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 THE NATIONAL ASSEMBLY REPORT	
DATE:	02 MAR 2023 Thursday
TABLED BY:	Leader of the Majority Party
CLERK-AT THE-TABLE:	Joyce Kemerele

THE AUDITOR-GENERAL

ON

**KERICHO TOWNSHIP TECHNICAL AND
VOCATIONAL COLLEGE**

**FOR THE YEAR ENDED
30 JUNE, 2020**



KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2020**

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The *institution* was incorporated/ established under the TVET Act 2013 of 25th January, 2013. The entity is domiciled in Kenya. The institute is under the Ministry of Education.

The institute currently has six functional departments namely;

1. Electrical and electronics engineering
2. Building and mechanical engineering
3. Agriculture and social sciences
4. Information communication technology
5. Business studies
6. Hospitality

(b) Principal Activities

The principal mandate of the Kericho Township TVC is captured in our vision and mission statements as well as our strategic objectives guided by our core values as sated below.

I. Vision

To be an international centre of excellence in technical and vocational training.

II. Mission

To produce quality and competitive technically skilled personnel to meet the needs of the industry.

III. Strategic objectives

- ✓ Creating more diverse revenue stream
- ✓ Budget for addition funds for marketing initiatives
- ✓ To increase market coverage
- ✓ To provide quality service through staff training and development
- ✓ To adhere to the ministry of education provided guidelines

IV. Core Values

- ✓ Honesty
- ✓ Teamwork
- ✓ Integrity
- ✓ Accountability
- ✓ Professionalism
- ✓ Loyalty

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(c) Key Management

Kericho Township TVC day-to-day management is under the following key organs:

- ✓ BOARD OF GOVERNORS
- ✓ PRINCIPAL/SECRETARY TO THE BOARD
- ✓ DEPUTY PRINCIPAL
- ✓ REGISTRAR
- ✓ DEAN OF TRAINERS
- ✓ FINANCE OFFICER
- ✓ PROCUREMENT OFFICER

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Mr. Evans Kemei
2.	A.Registrar	Mr. John Langat
3.	Ag. Dean of Students	Mrs. Angeline Maritim
4.	Head of Finance	Kosgei Enock (C.P.A)

(e) Fiduciary Oversight Arrangements

At the moment the board members had not been inaugurated. Bureti Technical Institute was doing the oversight role.

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KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(f) Entity Headquarters

P.O. Box 828- 20200,
Kericho, Kenya
Off John Kerich - Keongo Road.

(g) Entity Contacts

Telephone: (254) 0713107307
E-mail: keritownshiptechnical@gmail.com

(h) Entity Bankers

i. Kenya Commercial Bank
Sotik branch
P.O Box 264-20406
Sotik, Kenya

ii. Equity Bank
Litein Branch
P.o Box 396
Litein, Kenya

(i) Independent Auditors

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

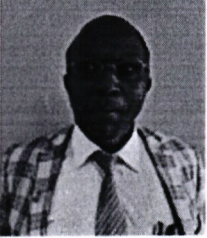




(j) Principal Legal Adviser

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

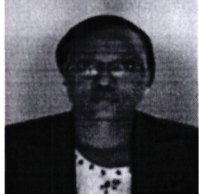



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II. THE BOARD OF GOVERNORS

Listed in the table below are the Members of the Board of the Mentoring Institution, who were doing the oversight role of Kericho Township Technical and Vocational College for the year ended 30th June 2020

 <p>Jonah Langat Information communication Technology Chairman BOG</p>	<p>Date of birth: 27th November, 1956</p> <ol style="list-style-type: none"> 1. M.Sc Computer security systems. Kean University, union New Jersey, USA. 2. B.Sc in computer science, Jersey City State College, New Jersey, USA <p>Lecturer, Kabarak University Computer Science/IT Department</p>
 <p>Anthony Moseka Leadership and management Chair, Finance and Human resource committee</p>	<p>Date of birth: 6th January, 1972</p> <ol style="list-style-type: none"> 1. LLB (Bachelor of legal laws) Government Law College, University of Bombay(Mumbai) India 2. B.A Bachelor of Arts, Community Development and Education extension, BVRI Agra University. <p>Part time Lecturer, MaasaiMara university, Narok School of business</p>
 <p>Engineer Richard Bett Engineering and Technology Chair Infrastructure and development committee</p>	<p>Date of birth: 27th Feb 1961,</p> <ol style="list-style-type: none"> 1. Bsc Civil Engineering. Bangalow University India. <p>Retired Civil Servant Private practice.</p>
 <p>Harrison Mwangi Procurement Human Resource and Finance committee member</p>	<p>Date of birth: 6th January, 1986,</p> <ol style="list-style-type: none"> 1. Bachelor of Purchasing and supplies management. Jomo Kenyatta university of Agriculture and Technology, Kenya 2. Graduate Diploma. Chartered of Procurement and of Supplies. Kenya Institute of Management Private practitioner and Procurement consultant.
 <p>Levine Mosoti Onyari Independent Board member</p>	<p>Date of birth: 1987</p> <ol style="list-style-type: none"> 1. B.Sc Instrumentation and Control Engineering. Egerton University, Kenya Instrumentation and Control Engineer, Kenya Electricity Generating Ltd.

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 Zipporah Keter Leadership and management	Date of birth: 3 rd June, 1985 1. Msc Environmental and Biosystems Engineering. 2. B. Tech. Chemical and Process Engineering. Safety officer, Kenya Pipeline Company
 Peter cheruiyot County Director DTNET Independent member	Date of birth: 8 th August, 1972, 1. Mphil education administration and planning.
 Irine Chelangat Ngeno Representing The County Government	Date of birth: 27 th July, 1976 2. MBA Strategic Management 3. BED Maseno University.
 Sammy K. Chemoiwa Principal Secretary to the Board of Governors (Mentor institution)	Date of birth: 18 th January, 1967 1. BSc Agricultural Engineering University of Nairobi. 2. PGDE Mt Kenya University.

The Entity did not have its own BOARD depended on the Board of the mentoring Institution.

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III. MANAGEMENT TEAM

Listed in the table below are the Members of the Management Team of Kericho Township Technical and Vocational College for the year ended 30th June 2020.

