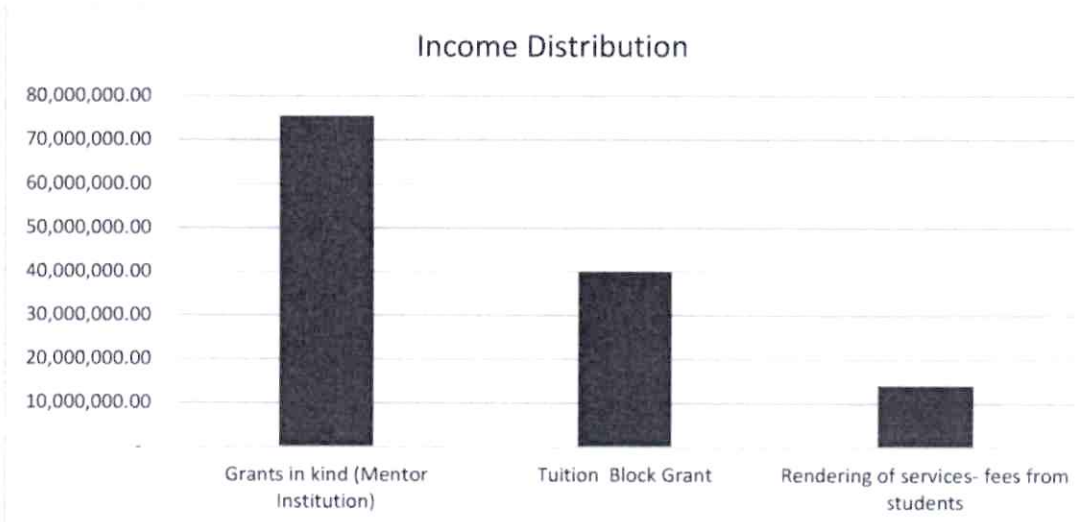


Figure 2 Graph showing income Distribution

	Grants in kin	Development Grant	Rendering of services - fees from students
2023-2024	76,850,183	40,000,000	14,067,111
2022-2023	00	00	00

**B. EXPENDITURE ANALYSIS**

Expenditure Analysis

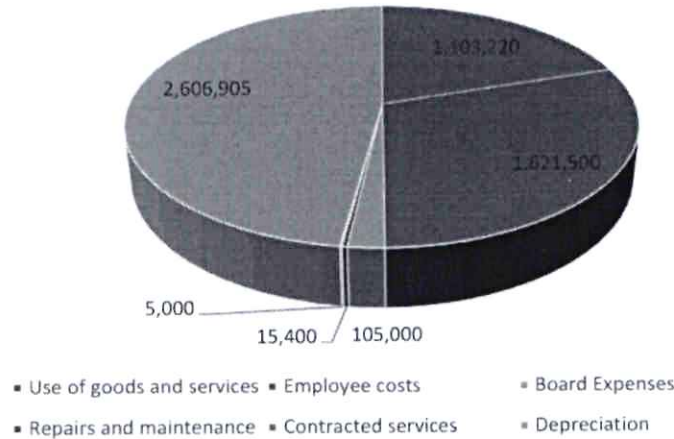
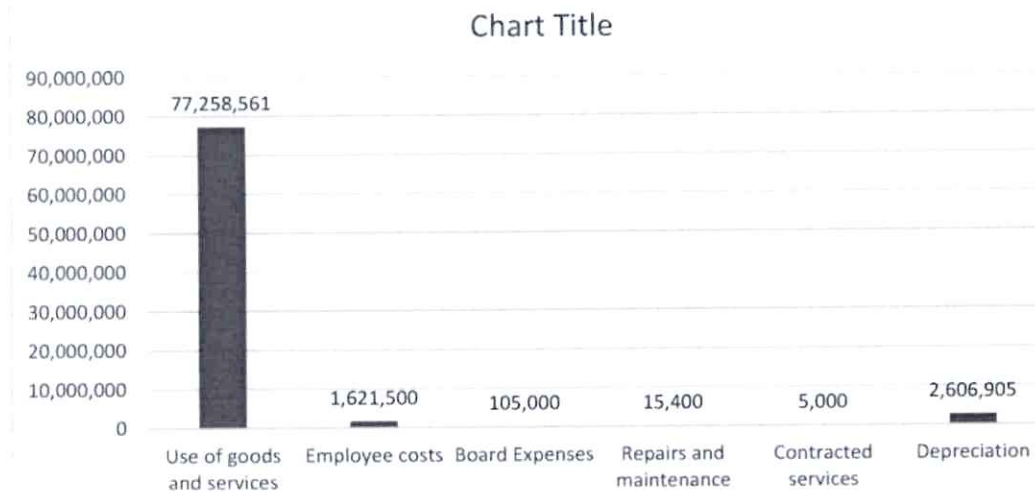


Figure 3 Pie Chart Showing Expenditure Analysis

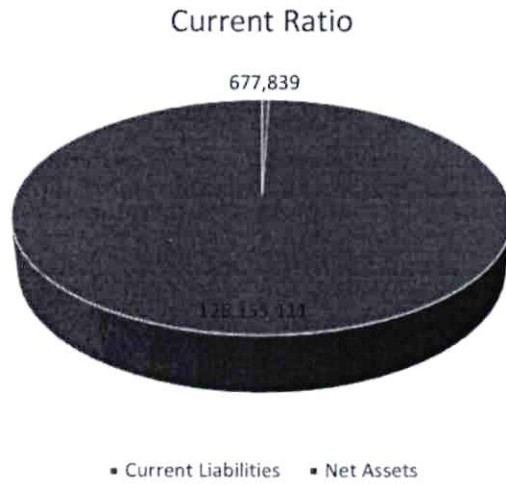
**Comparison of Expenditure 2022/2023 and 2023/2024**



