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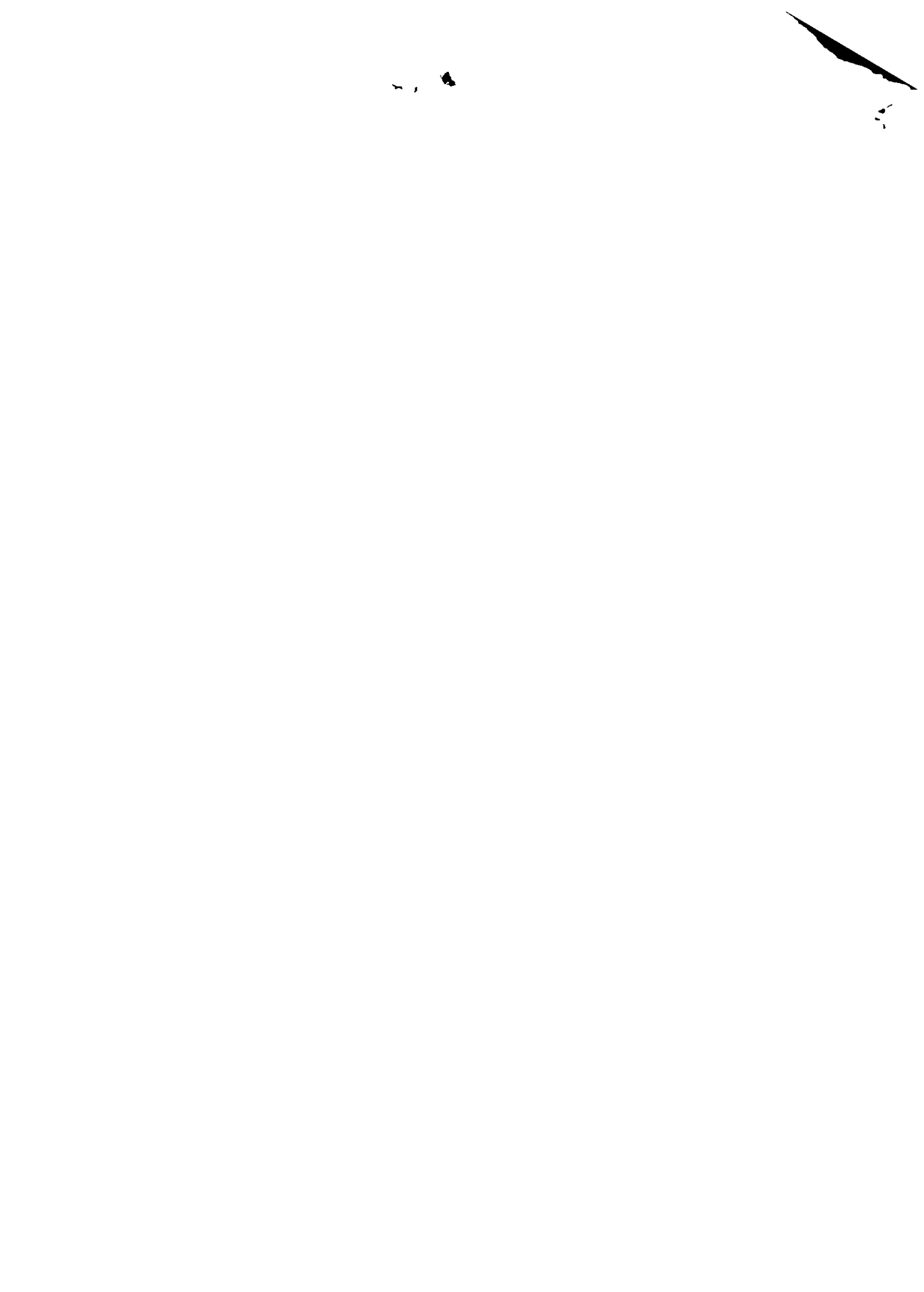
OF