 <p>Mr Evans Kemei</p>		<p>Principal/Secretary to the Board Bachelor of Education Technology</p>
<p>Vaccant</p>		<p>Deputy Principal</p>
 <p>Mr Langat John</p>		<p>Registrar Bachelor of Education University of Nairobi</p>
 <p>Mrs Angeline Maritim</p>		<p>Dean of students Diploma in Instructor Trainer-Hair & Beauty KTTC</p>

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Enock Kosgei

Finance officer
Certified Public Accountant of Kenya (CPA-K)
KASNEB.

IV. CHAIRMAN'S STATEMENT

The Kericho Township Technical and Vocational College BOG was not in existence during the period 2019/2020 Financial year. The Mentoring Institution Bureti TTI, did the Budgeting and oversight role. The current Board therefore affirms, based on the records available at the Institution, that the finances were received and spent accordingly as presented in the financial statements which have been prepared under our supervision.

Dr. Reuben c. Lang'at

A handwritten signature in black ink, appearing to be 'Dr. Reuben c. Lang'at', written over a horizontal line.

Chairman Board of Governors

V. REPORT OF THE PRINCIPAL

The institute was on its formative stages with a lot of dependence on the mentor (Bureti Technical Training Institute). This also happened to be the transition period as the institute was preparing for take-off.

The inaugural Principal (the late Evans Kemei) did manage to prepare skeletal structure with lean staff both in administrative and training positions.

During this period, the institute faired on well and managed to admit the first Lot of Students.

It can be noted that there were no policies in place since the institutes fully fledged Board had not been appointed. Therefore, the operations relied on the policies of the mentor. It was also not possible to carry out interviews and other essential activities such as opening bank account.

There was also financial challenges and the inaugural Principal avoided overborrowing from the mentor whereas the college was yet to become independent.

In terms of infrastructure, the only structure was the phase 1 twin workshop for hospitality programs fully equipped with support from GoK on Hospitality (Hairdressing, Beauty Therapy and Food and beverage equipment.)

There was absence of 3 phase electricity connectivity but the government was committing to pay for its installation. Lack of 3 phase rendered some equipment's unable to be unutilized.

There was also irregular supply of piped water by service provider (KEWASCO) due to rationing exercise.

Way forward for the institute includes but not limited to the following;

1. Expediting appointment of Board of Governors,
2. Developing institutes policies, strategic plan, work plans
3. Opening of Bank account
4. Carrying interview once Board is in place
5. Expediting transition from mentor once Board is in place.
6. Following up the matter with Ministry and KPLC on 3 phase connectivity
7. Identifying alternative source of water
8. Ensuring that there is budget making together with procurement plan once Board is in place.
9. Ensuring that the budget is based on realistic enrolment projections for the financial year.
10. Having prudent financial management.
11. Policies to be developed progressively to address institute operations.

.....
 MR. SHADRACK TONUI
 PRINCIPAL

VI. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

In Financial year 2019/2020 we adopted the Strategic plan and Annual work plan for Our Mentor Institution and Majored on the below Single strategic pillar Of High level of Admission.

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
High level of Admission	100 students in the first year	Number of Students Admitted	-marketing	-Admitted 117 in the financial year 2019/2020

VII. CORPORATE GOVERNANCE STATEMENT

Under the TVET act of 2013, the functions of Board of ~~Governors~~ as set out under section 28 (1) shall include -

- (a) Overseeing the conduct of education and training in the institutions in accordance with the provisions of this Act and any other written law;
- (b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;
- (c) Administering and managing ~~the~~ property of the institutions;
- (d) Developing and implementing the institutions' strategic plan;
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions; (1) receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- (g) determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;
- (i) Developing and reviewing programmes for training and to make representations thereon to the Board;

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- (j) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
- (k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;
- (l) Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry;
- (m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- (n) Making regulations governing organization, conduct and discipline of the staff and students;
- (o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the Board;
- (p) Providing for the welfare of the students and staff of the institutions;
- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
- (r) Discharging all other functions conferred upon it by this Act or any other written law.

The board in the period it has been in existence has endeavoured to discharge its functions independently with vigour and passion. Their diligence and prudent management of resources has been result oriented and much has been achieved during their term in office. They have been able to interpret government policies and TVET Act as well as other relevant laws in existence making the institution to move forward as we actualize the strategic plan. Moving forward, the Board is aligning its discharging of duties by improving on its operations while surpassing the set targets where possible. In the interest of quality service delivery, the board is able to read from the same script as the render their duties above board. This will be attained with the incorporation of team spirit and self-sacrifice that is deep within them.

Major risks facing the organisation.

The institutes' major risks are mainly related to its core business which is training and human resource development. Some of the identified risks include;

- i. Low student enrolment.
- ii. Student turnover
- iii. Inadequate student accommodation and support facilities
- iv. Delayed disbursement of capitation and HELB grants
- v. Staff turnover due to inability to retain them

Material arrears in statutory and other financial obligations

The institute was able to pay all its statutory obligation and liabilities and therefore there were no accrued arrears in the FY 2019-2020.

NB//The Mentor's Board undertook the above roles since Kericho Township tvc Had no its own board

VIII. MANAGMENT DISCUSION ANALYSIS

Kericho Township tvc operations were fairly well irrespective of a number of challenges as stated below;

- Low Admissions due Covid 19 which affected college programs .
- Delayed capitation from the Gpovernment
- Lack Three phase Electricity which rendered some equipments unused

However a number of Successes were recorded as listed below;

- Received equipment from the Ministry and China Government
- Ainamoi NGCDF Sponsored 117 students
- Our Operation and Financial Performance were fair as in the Financial statements.

IX. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Kericho Township TVC exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

Sustainability strategy and profile

Kericho Township TVC operates in an environment that is influence by political and macroeconomic components.

For purposes of registering progressive successes, the institute played neutral role to political affiliations. It is recognizable that the government of the day plays a key role in support to the institution. During the financial year, the institute enjoyed support of the area member of parliament. This enable us to secure bursaries from NG-CDF. Equally, the national government provided support in terms of Capitation and employment of PSC staff.

Environmental performance

Kericho Township Technical & Vocational College recognizes environment as an important factor in its operations.