	Use of Goods	Employee costs	Board Expenses	Repairs and maintenance	Contracted Services	Depreciation
2023-2024	77,258,561	1,621,500	105,000	15,400	5,000	2,606,905
2022-2023	00	00	00	00	00	00

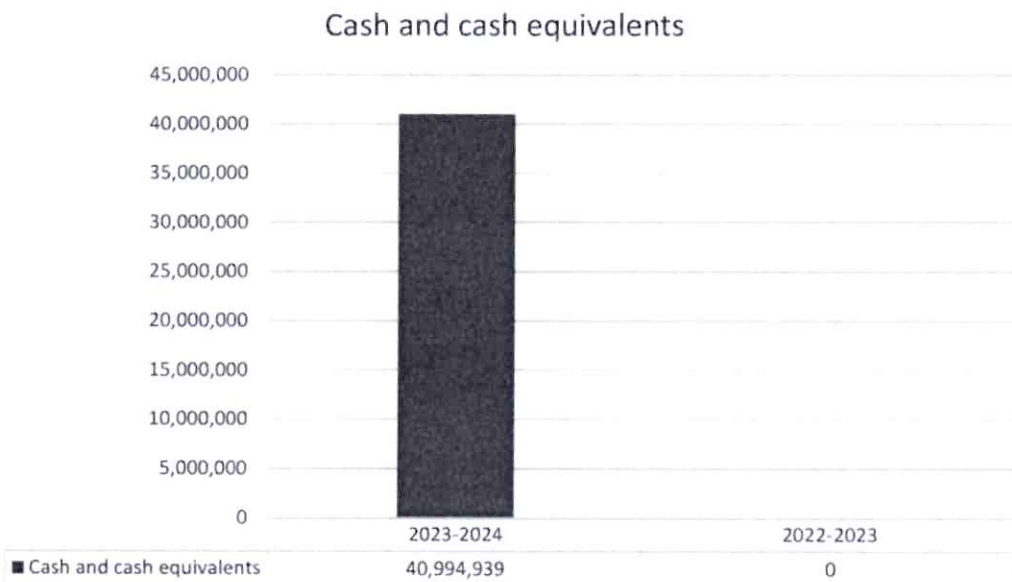
**C. FINANCIAL POSITION**

**Current Ratio**



*Figure 4- Pie Chart Showing Current Ratio*

**D. STATEMENT OF CASHFLOWS**



## **10. Environmental and Sustainability Reporting Statement**

### **Sustainability strategy and profile**

The college steered by the Board of Governors has an ambitious 5-year strategic plan to improve service delivery and growth. The institution management is working closely with the Public Administration and the offices of elected leaders to seek support through training bursaries and development grants.

The board has embarked on an ambitious marketing plan to increase student population and popularise the College services in the community and further beyond.

**Innovation and technology-** the college has put a lot of Effort in sustainability related R&D in order to reduce environmental impacts in new products and in business activities of training. The college uses BAT (best available techniques) and integrated environmental technologies, we concentrate on cleaner production and zero-emission technologies.

**Collaboration** – the college maintained a Good cooperation and active collaboration with various business partners which included suppliers, TVET institutions, universities and others working in common programmes and networks on innovative products and technologies. Exchange of information and knowledge through conferences

**Knowledge management** – the college have planned, developed, organized, maintained, transferred, applied and measured specific knowledge and to improve the organizational knowledge base.

Processes- Clear processes and roles are defined so that college activities are efficiently conducted and that every employee knows what the college management expects from him or her.

Purchase- the college had a good Relationship with suppliers focusing also on sustainability.

**Sustainability reporting** – the college maintained Considerable reporting of sustainability issues within the board meeting reports.

### **Environmental performance**

This dimension deals with environmental impacts due to corporate activities. These environmental impacts are caused by resource use and emissions into air, water, ground and hazardous waste.

This dimension is mainly measured by impacts, but within corporate sustainability strategies the focus has to be laid on the effects causing these impacts, e.g., the higher the maturity levels are the more it has to be concentrated on causes rather than on effects.

### **Emissions into the air-**

Emissions into the air due to corporate activities the college does not emit any pollution to air as we are training and not manufacturing.

### **Employee welfare**

**Corporate governance-** Transparency in all its activities in order to ameliorate relationship towards its stakeholders. During the financial year, the college recruited staff using the laid down recruitment procedures. This was done through the guidance of public service commission who Give insight into all relevant data; following rules of on recruitment of the corporate governance and defining responsibilities and behavior of the board.

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

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**Staff Motivation and incentives** – this is an Active involvement and exemplary function of management on sustainability of all the Employees Being Aware of their needs, claims and motivation factors of employees in order to implement sustainability sufficiency into the organization due to support of management for acting in sustainable way (e.g. time, money, resources). The management Developed and implemented incentives and reward systems (monetary and non-monetary).

**Health and safety** – the college guarantee that no health and safety risks occur when working in/for the college. No negative impact of employees’ physical health at any time was reported. The college has Operation of programmes for employees to prevent dangers and to stay generally fit and healthy.

**Human capital development** - Development of human capital for sustainability related issues through specific programmes is key to any organization. The college has sponsored staff to various seminars and workshops and also allowed others join holiday classes. The college has also encouraged Broad cross-working education (job enrichment, job enlargement) for staff in order to become aware of the different challenges and issues of corporate sustainability

**Market place practices-**

**a) Responsible competition practice.**

The college practices responsible competition by following normal procedure of marketing.

**b) Responsible Supply chain and supplier relations-**

The college has list of suppliers who were prequalified through advertisement. The policy of the college is to pay all the bills at the end of every month and this has created a good rapport with her suppliers and service providers

**c) Responsible marketing and advertisement**

The college carries out normal marketing through media and organized talks.