THE AUDITOR-GENERAL

ON

**TETU TECHNICAL AND VOCATIONAL
COLLEGE**

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





TETU TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Tetu TVC Information and Management

Tetu Technical & Vocational College was established from Kagwathi primary school through collaboration with the National Government and Tetu NG CDF. The College is located in Nyeri County, Tetu Sub-County, Karundu Location, Kianjogu Sub-Location and Kagwathi Village. The college was mentored by Michuki TTI and was handed over to MoE in January 2019. The college opened its doors to first group of trainees in March 2019 with 4 academic departments, a population of 89 trainees and 7 trainers.

(a) Background information

The college was established under the TVET Act 2013 on 2nd February 2019, it's domiciled in Kenya and has no branches. Tetu TVC is a technical and vocational college under the Ministry of Education (State department for technical and vocational college). The trainee enrolment has since increased to 646, 39 trainers and 6 academic departments in 2023/2024 FY. The College has also increased equity in the provision of technical & vocational training to disadvantaged groups and created gender balance on the programmes offered. Tetu TVC aims at producing trainees who are socially responsible and equipped with skills, attitude and entrepreneurial spirit necessary for the development of the country.

(b) Principal Activities

The main objective of TVET is to develop an effectively coordinated and harmonized TVET system that is capable of producing quality skilled human resource with the right attitudes and values required for growth and prosperity of the various sectors of the economy. Under this objective Tetu TVC is mandated to: -

1. Provide adequate and appropriate skilled Artisans, Craftsmen, Technicians and Technologists at all levels of the economy through practical training and work experience;
2. Transfer technology continuously through collaborative approach between TVET institutions and the relevant industries;
3. Promote dignity and decency of labour, particularly manual work;
4. Provide increased training opportunities for the increasing school leavers and other trainees to increase employability;
5. Provide continuous upgrading of skills and knowledge at the pace and ability of the trainees;
6. Provide a dynamic curriculum responsive to the manpower needs of a dynamic economy;
7. Impart marketable skills, technical know-how and attitudes that respond to contemporary labour market demands by the industry, informal sector and for self-employment;
8. Build on gains acquired in prior learning by promoting and sustaining entrepreneurial and technological innovations in TVET;
9. Re-direct the potential of learners towards productive economic activities

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10. Provide life skills to learners that will enable them to cope with the challenges of adulthood and working life

College motto

TVET skills for industrial growth

Mission

To confer holistic technical and vocational training through Research, innovation and consultancy for sustainable development

Vision

To be a premier technical and vocational institution for self and global development.

(c) Key Management

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

- Board of Governors
- 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	Catherine Wangechi
2.	Deputy principal Administration	Lydia Muthoni
3	Deputy principal Academics	Joshua Mwangi
4	Registrar	Kenneth Muriuki
5	Dean of students	Charles Omweri Omambia
6	Finance Officer	Kelvin Njaungiri
7	Head of Department-computing and informatics	Jebet Ascar
8	Head of Department-building and civil engineering	Gideon Muraguri
9	Head of Department-electrical and electronics engineering	Alfred Kimutai Kosgey
10	Head of Department- fashion design and cosmetology	Jane Wanjiru
11	Head of Department-hospitality and tourism	Lilly Mugo
12	Head of Department-agriculture and environmental studies	Anthony K. Kosgei

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities

- To evaluate adequacy of management procedure with regard to issues relating to risk management, control and governance;
- To review external audit findings and recommendations and propose corrective and preventive actions where necessary;
- To review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics;
- To initiate special audits and or investigations on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Accounting Officer; and
- To exercise such other powers as the Board may from time to time delegate to the Committee

Finance and operations committee activities

- To receive, consider and submit the proposed budget estimates from the various college department for approval by the Board;
- To receive and consider all requests for authorization of expenditure more than the approved annual estimates and make recommendations to the Board;
- To report to the Board all matters related to finance and development;
- To ensure that accurate records are kept on the establishments in the College;
- To consider and recommend to the Board the priority development projects and receive reports, and the recommendations of Management on the progress of the physical development of the College;
- To report to the Board on the progress of physical infrastructure development of the College;
- To prepare College Development plans for an approved period and submit to the Board; and
- To exercise such other powers as the Board may from time to time delegate to the Committee.