During the Financial year, there wasn't an existing policy on environmental, however, a committee was formed to develop the policy. The policy is in the tail end-of formulation and is awaiting final presentation before it is presented to the Board for deliberation and subsequent approval.

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Nevertheless in the financial year, the institute managed to attain the following as part of its concerted efforts to dealing with environment;

1. Planting of trees;

Tree cover was increased on the lower part of the institute land. This included planting of blue gum and cypress. This was done with engagement of Provincial administration who were invited to grace the occasion. They were the area Chiefs and assistant Chiefs. Indeed the exercise was a success.

On the upper part, ornamental as well as indigenous trees were also planted to improve the institutes' aesthetics. In addition, flowers were also planted around the building.

2. Drainage.

It became necessary that drainage line was constructed to allow drainage of rain water from the building to the lower side of the institute.

Employee welfare

Kericho Township Technical & Vocational College is an equal opportunity providing institution. We recognize the roles and contributions of employees towards the success of the institute. During the financial year, we were mainly supported by policy of the mentoring institution and even received deployment of their staff as the college was in formative stage. We anticipate to have the Human resource policy approved to enable us to comply with the governments' requirements.

We also anticipate compliance with Occupational Safety and Health Act of 2007, (OSHA

Market place practices-

The institute is aware of competition as a factor for its existence and growth. During the financial year, we endeavored the following;

a) Responsible competition practice.

We championed fair competition even as we marketed our programs in an environment where other TVET institution was in existence. We ensured that we stick to our mandate both in print and electronic media.

b) Responsible Supply chain and supplier relations-

During the financial year, we are grateful that we had a responsive mentor who engaged our suppliers positively, this secured confidence to the institute. Equally, the suppliers were able to gain confidence in us.

c) Responsible marketing and advertisement-

Ethical practices remains key in reaching to our prospective clients. Our marketing materials, distribution strategies and information dissemination was done with the background of this component.

d) Product stewardship- outline efforts to safeguard consumer rights and interests.

A number of staff were subjected to capacity building through attending to core mandate deliberations. This included attending AGM by Principal as was organized by KATTI in Mombasa. Piped water was connected to the institute even as other methods of water harvesting and storage is being deliberated.

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Corporate Social Responsibility / Community Engagements

The institute managed to have deliberations with provincial administration, clergy and leaders during the financial year. During this deliberations, it was evident that there is need to have more robust deliberations towards securing a workable CSR in the subsequent financial years.

X.REPORT OF THE BOARD OF GOVERNORS

Under the Stewardship of Bureti Technical Training Institute Board, all the Operations ran successfully as reported in the Financial Statements.

The Financial statements were discussed and approved on 29/09/2021

XI.STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

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

The council members are responsible for the preparation and presentation of Kericho Township TVC financial statements, which give a true and fair view of the state of affairs of Kericho Township TVC for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (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 Kericho Township TVC (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

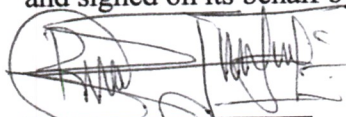
The council members accept responsibility for Kericho Township TVC financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*and the TVET Act of 2013*). The board of governors are of the opinion that Kericho Township TVC financial statements give a true and fair view of the state of Kericho Township TVC transactions during the financial year ended June 30, 2019, and of Kericho Township TVC financial position as at that date. The council members further confirm the completeness of the accounting records maintained for Kericho Township TVC, which have been relied upon in the preparation of Kericho Township TVC financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the council members to indicate that Kericho Township TVC will not remain a going concern for at least the next twelve months from the date of this statement.

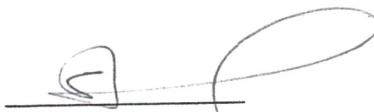
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Approval of the financial statements

The Kericho Township TVC financial statements were approved by the Board on 29/09/2021 and signed on its behalf by:



Board Chair
Dr. Reuben C. Langat

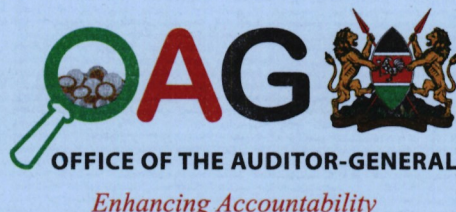


Principal
Mr. Shadrack Tonui

XII. REPORT OF THE INDEPENDENT AUDITORS ON KERICHO TOWNSHIP TVC

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kericho Township Technical and Vocational College set out on pages 1 to 18, which comprise of the statement of financial position as at 30 June, 2020 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kericho Township Technical and Vocational College as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Property, Plant and Equipment

The statement of financial position and as disclosed in Note 18 to the financial statements reflects property, plant and equipment amount of Kshs.168,034,744. However, the opening costs of land, building and structures, furniture and fitting, computers accessories, plant and equipment totalling to Kshs. 172,369,209 at 1 June, 2019 were not supported by any documentation to demonstrate how the costs were derived. Further, included in the total costs of Kshs.172,369,209 are the assets donated to the College by the Ministry of Education. However, the values attached to the assets were based on a valuation undertaken in June, 2021 which was one year after the financial year end. This is contrary to paragraph 98 of IPSAS 17 on property, plant and equipment which requires a reporting entity to state the cost of the item at its fair value as at the date of acquisition. In the circumstances, the accuracy and completeness of property, plant and equipment opening balance of Kshs.172,369,209 could not be confirmed.

2. Unsupported Capital Fund

The statement of changes in net assets reflects under capital grants an amount of Kshs.185,662,478 being donations by the Government. However, Note 18(b) to the financial statements in respect to property, plant and equipment reflects total cost of Kshs.172,467,109 being assets received from the Government resulting to an unexplained and unreconciled variance of Kshs.13,195,369.

In addition, the net assets has been overstated an amount of Kshs.50,000 in respect of a water tank (5000ltrs) that has been recognized twice under property, plant and equipment.

In the circumstances, the accuracy of development funds balance of Kshs.185,662,478 as reflected on statement of changes in net assets could not be confirmed.