**d) Product stewardship.**

Trainees trained in Kiharu Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Hands on Skills to empower and equip them by imparting skills for the world of work make a difference in this generation and generations to come. The Kiharu Technical and Vocational College is committed to offering the best and top quality training.

Kiharu Technical College exists to transform lives through development of practical skills applicable in lives and careers of our trainees. This endeavour, we feel contributes positively to the achievement of development goals in line with Vision 2063.

With reference to the direction of the international financial reporting council for entities to adopt integrated reporting.

Customer focus is what guides us to deliver our strategy, putting the customer first, delivering relevant training and services, and improving operational excellence.

Below is a highlight of strategies and activities that promote the organisation’s strategic objectives;

- a) Setting up an Institution Service Charter in the FY 2024/25.

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

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- b) Ensure that organizational goals are clearly communicated to all levels of the organization.
- c) Adoption of Performance contracting as required for all public institutions in the Republic of Kenya for the FY 2024/2025
- d) Focus on delivering value to customers and enhancing customer satisfaction.
- e) Build and retain a skilled workforce aligned with strategic goals and Encourage innovation and adapt to market changes.
- f) Ensure strong financial health to support long-term strategic goals.

**e) Responsible competition practice.**

The college practices responsible competition by following normal procedure of marketing. The college has developed an anti-corruption policy and non-political adherence.

**f) Responsible Supply chain and supplier relations**

The college has list of suppliers who were prequalified through advertisement. The policy of the college is to pay all the bills at the end of every month and this has created a good rapport with her suppliers and service providers.

**g) Responsible marketing and advertisement**

The college carries out normal marketing through social-media and organized talks.

**h) Product stewardship.**

Trainees trained in Kiharu Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped and empowered with imparting skills for the world of work and Technology to make a difference in this generation and generations to come. The Kiharu Technical and Vocational College is committed to offering the best and top quality training.

**Corporate Social Responsibility / Community Engagements**

Kiharu College being a public entity embraces the policy of Corporate Social Responsibility (CSR) through engaging herself with the following amongst many social responsibilities:

**(a) Charitable Activities**

The College trainees have been offering material & spiritual support.

**(b) Communities outreach activities**

The College is moving towards fulfilling its core mandate of community service. A college worth its name must benefit the community and not only improve its economic activities but also uplift the health and the well-being of people around it to attain the country's Universal Health. The College has also been offering both social and economic support to the external community through provision of casual labour opportunities and supplies wherever such opportunities arise.

**(c) Environmental Improvement activities**

Introduction of communal periodical cleaning day.

**(d) Academic Mentorship**

The College will offered internship and industrial attachment to qualified youths from the surrounding community and Institutions.

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

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**11. Report of the Board of Governors**

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

**Principal activities**

The principal activities of the College are offering technical skills and training in courses examined by the Certified Kenya National Examinations Bodies. These courses are;

- a) Diploma courses
- b) Craft Certificate courses
- c) Artisan courses
- d) Government Grade Test and Vocational Courses

**Board of Governors**

The college didn't have a constituted Board of Governors in the financial year ended 30<sup>th</sup> June 2024

**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 were nominated by the Auditor General to carry out the audit of the College for the year/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



**Secretary, Board of Governors**

**Date: 14/04/2025**

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

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**12. Statement of Board of Governors Responsibilities**

Section 83 of the Public Finance Management Act, 2012 require the Board members to prepare financial statements in respect of the college, which give a true and fair view of the state of affairs of the College at the end of the financial period and the operating results of the College for that period. The Board members are also required to ensure that the College keeps proper accounting records which disclose with reasonable accuracy the financial position of the College. The Board members are also responsible for safeguarding the assets of the College.

The Board members are responsible for the preparation and presentation of the College's financial statements, which give a true and fair view of the state of affairs of the College for and as at the end of the financial period ended on 30<sup>th</sup> June, 2024. This responsibility includes:


- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the College;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the College;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the College's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Board members are of the opinion that the College's financial statements give a true and fair view of the state of College's transactions during the period ended 30<sup>th</sup> June, 2024, and of the College's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the College, which have been relied upon in the preparation of the College's financial statements as well as the adequacy of the systems of internal financial control.

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


**Approval of the financial statements**

The Amended College's financial statements were approved by the Board on 14/04/2025 and signed on its behalf by:

  
Signature

**Name: Hon. Gerishon Nyagia Reuben**

**Chairperson, Board of Governors**

  
Signature

**Name: Hannah Mwangi.**

**Finance Officer**

# REPUBLIC OF KENYA



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HEADQUARTERS  
Anniversary Towers  
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P.O Box 30084-00100  
NAIROBI

*Enhancing Accountability*

## **REPORT OF THE AUDITOR-GENERAL ON KIHARU TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024**

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### PREAMBLE

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

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

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

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

## REPORT ON THE FINANCIAL STATEMENTS

### Qualified Opinion

I have audited the accompanying financial statements of Kiharu Technical and Vocational College set out on pages 1 to 31, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the financial statements do present fairly, the financial position of Kiharu Technical and Vocational College at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and Public Finance Management Act, 2012.

### Basis for Qualified Opinion

#### 1. Lack of Ownership Documents for Property, Plant and Equipment

The statement of financial position and as disclosed in Note 17 to the financial statements reflects property, plant and equipment net book value balance of Kshs.74,243,279 which excludes the value of land with an acreage of 5.2 acres donated to the College by St. Paul's Boys High School, Gathuki-ini in the year 2023. However, the land has not been valued to determine its value and ownership documents for the land parcel were not provided for audit review.

In the circumstances, the accuracy and accuracy of property, plant and equipment balance of Kshs.74,243,279 could not be confirmed.