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

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- Curriculum Evaluation
- Establish Linkage between the College and Industry
- Ensure Relevance of Courses to Market Needs
- In Charge of Graduations and Academic Awards

(f) TETU TVC's Headquarters

P.O. Box 1716 – 10100,
Nyeri, Kenya
3 Km from Giakanja Shopping Center- Off Nyeri Othaya Road

(g) Entity Contacts

Telephone :(+254) 758 660 300
E-mail: tetutvc@gmail.com
Website: www.tetutvc.ac.ke

(h) TETU TVC Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

Other Commercial Banks

Kenya Commercial Bank
Murang'a Branch
P.O. Box 112,
Murang'a;

Kenya Commercial Bank
Nyeri Branch
P.O. Box 940,
Nyeri.

Co-operative bank
Nyeri Branch
P.O. Box 11010,
Nyeri.

(i) Independent Auditors

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




Key Entity Information and Management (Continued)

(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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3.The Council/Board of Governors

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
	 <p>Name: Dr. Mercy W Mwaniki Profession: Lecturer Academic: Doctor of philosophy natural science and technology (Bioscience) BoG Chairperson</p>	<p>Date of birth: 15th April,1969 Qualification Doctor of philosophy natural science and technology (Bioscience) Work experience 30 years</p>
	 <p>Name: Sebastian Chitechi Kweyu Profession: Lecturer/Business Consultancy Academic: MBA Academic committee chairperson</p>	<p>Date of birth 24/02/1973 Qualification Phd candidate Kenyatta University MBA University of Nairobi BSC Tourism Degree Moi University Work experience 2012- date Lecturer Kenyatta university</p>
	 <p>Name: Wamuyu Gathinji Profession: Environment Consultant Executive member in HR/Finance committee</p>	<p>Date of birth 1971 Qualification Msc- Environment Engineering- Ongoing BSC Geology- University of Nairobi Work experience 15 years as a consultant</p>

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	 <p>Name: <i>Washington K. Gitonga</i> Profession: <i>procurement and Portfolio officer</i> <i>Hr/Finance committee chairperson</i></p>	<p>Date of birth 29th October 1987 Qualification Master of science in financial economics- JKUAT CPA(K) Work experience 12 years</p>
	 <p>Name: <i>Esther Waithira Mbuga</i> Profession: <i>part-time lecturer Kenyatta University</i> <i>Audit and risk committee chairperson</i></p>	<p>Date of birth 11th June 1957 Qualification Phd(Educational management policy and curriculum studies) Master of education Work experience 30 years</p>
	 <p>Name: <i>Davies Kibet</i> Profession: <i>quantity Surveyor</i> <i>Executive member in HR/Finance committee</i></p>	<p>Date of birth 13th April 1991 Qualification Master of science in project management Bachelor of quantity surveying CPA(1) Work experience 10 years</p>
	 <p>Name: <i>John Wahome Nderitu</i></p>	<p>Date of birth 7th February 1971 Qualification Bachelor of Business management(procurement option) Work experience 25 years</p>

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	<p>Profession: Business Man <i>Executive member in audit and risk committee</i></p>	
	 <p><i>Name: Catherine Wangechi</i> <i>Profession: Principal Tetu TVC</i> <i>Secretary Board of Governors</i></p>	<p>Date of birth: 29th May 1973 key Qualifications: Masters in education Working experience Teaching experience for 24 years</p>