3. Inaccuracies in the Financial Statements

The following inaccuracies were noted in the financial statements:

- i. The statement of financial position reflects total reserves balance of Kshs.180,388,791 compared to the recasted total reserve balance of Kshs.180,338,791 resulting in a variance of Kshs.50,000.
- ii. Note 4(b) on summary of significant accounting policies under budget information indicates that the entity's budget for the year under review was approved on 30 June, 2020. However, the entity provided unapproved budget for audit, there was no evidence that budget had been approved by the Board.
- iii. The financial statements has not disclosed any related party balances even though there are transfers from the National Government.
- iv. Appendix IV to the financial statements indicates that the entity received transfers amounting to Kshs.185,662,478 from other Government entities which differs with the cash transfer of Kshs.1,000,000 received in respect to capitation as disclosed in Note 6 to the financial statements.

In the circumstances, the accuracy of the financial statements could not be confirmed.

4. Land with no Ownership Documents

The statement of financial position and as disclosed in Note 18 to the financial statements reflects property, plant and equipment balance of Kshs.168,034,744 which includes land valued at Kshs.60,000,000. However, information availed for audit indicated that the College was yet to receive the title deed for the land.

In the circumstances the ownership of the College land valued at Kshs.60,000,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kericho Township Technical and Vocational

College Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and the Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in

an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 October, 2022

KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
 ANNUAL REPORT AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH JUNE, 2020

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020

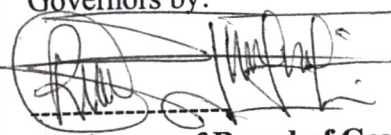
	Notes	2019/2020 Kshs
Revenue from non-exchange transactions		
Transfers from the National Government – Recurrent grants		1,000,000
Total Revenue from non-exchange transactions	6	1,000,000
Revenue from exchange transactions		
Rendering of services- Fees from students		119,500
Revenue from exchange transactions	7	119,500
Total revenue		1,119,500
Expenses		
Employee costs	9	869,000
Depreciation and Amortization Expense	10	4,482,364
Use of Goods and Services	13	1,091,823
Total expenses		6,443,187
Net Surplus for the year/Deficit		(5,323,687)
Attributable to:		
Surplus/(deficit) attributable to minority interest		(5,323,687)
Surplus attributable to owners of the controlling entity		(5,323,687)

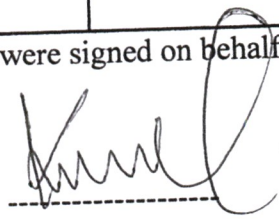
The notes set out on pages 6 to 18 form an integral part of the Annual Financial Statements.

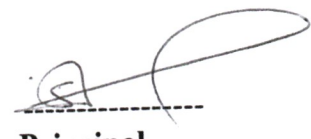
I. STATEMENT OF FINANCIAL POSITION AS AT 30th JUNE 2020

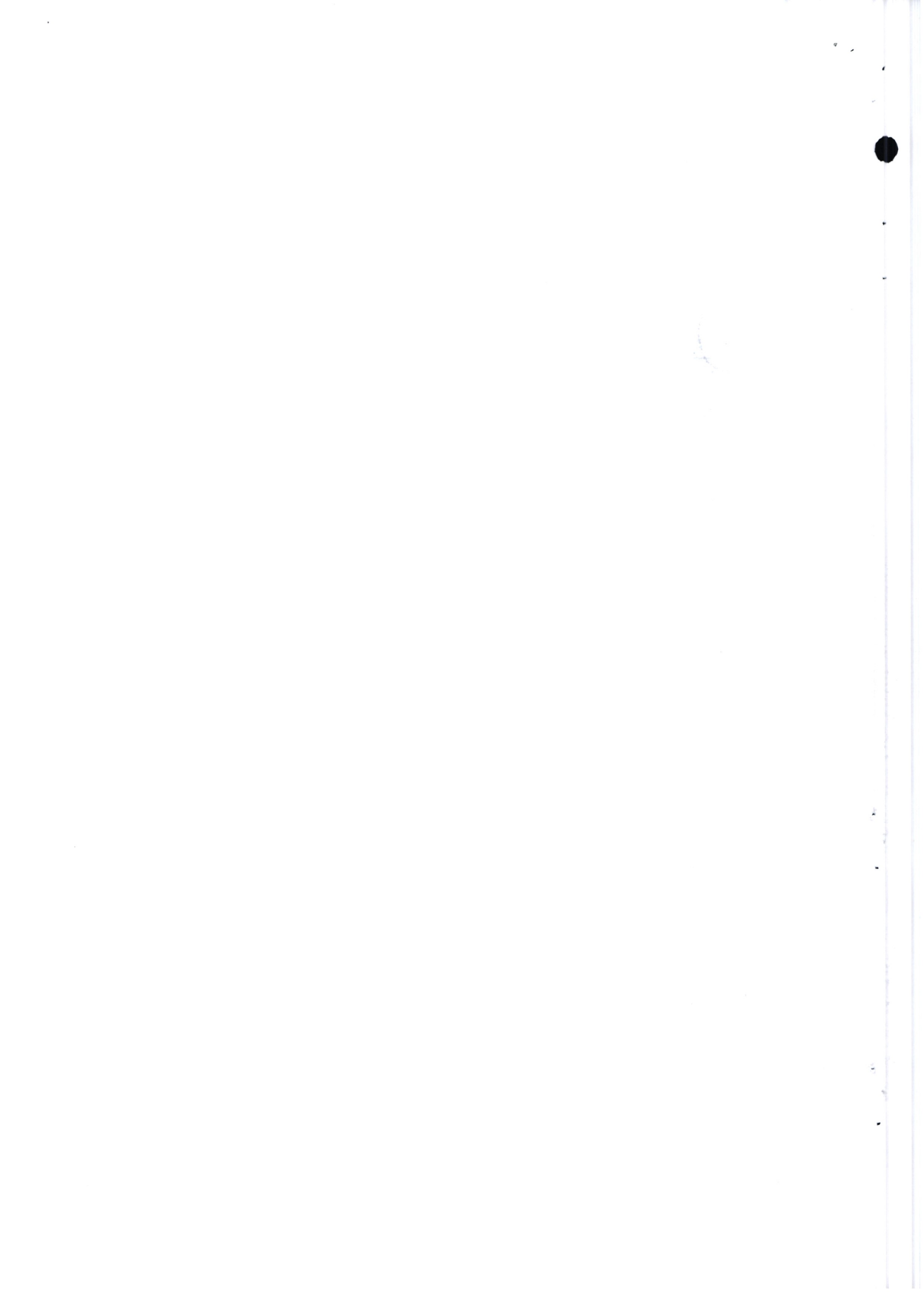
Assets		
Current assets		
Cash and cash equivalents	14	456,777
Current Receivables from exchange transactions	15	13,293,270
Total Current Assets		13,750,047
Non-current assets		
Property, plant and equipment	18	168,034,744
Total Non-current Assets		168,034,744
Total assets		181,784,791
Liabilities		
Current liabilities		
Trade and other payables from exchange transactions	16	1,446,000
Deferred income		1,446,000
Total Current Liabilities		1,446,000
Total liabilities		1,446,000
Net Assets		
Accumulated surplus		(5,323,687)
Development funds		185,662,478
Total Reserves		180,338,791
Total L and Liabilities		181,784,791