#### 2. Unsupported Inventory Balances

The statement of financial position and as disclosed in Note16 to financial statements reflect inventory balance of Kshs.712,560. However, the inventory has not been supported by bin cards/stores ledger cards to show the inventory movements and the resultant closing balance. Further, the quarterly and annual stock take were not conducted contrary to Section 162 (2) of the Public Procurement and Assets Disposal Act, 2015.

In the circumstances, the accuracy and completeness of inventory balance of Kshs.712,560 could not be confirmed.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.134,067,111 and Kshs.120,040,122, respectively resulting in an under-funding of Kshs.14,026,989 or 12% of actual receipts.

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

#### **Key Audit Matters**

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

#### **Other Information**

The Management is responsible for the Other Information set out on pages vii to xxix which comprise of Key Entity Information and Management, The Board of Governors, Management Team, Chairman's Statement, Report of the Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors and Statement of the Board of Governors.

Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the College's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. 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 effects of the matters described in the basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that nothing else has come to my attention to cause me believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion.**

#### **1. Non- Compliance with Principles of Equal Opportunities for All**

Examination of human resource records indicated that the college had eleven (11) members of staff. However, no persons living with disability has been employed by the College contrary to Section B.23 of Human Resource Policies and Procedure Manual May,2016 for the public service on rights and privileges of persons with disabilities.

In the circumstance, Management was in breach of human resource policies and procedures in place.

#### **2. Non-Remittance Statutory Dues**

The statement of financial performance and as disclosed in Note 9 to the financial statements reflect employee cost amount of Kshs.1,621,500. However, review of documents and records revealed that from the month of September 2023 to June 2024 no statutory deductions consisting of NHIF, NSSF were made on the salaries and wages of members of staff contrary chapter 226 of Employment Act 2023.

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

#### **3. Lack of Approved Budget**

The statement of comparison of budget and actual amount for the year under review disclosed a final budget of Kshs.134,067,111. However, review of budget documents provided for audit revealed that the budget was not approved contrary to Regulation 44 (2) of the Public Finance Management (National Government Regulations) 2015.

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

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

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Lack of Internal Audit Function**

Examination of documents provided for audit revealed that the College did not have an internal audit unit contrary to section 73 of the Public Finance Management Act, 2012.

In the circumstances, the effectiveness of the assurance on internal control systems in the College could not be confirmed.

### **2. Lack Internal Control Policies**

Review of records provided for audit indicated that the College does not have approved key internal control polices and procedure manuals which consist of risk management policy, disaster recovery plan, IT policy, Human resource manual, strategic plan and the procurement plan.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires 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 its services, disclosing, as applicable, matters related to sustainability of its services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or to cease its 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 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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

14 May, 2025

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

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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Government Grants and Grants in Kind	6	116,850,183	00
<b>Total</b>		<b>116,850,183</b>	<b>00</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	7	14,067,111	00
<b>Revenue from Exchange transactions</b>		<b>14,067,111</b>	<b>00</b>
<b>Total Revenue</b>		<b>130,917,294</b>	<b>00</b>
<b>Expenses</b>			
Use of goods and services	8	77,258,561	00
Employee costs	9	1,621,500	00
Board Expenses	10	105,000	00
Repairs and maintenance	11	15,400	00
Contracted services	12	5,000	00
Depreciation	13	2,606,905	00
<b>Total Expenses</b>		<b>81,612,366</b>	<b>00</b>
<b>Net surplus/(deficit) for the year</b>		<b>49,304,928</b>	<b>00</b>

*(The notes set out on pages 6 to 31 form an integral part of the Annual Financial Statements).*

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



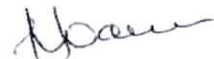
**Chairman of Board**

**Date 14/04/2025**



**Principal**

**Date 14/04/2025**



**Finance Officer**

**ICPAK No 33063**

**Date 14/04/2025**

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

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

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	14	40,994,939	00
Current portion of receivables from exchange transactions	15	10,882,172	00
Inventories	16	712,560	00
<b>Total Current Assets</b>		<b>52,589,671</b>	<b>00</b>
<b>Non-Current Assets</b>			
Property, plant, and equipment	17	74,243,279	00
<b>Total Non-Current Assets</b>		<b>74,243,279</b>	<b>00</b>
<b>Total Assets (A)</b>		<b>126,832,950</b>	<b>00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	18	655,120	00
Fees received in advance	19	22,719	00
<b>Total Current Liabilities</b>		<b>677,839</b>	<b>00</b>
<b>Total Liabilities (B)</b>		<b>677,839</b>	<b>00</b>
<b>Net Assets (A-B)</b>		<b>126,155,111</b>	<b>00</b>
<b>Represented By:</b>			<b>00</b>
Accumulated Surplus		49,304,928	00
Capital Fund		76,850,183	00
<b>Net Assets</b>		<b>126,155,111</b>	<b>00</b>

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



**Chairman of Board/Board**

**Date 14/04/2025**



**Principal**

**Date 14/04/2025**



**Finance Officer**  
**ICPAK No 33063**

**Date 14/04/2025**

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**

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

**16. Statement of Changes in Net Asset For The Year Ended 30 June 2024**

<b>Description</b>	<b>Revaluation reserve</b>	<b>Accumulated Fund</b>	<b>Capital Grants/Fund</b>	<b>Total</b>
<b>At July 1, 2022 (previous year)</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
Revaluation gain	00	-	-	00
Surplus/(deficit) for the year	-	00	-	00
Capital grants received during the year	-	-	00	00
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	00	(00)	-
<b>At June 30, 2024</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
<b>At July 1, 2023 (current year)</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
Revaluation gain	00	-	-	00
Surplus/(deficit) for the year	-	49,304,928	-	49,304,928
Capital grants in kind received during the year	-	-	76,850,183	76,850,183
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	00	(00)	(00)
<b>At June 30, 2024</b>	<b>00</b>	<b>49,304,928</b>	<b>76,850,183</b>	<b>126,155,111</b>