4. Key Management Team




SN.	Member/ Director	Details
	 <p>Catherine Wangechi Profession Trainer/Lecturer Academic Qualification Bachelor degree in education Masters in education (ongoing)</p>	<p>CEO/Principal/Sec BoG</p>
	 <p>Lydiah Muthoni Profession Trainer/Leturer Academic Qualification Bachelor of Hotel and Hospitality Management</p>	<p>Deputy Principal- Administration</p>
	 <p>Joshua Mwangi Profession Trainer/Leturer Academic Qualification Bachelor of Science, Computer information systems</p>	<p>Deputy Principal- Academics</p>

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	 <p>Kenneth Muriuki Profession Trainer/Lecturer Academic Qualification Bachelors of science in hospitality & tourism management</p>	<p>Registrar</p>
	 <p>Kelvin Njaungiri Profession Finance Officer Academic Qualification Bachelors Of Commerce(Finance option) /CPA (K)</p>	<p>Finance officer</p>
	 <p>Jebet Ascar Profession Trainer/Lecturer Academic Qualification Bachelors Of Business Information</p>	<p>HoD Information Communication Technology</p>

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	Technology	
	 <p>Gideon Muraguri Profession Trainer/Lecturer Academic Qualification Bachelors Of Technology In Building Construction</p>	HoD Building and civil engineering
	 <p>Lilly Mugo Profession Trainer/Lecturer Academic Qualification Diploma In Technical Education Food & Beverage</p>	HoD Hospitality and tourism
	 <p>Alfred Kimutai Kosgey Profession Trainer/Lecturer</p>	HoD Electrical and Electronics

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	<p>Academic Qualification Higher National Diploma In Electrical and Electronics engineering</p>	
	 <p>Jane Wanjiru Wangechi Profession Trainer/Lecturer Academic Qualification Bachelor of science in Fashion Design &Textile Technology</p>	<p>HoD Fashion Design and Cosmetology</p>
	 <p>Anthony K. Kosgei Profession Trainer/Lecturer Academic Qualification Bachelor of science in Agricultural extension Education</p>	<p>HoD Agriculture and Environmental studies</p>
	 <p>Charles Omwereri</p>	<p>Dean of students</p>

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	Profession Trainer/Lecturer Academic Qualification Diploma In Technical Education Food & Beverage	
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5. Chairperson's Statement



Tetu Technical & Vocational College was established from Kagwathi primary school through collaboration with the National Government and Tetu NG CDF. The College is located within Nyeri County, Tetu Sub County, Karundu Location, Kianjogu Sub-Location, and Kagwathi Village.

The college opened its doors to first group of student in March 2019 and by 30th June 2019 it had a population of 89 students. This had been made possible through support of the Government of Kenya, mentoring institution - Michuki TTI and the local community.

The College has been implementing her Strategic Plan which was developed through a process of wide consultations with key stakeholders who included the College Management, heads of academic and administrative departments and support of expatriates from the commissioned ministry of finance (state department for economic planning and development) for year 2023-2027. The plan captures Tetu TVC's strategic objectives for the period 2023-2027 while taking cognizance of the MoE and TVETA strategic plans from where strategic direction has been designed from.

During the Financial year 2023/2024 the college has expanded access to technical & vocational training in by increasing student enrolment levels and providing requisite infrastructure and industry focused programmes. Research & innovations conducted in the institution are expected to help provide solutions to environmental, social, economic and cultural resource utilization challenges facing the Country.

Tetu TVC has also increased equity in the provision of technical & vocational training to disadvantaged groups and created gender balance on the courses offered. Tetu TVC aims at

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producing trainees who are socially responsible and have skills, attitudes and entrepreneurial spirit necessary in the development of this country as outlined in Vision 2030 and MTP IV.

The college has engaged the local community by engaging them in provision of unskilled labour and provision of locally grown food stuffs. The college has encouraged the local community to put up hostels for the increasing student population. The college in liaison with AIPCA and PCEA have put up hostels for accommodation of NYS students.

On giving back to the community, the college has been providing tree seedlings to increase the forest cover and also encouraging the community to grow avocados for economic prosperity.