The Financial Statements set out on pages 1 to 18 were signed on behalf of the Institute Board of Governors by:


 Chairman of Board of Governors
 Date: 14/09/2022


 Finance Officer
 ICPAK No 27,306
 Date:


 Principal
 Date: 14/09/2022



XIV. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings	Assets Purchased	Retained Earnings	Capital/ Development Grants/Fund	Total
At July 1, 20xx	0	0	0	0	0
Revaluation gain	0	0	0	0	0
Fair value adjustment on quoted investments	0	0	0	0	0
Total comprehensive income	0	0	(5,323,687)	0	(5,323,687)
Capital/Development grants received during the year	0	0	0	185,662,478	185,662,478
Tank (5000ltrs)	0	50,000	0	0	50,000
At June 30, 20xx	0	50,000	(5,323,687)	185,662,478	180,388,791

Note: 5000 Litres water Tank was Acquired during the year at a Total cost of Shs. 50,000

KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2020

XV. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

Description	2019/2020 Ksh.
Cash flows from operating activities	
Receipts	
Transfers from other Government entities/Govt. grants	1,000,000.00
Public contributions and donations	-
Rendering of services- Fees from students	119,500.00
Sale of goods	-
Rental revenue from facilities and equipment	-
Finance income	-
Other income	-
Total Receipts	1,119,500.00
Payments	
Compensation of employees	869,000.00
Use of goods and services	1,091,823.00
Finance cost	-
Rent paid	-
Taxation paid	-
Other payments	-
Grants and subsidies paid	-
Total Payments	1,960,823.00
Net cash flows from operating activities	-841,323.00
Cash flows from investing activities	
Purchase of property, plant, equipment and intangible assets	-
Proceeds from sale of property, plant and equipment	-
Decrease in non-current receivables	-
Increase in investments	-

KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th, JUNE, 2020

Notes.

- ✓ The variance in the Budgeted income of Ksh. 12,804,930 and Actual of Ksh 1,109,500 (91%) was due to Delay of funds from NGCDF who were Fully Funding our First group of students and Delay in capitation From Ministry of Education.
- ✓ The delay in Funding resulted in variance between budgeted Expenditure levels and Actual Expenditures.

XVII. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Kericho Township Technical and Vocational College is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to offer technical skills and knowledge.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Kericho Township Tvc accounting policies.

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

3. ADOPTION OF NEW AND REVISED STANDARDS

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2019

Standard	Impact
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2019 The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations. <i>(The Entity has not adopted the standard as at 30 June 2019)</i>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 ADOPTION OF NEW AND REVISED STANDARDS (Continued)

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2019

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2022: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(The Entity has not adopted the new standard)</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2022 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <ol style="list-style-type: none"> (a) The nature of such social benefits provided by the entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows. <p><i>(The Entity has not adopted the new standard)</i></p>

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2019.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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

Interest income

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

b) Budget information

The original budget for FY 2019/2020 was approved by the Council or Board on 30th Jan 2020 Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

c) Property, plant and equipment

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

d) Intangible assets

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

i) Inventories

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Inventories (Continued)

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

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

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

j) Provisions

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

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

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

Contingent liabilities

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

Contingent assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Nature and purpose of reserves

The Entity has not created any reserves so far

l) Changes in accounting policies and estimates

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

m) Related parties

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

n) 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.

o) Comparative figures

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

p) 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, 2020.

5 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

6 (a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	FY 2019-2020 KShs
capitation	1,000,000
Total Government grants and subsidies	1,000,000

6 (b) Transfers from Ministries, Departments and Agencies

Name of the Entity sending the grant	Amount utilized to Statement of Comprehensive Income KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund KShs	Total grant income during the year KShs	2019-2020 KShs
Ministry of Education	0	0	0	0	0
Total					

KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
 ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH
 JUNE, 2020

7 RENDERING OF SERVICES

Description	FY 2019-2020 KShs
Tuition fees	114,500
Activity fees	-
Attachment	-
Insurance	-
placement fees	1,500
Examination fee	2,950
Student ID	550
	119,500
Total Rendering of Services	119,500

8 OTHER INCOME

Description	FY 2019-2020 KShs
Boarding and catering income	-
Student council	-
Animal feeds	-
	-
Total rentals	-

9 EMPLOYEE COSTS

Description	FY 2019-2020 KShs
Salaries and wages	869,000
Total Employee costs	869,000

10 DEPRECIATION AND AMORTIZATION EXPENSE

Description	FY 2019-2020 KShs
Property, plant and equipment	4,476,114
Total depreciation and amortization	4,476,114

11 REPAIRS AND MAINTENANCE

Description	FY 2019-2020 KShs
Other	-
Total Repairs and Maintenance	-

12 PURCHASE OF FIXED ASSETS

Description	FY 2019-2020 KShs
LAPTOP	97,900
Total purchase of fixed Assets	97,900

KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH
JUNE, 2020

13 USE OF GOODS AND SERVICES

Description	FY 2019-2020 KShs
Tuition expenses	25,413
Electricity and water	68,440
Administrative costs	994,895
Medical expenses	-
Bank charges	3,075
Total good and services	1,091,823

14 CASH AND CASH EQUIVALENTS

Description	FY 2019-2020 KShs
Kenya Commercial Bank - Operation	304,550
- Equity	66,475
Cash on hand	85,752
Total cash and cash equivalents	456,777