**KIHARU 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	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities	6	40,000,000	00
Rendering of services- fees from students	7	3,189,939	00
<b>Total Receipts</b>		<b>43,189,939</b>	<b>00</b>
<b>Payments</b>			
Use of goods and services	8	443,100	00
Employee costs	9	1,621,500	00
Board Expenses	10	105,000	00
Repairs and maintenance	11	15,400	00
Contracted services	12	5,000	00
<b>Total Payments</b>		<b>2,190,000</b>	<b>00</b>
<b>Net Cash Flows from operating activities</b>		<b>40,994,939</b>	<b>00</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>40,994,939</b>	<b>(00)</b>
Cash and Cash equivalents at 1 JULY		00	00
<b>Cash and Cash equivalents at 30 JUNE</b>		<b>40,994,939</b>	<b>00</b>

KIHARU TECHNICAL AND VOCATIONAL COLLEGE

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference	Notes
	Kshs	Kshs	Kshs	Kshs	Kshs	%	
<b>Revenue</b>							
Development Grant	120,000,000	(00)	120,000,000	116,850,183	(3,149,817)	97%	1
Rendering of services- fees from students	14,067,111	(00)	14,067,111	3,189,939	(10,877,172)	23%	2
<b>Total Income</b>	<b>134,067,111</b>	<b>(00)</b>	<b>134,067,111</b>	<b>120,040,122</b>	<b>(14,026,989)</b>	<b>90%</b>	
<b>Expenses</b>							
Use of goods and services	8,222,020	(00)	8,222,020	1,103,220	(10,018,800)	13%	3
Employee costs	1,800,000	(00)	1,800,000	1,621,500	(178,500)	90%	4
Board /Board Expenses	650,000	(00)	650,000	105,000	(695,000)	16%	5
Repairs and maintenance	350,000	(00)	350,000	15,400	(434,600)	4%	6
Contracted services	145,091	(00)	145,091	5,000	(145,000)	3%	7
Depreciation	2,900,000	(00)	2,900,000	2,606,905	(893,095)	90%	
<b>Recurrent Expenditure</b>	<b>14,067,111</b>	<b>(00)</b>	<b>14,067,111</b>	<b>5,457,025</b>	<b>(8,610,086)</b>	<b>14%</b>	
<b>Capital Expenditure</b>	<b>120,000,000</b>	<b>(00)</b>	<b>120,000,000</b>	<b>76,850,183</b>	<b>(43,149,817)</b>	<b>64%</b>	
<b>Total Expenditure</b>	<b>134,067,111</b>	<b>(00)</b>	<b>134,067,111</b>	<b>82,307,208</b>	<b>(51,759,903)</b>	<b>61%</b>	
<b>Surplus/Deficit For the Period</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>37,732,914</b>			
<b>Capital Expenditure</b>	<b>2,076,475</b>	<b>00</b>	<b>2,076,475</b>	<b>00</b>	<b>00</b>	<b>0%</b>	

(Budget notes)

1. Development Grant-Underperformed by 4% due to reduction in national budget disbursements. Note discrepancy: budget was 120M, actual was ~115M = 96% utilization.
2. Fees from Students-Underperformed by 77%, mainly due to lower-than-expected student intake (250 projected vs. 188 actual).
3. Use of Goods and Services-Only 13% of the budget was utilized due to a lack of funds stemming from shortfalls in income.
4. Employee Costs-Close to full utilization (90%) despite no PSC trainers. The college hired Board of Governors (BoG) trainers on contracts instead.
5. Board Expenses-Utilization was only 16% since the Board of Governors was only appointed towards the end of the year.
6. Repairs and Maintenance-Very low expenses (4% utilization) as infrastructure was still new; only minimal work was done (e.g., fixing toilets).
7. Contracted Services-Services were provided by the mentor institution, leading to just 3% utilization of the allocated budget.

**19. Notes to the Financial Statements**

**1. General Information**

Kiharu TVC is established by and derives its authority and accountability from TVET Act of 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is technical & vocational training.

**2. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *College's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 16. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *College*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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**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 2023.**

Standard	Effective date and impact:
<b>IPSAS 41:</b> Financial Instruments	<b>Applicable: 1<sup>st</sup> January 2023:</b> 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 a College's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: <ul style="list-style-type: none"> <li>• 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;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between a College's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> Kiharu TVC was not in operations hence not affected by the change in this standard during financial year 2022/2023.
<b>IPSAS 42: Social Benefits</b>	<b>Applicable: 1<sup>st</sup> January 2023</b> The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting College provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: <ol style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the College.</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the College's financial performance, financial position and cash flows.</li> </ol> Kiharu TVC was not in operations hence not affected by the change in this standard during financial year 2022/2023
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<b>Applicable: 1st January 2023:</b> <ol style="list-style-type: none"> <li>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.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> </ol>

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Standard	Effective date and impact:
	<p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) 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>Kiharu TVC was not in operations hence not affected by the change in this standard during financial year 2022/2023</p>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008).</li> <li>• <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</li> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement.</b> Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023. Kiharu TVC started its operations during the financial year 2023/2024 and it will reported in line with the updated standard in the financial year 2022/2023</li> </ul>

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

Standard	Effective date and impact:
IPSAS 43: Leases	<p><b>Applicable 1<sup>st</sup> January 2025</b></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 a College.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>IPSAS 43 will likely lead to more transparency and consistency in how leases are reported, but it will also require the College to adjust its accounting practices, financial reporting, and possibly its financial strategy.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b>Applicable 1<sup>st</sup> January 2025</b></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</p>

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	<p>operations to be presented separately in the statement of financial performance.</p> <p>IPSAS 44 will introduce new reporting and disclosure requirements that will require the College to carefully assess and manage its non-current assets and operations. While the standard enhances transparency and comparability, it also necessitates significant adjustments in the College's financial reporting practices and potentially its overall strategic approach.</p>
IPSAS 45: Property Plant and Equipment	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>IPSAS 45 will lead to more comprehensive and detailed reporting of the College's Property, Plant, and Equipment, particularly regarding heritage and infrastructure assets. While this enhances transparency and accountability, it will also require the College to make significant adjustments in its accounting practices, asset management, and financial reporting processes.</p>
IPSAS 46: Measurement	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>IPSAS 46 will introduce significant changes to how the College measures and reports its assets and liabilities. While these changes aim to improve consistency, clarity, and transparency, they will require careful implementation, including revisions to accounting policies, staff training, and system updates. The introduction of the current operational value, in particular, will necessitate a deeper understanding of the College's asset base and its role in delivering public services.</p>
IPSAS 47: Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange</p>

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	<p>transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that the College shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>IPSAS 47 will bring significant changes to how the College recognizes and reports revenue, requiring a unified approach across all revenue streams. The College will need to carefully assess its contracts, performance obligations, and revenue streams to comply with the new standard. This will involve updates to accounting policies, systems, and processes, along with enhanced disclosure practices to provide stakeholders with clear and useful information about the College's revenue and cash flows.</p>
IPSAS 48: Transfer Expenses	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>IPSAS 48 will bring new and comprehensive guidance on how the College should account for and report transfer expenses. This will require the College to adopt consistent and transparent practices for recognizing, measuring, and disclosing transfer expenses, which will enhance the quality of its financial reporting and provide clearer insights into its financial commitments and cash flows. The College will need to invest in staff training, system updates, and potentially revise its transfer policies to align with the requirements of this new standard.</p>
IPSAS 49: Retirement Benefit Plans	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>IPSAS 49 will require the College to adopt comprehensive and consistent practices for reporting retirement benefit plans, ensuring that all relevant information is accurately reflected in its financial statements. This will involve preparing specific financial statements, recognizing and measuring retirement benefit obligations, and providing detailed disclosures that enhance transparency and accountability. The College will need to ensure that it has the necessary expertise, systems, and processes in place to comply with the standard and to effectively manage its retirement benefit obligations.</p>

**iii. Early adoption of standards**

The College did not early adopt any new or amended standards in year 2023/2024

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**Notes to the Financial Statements (Continued)**

**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 College and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

**ii) Revenue from exchange transactions**

**Rendering of services**

The College 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.

**b) Budget information**

The original budget for FY 2023/2024 was not approved by the Board since the Board of Governors was not constituted. 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 College upon receiving the respective approvals to conclude the final budget. Accordingly, the College did not record additional appropriations on the FY 2023/2024. The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under section 18 of these financial statements.

**c) Taxes**

**Current income tax**

The college is exempt from paying taxes as per income tax Act. It is not for profit.

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**Notes to the Financial Statements (Continued)**

**d) Property, plant and equipment**

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

**e) Inventories**

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

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

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

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

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*.

**f) 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.

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**Notes to the Financial Statements (Continued)**

**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.

**g) Social Benefits**

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The *College* 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 *College* will incur in fulfilling the present obligations represented by the liability.

**h) Nature and purpose of reserves**

- i. The *College* will create and maintain a reserve in terms of specific requirements.
- ii. The *College* will maintain a revaluation reserve of Capital Fund as guided by IPSAS 17 on Property, Plant and Equipment

**i) Changes in accounting policies and estimates**

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

**j) Employee benefits**

**Retirement benefit plans**

The *College* provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which a *College* 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

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

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. IPSAS 49 will requires the College to adopt more detailed and consistent reporting practices for its retirement benefit plans, ensuring that all relevant financial information is accurately reflected and disclosed in the financial statements.

#### **k) Service concession arrangements**

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

#### **l) Cash and cash equivalents**

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

#### **m) Comparative figures**

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

#### **n) 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'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.

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**  
**Notes to the Financial Statements (Continued)**

**Estimates and assumptions.**

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

**Useful lives and residual values**

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

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

**Provisions**

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

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.

Provisions for Doubtful Debts are recognized at the following rate:

No	Debt Age	Rate
i.	Current Year	2.5%
ii.	Over 1 Year	10%
iii.	Over 2 Years	15%
iv.	Over 3 Years	20%
v.	Over 4 Years	50%
vi.	Over 5 Years	100%

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
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**Depreciation**

Depreciation is charged on a reducing balance basis over the estimated useful lives of the assets.

The annual rates of depreciation used shall be as

No	Classification of Assets	Rate
i.	Building	2%
ii.	Plant, Machinery and equipment	12.5%
iii.	Office Equipment and computer accessories	12.5%
iv.	Computer equipment	30%
v.	Motor vehicles- Buses & others	25%
vi.	Furniture and fittings	12.5%
vii.	Library books	20%

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

**6. Transfers from other National Government entities**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Unconditional Grants</b>		
Development grants	00	00
<b>Total unconditional Grants</b>	<b>00</b>	<b>00</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Tuition Block Grant	40,000,000	00
Grants in kind (Mentor Institution)	76,850,183	
<b>Total Government Grants and Grants in Kind</b>	<b>116,850,183</b>	<b>00</b>

**(a) Transfers from other Government entities (Categorized)**

Name of the College Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education State Department of Vocational	40,000,000	00	00	40,000,000	00
Grants in Kind (Mentor Institution)	76,850,183	00	00	76,850,183	
<b>Total</b>	<b>116,850,183</b>	<b>00</b>	<b>00</b>	<b>116,850,183</b>	<b>00</b>