14 (a). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Branch/Institution	Account number	2019-2020 KShs
a) Current account		
Kenya Commercial bank	1267113979	304,550
Equity Bank,	0530279598412	66,475
Sub- total		371,025
b) Others(specify)		
Cash in transit		0
cash in hand		85,752
Mobile Money account		0
Sub- total		85,752
Grand total		456,777

15 CURRENT RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	FY 2019-2020 KShs
Current receivables	
Student debtors	13,293,270
Advances	-
Total current receivables	13,293,270

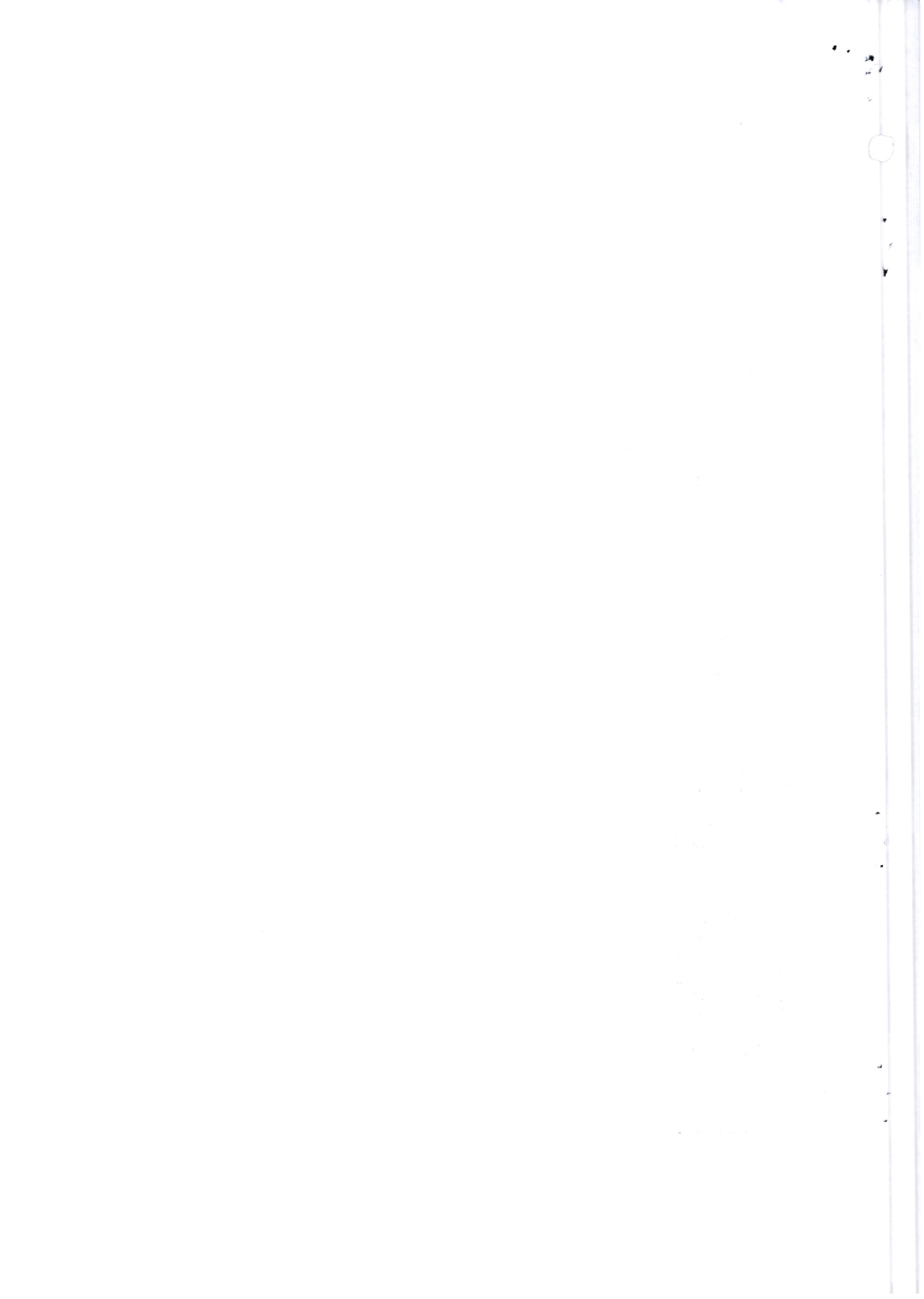
KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
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JUNE, 2020

16 PAYABLES TO THE MENTOR-BURETI TTI

Description	FY 2019-2020 KShs
Third-party payments - Payable to Bureti TTI	1,446,000
Total trade and other payables	1,446,000

17. Cash generated from operations

Description	FY 2019-2020 KShs
Surplus for the year	(5,323,687)
Adjusted for:	
Depreciation and amortisation	4,482,364
Working Capital adjustments	
Increase in payables	
Net cash flow from operating activities	(841,323)

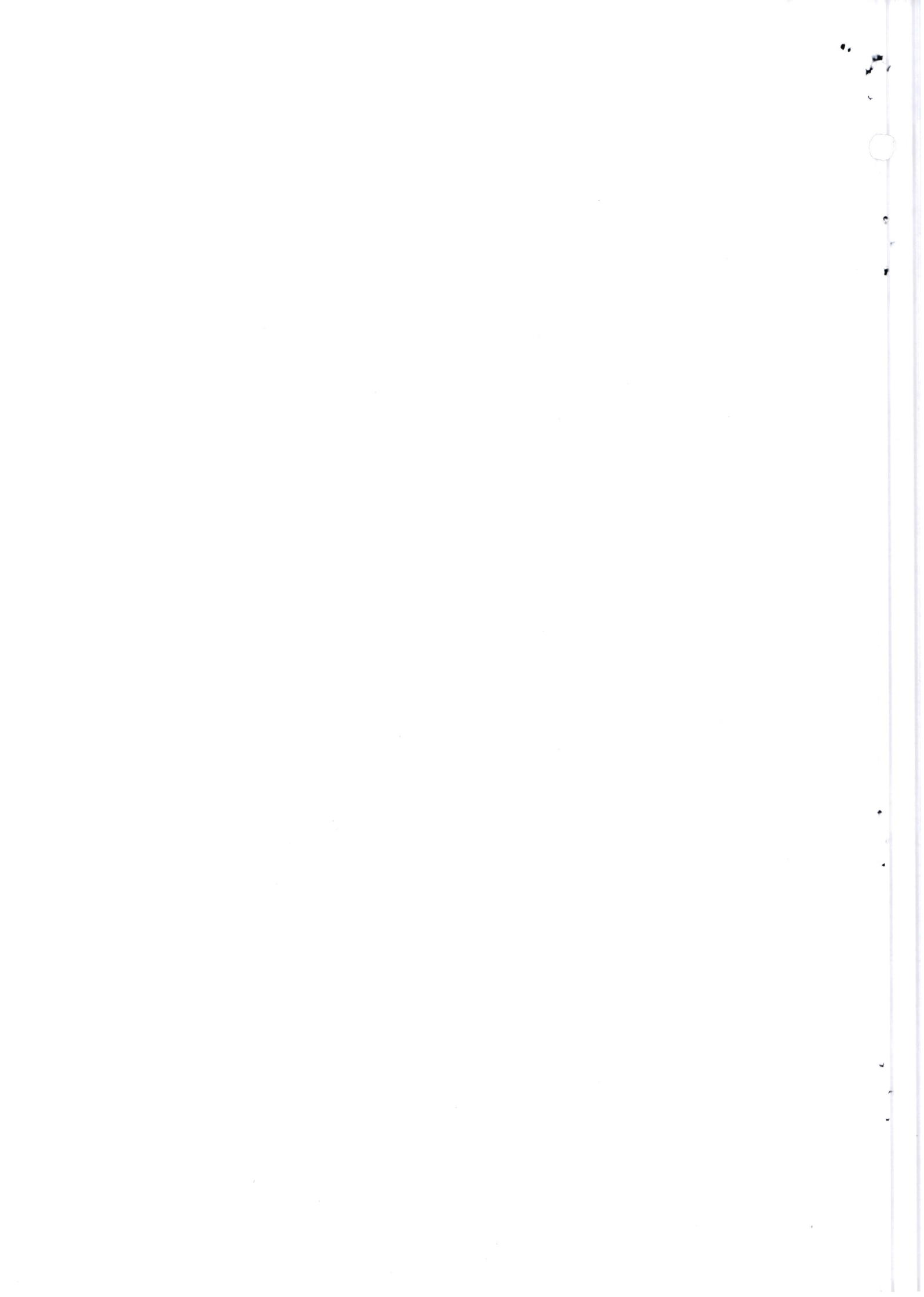


**KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2020
NOTES TO THE FINANCIAL STATEMENTS (Continued)
18. PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings and Structures	Furniture and Fittings	Plant and Equipment	Accumulated Depreciation and Impairment	Total
At 1 July 2019	60,000,000	92,513,536	5,019,755	654,367	14,181,550	172,369,208
Additions	0	0	0	97,900	50,000	147,900
Disposals	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0
Depreciation and impairment						
At 1 July 2019	0	0	0	0	0	0
Depreciation	0	1,850,271	627,469	225,680	1,778,944	4,482,364
Impairment	0	-	-	-	-	-
At 30 June 2020	0	1,850,271	627,469	225,680	1,778,944	4,482,364
Net book values						
At 30 th June 2020	60,000,000	90,663,265	4,392,286	526,587	12,408,857	168,034,744

Disclosures;

- ✓ Valuation of Property, Plant and Equipments was done in June 2021 by **ICON VALUERS LIMITED**
- ✓ The Process of Acquisition of the Land Title deed for the College land is on going and as confirmed by A letter from The National Land Commission Ref:NLC/KCO/AL/A-1/VOL.1/07 Dated 27th



KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
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APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

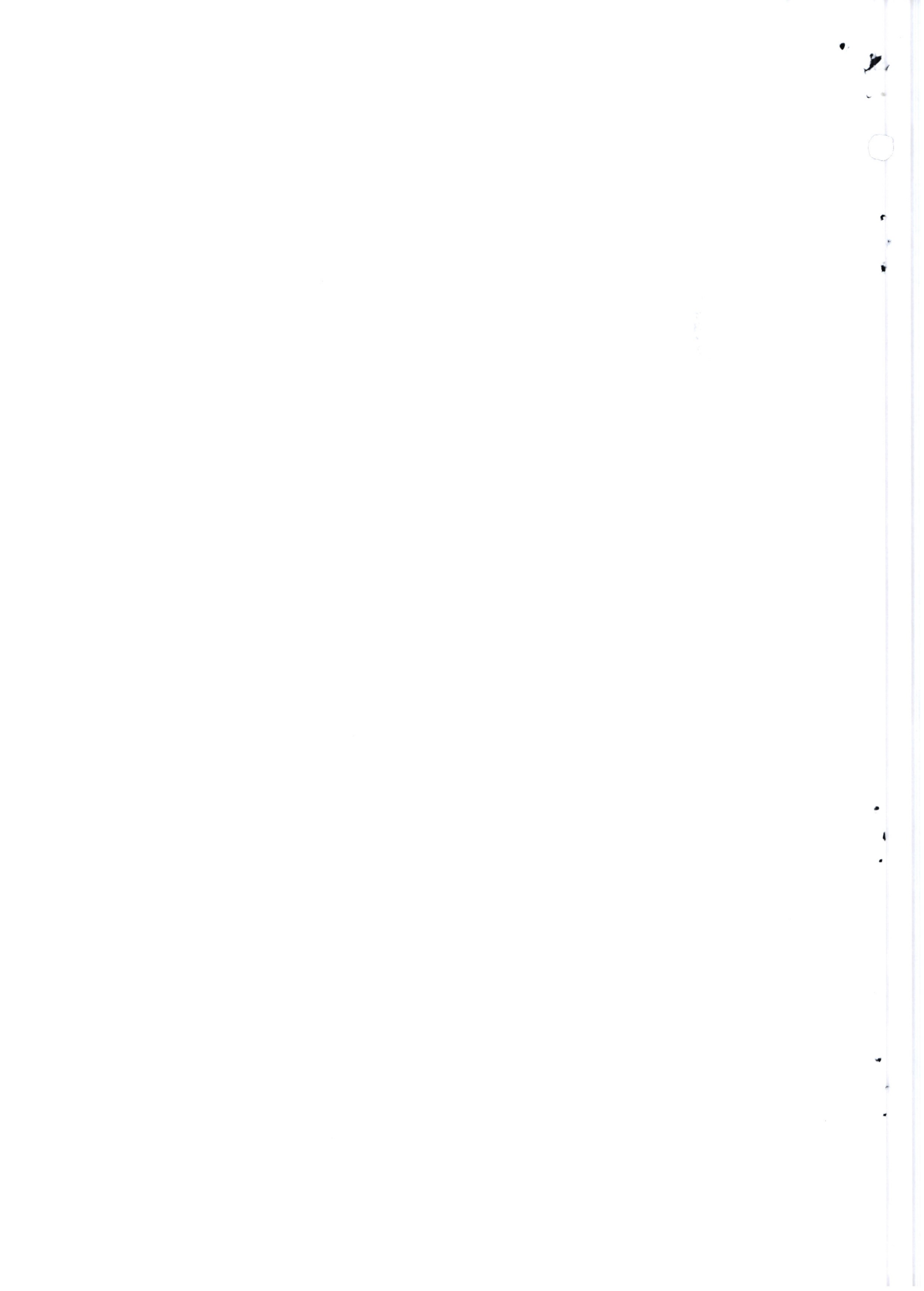
The Entity have not been Audited since this is the first year of preparation of Financial statements