The details of the reconciliation have been included under appendix III

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

**Notes to the Financial Statements (Continued)**

**7. Rendering of Services**

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition	7,291,559	00
Administration	696,500	00
Personal Emoluments	2,562,921	00
Electricity, Water & Conservancy	785,851	00
Local Transport and Travel	785,851	00
Repairs Maintenance & Improvements	648,143	00
Activity	898,286	00
Medical & Insurance	398,000	00
<b>Total Revenue from The Rendering of Services</b>	<b>14,067,111</b>	<b>00</b>

**8. Use of Goods and Services**

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching and learning materials	806,620	00
Water	10,075	00
Subscriptions	20,000	00
Catering, conferences, and delegations	23,200	00
Travelling and accommodation	168,300	00
KUCCPS	70,000	00
Bank charges	1,025	00
Other ( <i>Refund</i> )	4,000	00
Acquisition of Assets	76,850,183	
<b>Total good and services</b>	<b>77,953,403</b>	<b>00</b>

<b>8.a Adjustments</b>		
<b>Total good and services</b>	<b>77,953,403</b>	
Total Inventories at lower of Cost and Net Realizable Value	(677,839)	00
Water storage tank	(17,003)	
<b>Adjusted goods and services</b>	<b>77,258,561</b>	

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

**9. Employee Costs**

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	1,611,000	00
Casuals	10,500	00
<b>Employee Costs</b>	<b>1,621,500</b>	<b>00</b>

**10. Board Expenses**

Description	2023-2024	2022-2023
	Kshs	Kshs
Board Expenses	105,000	00
<b>Total</b>	<b>105,000</b>	<b>00</b>

**11. Repairs and Maintenance**

Description	2023-2024	2022-2023
	Kshs	Kshs
Property	15,400	00
<b>Total Repairs and Maintenance</b>	<b>15,400</b>	<b>00</b>

**12. Contracted Services**

Description	2023-2024	2022-2023
	Kshs	Kshs
Other	5,000	00
<b>Total contracted services</b>	<b>5,000</b>	<b>00</b>

**13. Depreciation**

Description	Cost	Accumulated Depreciation
	Kshs	Kshs
Land	00	00
Buildings	70,499,040	1,762,476
Computers and Related Equipment	288,775	86,633
Office Equipment, Furniture, And Fittings	6,062,368	757,796
<b>Total</b>	<b>76,849,365</b>	<b>2,606,905</b>

**KIHARU TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**  
**14. Cash and Cash Equivalents**

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Account	40,994,939	00
<b>Total Cash and Cash Equivalents</b>	<b>40,994,939</b>	<b>00</b>

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

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1314152238	40,994,939	00
<b>b) Others</b>			
Cash in Hand		00	00
<b>Sub- Total</b>		<b>00</b>	<b>00</b>
<b>Grand Total</b>		<b>40,994,939</b>	<b>00</b>

**Notes to the Financial Statements (Continued)**

**15. Receivables from Exchange transactions**

**(a) Current Receivables from Exchange transactions**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	10,882,172	00
Less: Impairment Allowance	(00)	(00)
<b>Total Current Receivables</b>	<b>10,882,172</b>	<b>00</b>

**(c) Ageing Analysis of Receivables from Exchange transactions**

Description	2023-2024		2022-2023	
	Kshs	% of total	Kshs	% of total
Less than 1 year	10,882,172	100%	00	0%
<b>Total (a+b)</b>	<b>10,882,172</b>	<b>100%</b>	<b>00</b>	<b>0%</b>

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

**16. Inventories**

Description	2023-2024	2022-2023
	Kshs	Kshs
Electrical stores	185,750	00
Cleaning Materials stores	8,500	00
Catering stores	347,810	00
Cosmetology Store	151,500	00
Water Storage	19,000	00
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>712,560</b>	<b>00</b>

**Note. Water storage is amortised for 9 years.**

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

**Notes to the Financial Statements (Continued)**

**17. Property, Plant and Equipment**

Cost	Land	Buildings	Furniture and fittings	Computers , printers & Intangible Assets	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Net book values At 1 <sup>st</sup> July ,2023	00	50,602,615	1,097,858	288,775	00	00	51,989,248
Depreciation and impairment	0	0.025	0.125	0.3	0.125	0.125	1
Additions	00	19,896,425	4,964,510	00	00	00	24,860,935
Depreciations		(1,762,476)	(757,796)	(86,633)	00	00	(2,606,905)
Disposals	(00)	-	-	(00)	-	(00)	(00)
Transfer/Adjustments	(00)	00	(00)	(00)	-	00	(00)
<b>At 30<sup>th</sup> June 2024 (current year)</b>	<b>00</b>	<b>68,736,564</b>	<b>5,304,572</b>	<b>202,143</b>	<b>00</b>	<b>00</b>	<b>74,243,279</b>
<b>Net Book Values</b>							
At 30 <sup>th</sup> Jun 2023(previous year)	00	00	00	00	00	00	00
At 30 <sup>th</sup> Jun 2024(current year)	00	68,736,564	5,304,572	202,143	00	00	74,243,279

**KIHARU 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 valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets will be revalued by a professional valuer in the FY 2024/2025. The amounts will be adopted in the financial statements on FY 2024/2025.

**(b) Property, Plant and Equipment at Cost**

Land was excluded from the Property, Plant, and Equipment (PPE) schedule as it was donated to the College, and no ownership documents are available to support recognition under IAS 16. 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	00	00	00
Buildings	70,499,040	1,762,476	68,736,564
Computers and Related Equipment	288,775	86,633	202,143
Office Equipment, Furniture, And Fittings	6,062,368	757,796	5,304,572
<b>Total</b>	<b>76,850,183</b>	<b>2,606,905</b>	<b>74,243,279</b>

**18. Trade and Other Payables**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Training Materials	655,120		00	
<b>Total Trade and Other Payables</b>	<b>655,120</b>		<b>00</b>	
<b>Ageing analysis:</b>	<b>2023-2024</b>	<b>% of the Total</b>	<b>2022-2023</b>	<b>% of the Total</b>
Under one year	655,120	100%	00	0%
<b>Total (to tie to totals above)</b>	<b>655,120</b>	<b>100%</b>	<b>00</b>	<b>0%</b>

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

**19. Payments received in advance.**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Fees received in advance	22,719		00	
Others (Specify)	00		00	
<b>Total</b>	<b>22,719</b>		<b>00</b>	
	<b>2023-2024</b>	<b>% of the Total</b>	<b>2022-2023</b>	<b>% of the Total</b>
<b>Ageing analysis:</b>				
Under one year	22,719	100%	00	0%
<b>Total</b>	<b>22,719</b>	<b>100%</b>	<b>00</b>	<b>0%</b>

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

**Notes to the Financial Statements (Continued)**

**20. Financial Risk Management**

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

**(i) Credit risk**

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

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

The carrying amount of financial assets recorded in the financial statements representing the College'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
<b>At 30 June 2023 (previous year)</b>				
Receivables from exchange transactions	00	00	00	00
Receivables from non-exchange transactions	00	00	00	00
Bank balances	00	00	00	00
<b>Total</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
<b>At 30 June 2024 (current year)</b>				
Receivables from exchange transactions	10,877,172	10,877,172	00	10,877,172
Bank balances	40,994,939	40,994,939	00	40,994,939
<b>Total</b>	<b>51,872,111</b>	<b>51,872,111</b>	<b>00</b>	<b>51,872,111</b>

Notes to the Financial Statements (Continued)

Financial risk management (continued)

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

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 College has significant concentration of credit risk on amounts due from 2024

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

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

Description	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2023 (previous year)</b>				
Trade Payables	00	00	00	00
<b>Total</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
<b>At 30 June 2024 (current year)</b>				
Trade Payables	00	677,839	00	677,839
<b>Total</b>	<b>00</b>	<b>677,839</b>	<b>00</b>	<b>677,839</b>

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

**Notes to the Financial Statements (Continued)**

**(iii) Market risk**

The College has put in place an internal audit function to assist it in assessing the risk faced by the College 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 College'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 College'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 College's exposure to market risks or the manner in which it manages and measures the risk.

**iv) Capital Risk Management**

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	00	00
Retained Earnings	00	00
Capital Reserve	40,994,939	00
<b>Total Funds</b>	<b>40,994,939</b>	<b>00</b>
Total Borrowings	00	00
Less: Cash and Bank Balances	(40,994,939)	(00)
Net Debt/(Excess Cash and Cash Equivalents)	00	00
<b>Gearing</b>	<b>100%</b>	<b>0%</b>

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

**Notes to the Financial Statements (Continued)**

**21. Related Party Balances**

**Nature of related party relationships**

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

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

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

Transactions with related parties	2023-2024	2022-2023
	Kshs	Kshs
Capital Grants from the Government	40,000,000	00
Grants in Kind (Mentor Institution)	76,850,183	00
<b>Total</b>	<b>116,850,183</b>	<b>00</b>

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

**Notes to the Financial Statements (Continued)**

**22. Contingent Liabilities**

**Capital Commitments**

<b>Capital Commitments</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Authorised for	40,000,000	00
Authorised and Contracted for	00	00
<b>Total</b>	<b>40,000,000</b>	<b>00</b>

*This Capital commitments are commitments that will be carried out in the next financial year 2024/2025 and are disclosed in accordance with IPSAS 17. The commitments were not authorised by the College at the end of the financial year and had not been contracted or ongoing.*

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

**Notes to the Financial Statements (Continued)**

**23. Events After The Reporting Period**

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

**24. Ultimate And Holding College**

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

**25. Currency**

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

**KIHARU 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.

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

**Guidance Notes:**

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

**Name**  
**Accounting Officer**  
**Dr. Daniel K. Wahungu, PhD**  
**Senior Principal/ Secretary BOG**  
**Date 14/04/2025**

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

**Appendix II: Projects Implemented by Kiharu 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 Tuition Block	1	Ministry of Education Stated Department of Vocational And Technical Training	2019/2021	Completed	YES	NO
2 Modern gate, Perimeter wall, parking area and Ambulation block	2	Ministry of Education Stated Department of Vocational And Technical Training	2024	Completed	YES	NO

**Status of Projects completion**

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Tuition Block	50,602,615	00	100%	50,602,615	50,602,615	Ministry of Education Stated Department of Vocational And Technical Training
2	Modern gate, Perimeter wall, parking area and Ambulation block	19,896,425	00	100%	19,895,607	19,896,425	Ministry of Education Stated Department of Vocational And Technical Training

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

**Appendix III- Inter- College Confirmation Letter**

Name of transferring College...Ministry of Education


**Kiharu Technical and Vocational College.**  
**P.O Box 29-10200 Murang'a**

The Kiharu Technical and Vocational College wishes to confirm the amounts disbursed to you as at 30th June 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Kiharu Technical And Vocational College as at 30 <sup>th</sup> June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
003008393	14/03/2024		40,000,000	40,000,000	Capital Commitment
Total			40,000,000	40,000,000	

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

**Head of Accounts Department - Disbursing entity:**  
 Name ..... Sign ..... Date .....

**Head of Accounts Department - Beneficiary College:**  
 Name ..... Hannah Mwangi ..... Sign  . Date 14/04/2025