Accounting Officer

Name STANISLAUS IDWU

Signature [Signature]

Date..... 14/09/2022



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APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

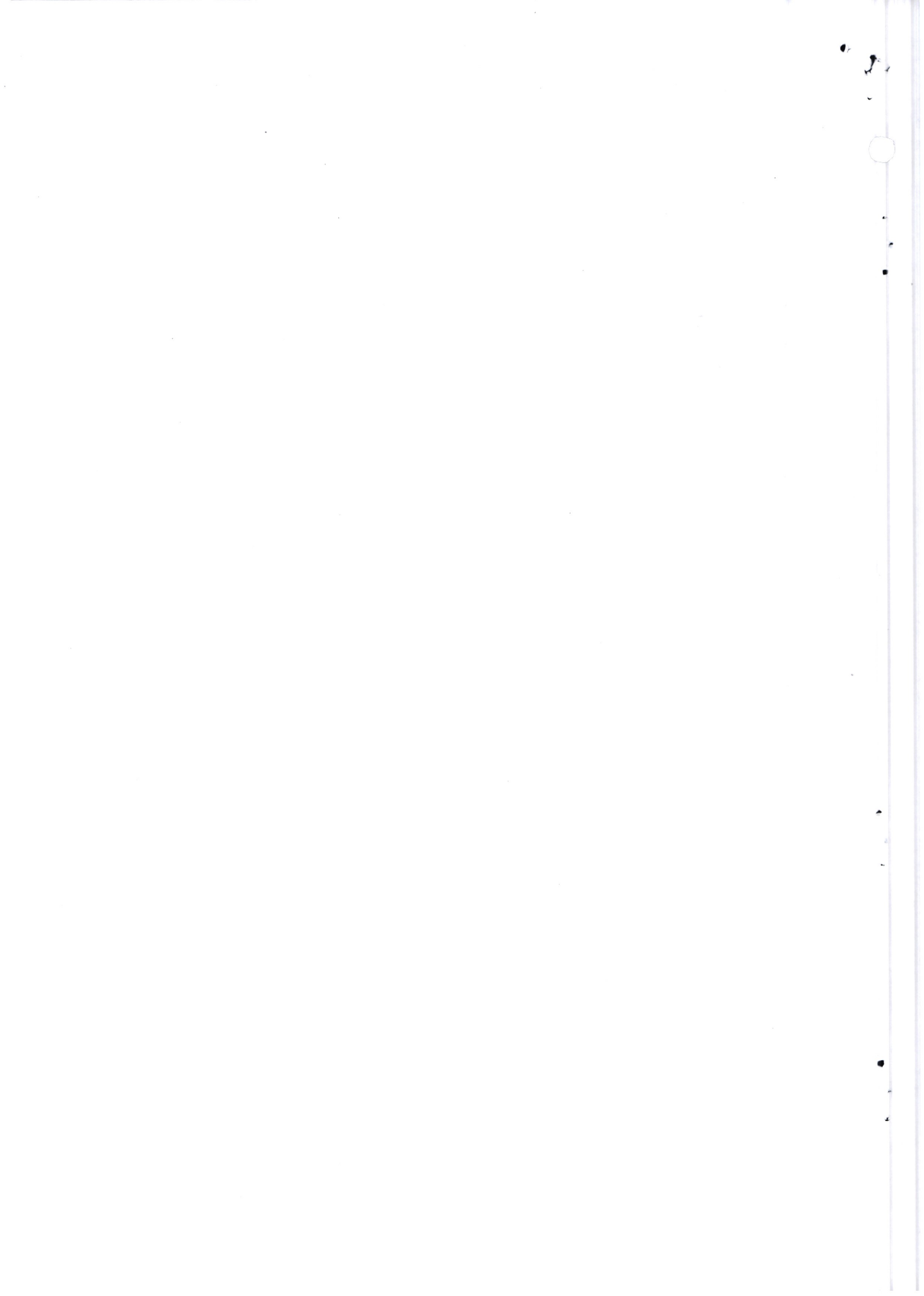
Projects

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

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

No project undertaken in the Financial year 2019/2020

	Project	Total project Cost	Total expenditure inc	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							



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APPENDIX III: INTER-ENTITY TRANSFERS

ENTITY NAME				
Break down of Transfers from the State Department of				
FY 2019/2020				
a.	Recurrent Grants			
		<u>Bank Statement</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which</u>
		<u>Date</u>		<u>the amounts relate</u>
		27/03/2020	500,000	2019/2020
		26/03/2020	500,000	2019/2020
		Total	1000,000	

The above amounts have been communicated to and reconciled with the parent Ministry

Finance Manager
 Kericho Township tvc

Sign

Head of Accounting Unit
 Ministry

Sign-----

" 2



1

2

3

4

5

KERICHO TOWNSHIP TECHNICAL AND VOCATIONAL COLLEGE
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APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received	Where Recorded/recognized							Total Transfers during the Year
	as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Education									185,662,478
Total									185,662,478