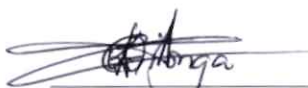
Finally, the College expects community involvement and industry linkages to facilitate its growth as a budding world class institution.

The college in conjunction with National government Constituency development fund –Tetu has continuously constructed the perimeter wall, after putting up the gate and provision of the bursary funds to the students as a basis of making the education affordable. The brand ‘TETU’ has been earmarked by the NG-CDF through provision of full funded 51-seater bus.

The Ministry has provided a dedicated car to the college and in the year commissioned Jitume ICT lab where a total of 100 computers were donated..

The County government of Nyeri with the college has succeeded in provision of the sports attires and bursary funds to ensure the well-being of the trainees is well customized in the institution and promote academic excellence.

Throughout the financial year, the college has longevity as an ongoing concern.



Dr, Mercy Mwaniki
Chairperson-BOG

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6. Report of the Chief/Senior Principal



Tetu Technical & Vocational College is a national government institution established under the TVET ACT 2013

The college seats on five (5) acres piece of land which was ceded from Kagwathi primary school. The college was put up with the collaboration of the National Government and National Government Constituency Development Fund- Tetu. The College is in Nyeri County, Tetu Sub County, Karundu Location, Kianjogu Sub-Location, and Kagwathi Village. The college is also premiered to acquire two (2) acres of land donated by Giakanja Coffee for its expansion and development.

Population

During the financial year 2023/2024, the college achieved a total population of 1,035 students from a total of 549 students in the financial year 2022/2023 who are spread out in six departments. The increment was brought about by massive marketing and sourcing of the students from NYS where in the month of January 2024, the college received a total of 68 NYS students.

During the year, the college maintained the following departments:

<u>Department</u>	<u>Section</u>
Building and civil engineering:	Welding and fabrication
	Plumbing
	Building Technology
	Civil engineering
	Masonry

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	Carpentry and joinery
Hospitality and Tourism	Food & Beverage
	Catering and Accommodation
Electrical and Electronics engineering	Electrical power engineering
Computing and informatics	Information Communication Technology (ICT)
	Computer Science
Fashion Design & Cosmetology	Fashion and Design
	Hairdressing and Therapy
	Cosmetology
Agriculture and Environmental Studies	Agricultural Extension

Strategic plan

The College has a Strategic Plan which was developed through a process of wide consultations with key stakeholders who included the Board of governors and expatriates from the commissioned ministry of finance (state department for economic planning and development) for year 2023-2027.

The strategic plan is aligned to guidelines for preparation of the fifth-generation strategic plans (2023-2027), government planning cycle called for its review and has taken cognize of The Kenya Vision 2030, Medium Term Plan IV, the Bottom-up Economic Transformative Agenda 2022-2027, TVET Act No. 29 of 2013 and other government policies.

The plan captures Tetu TVC's strategic objectives for the period 2023-2027 while taking cognizance of the MoE and TVETA strategic plans from where strategic direction has been designed from.

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Access to Technical Education

In the Financial year 2023/2024, the college has improved access to technical & vocational education by increasing student enrolment levels and providing requisite infrastructure and industry focused programmes. Research & innovations conducted in the institution are expected to help provide solutions to environmental, social, economic and cultural resource utilization challenges facing the Country.

Tetu TVC has also increased equity in the provision of technical & vocational training to the disadvantaged groups and created gender balance on the courses offered .Tetu TVC aims at producing trainees who are socially responsible and have skills, attitudes and entrepreneurial spirit necessary in the development of this country as outlined in Vision 2030 and MTP IV where dual training has formed part of hand-in skills to the trainees. Tetu TVC has been able to sign memorandum of understanding with various players in the industry where trainees have ease of access to the hand on skills and opportunities for the employment.

Tetu TVC has continued to receive government support from the ministry of Education where additional trainers were received from the ministry of education hence lowering the employee costs and meet up the growing student population of the college.

Training equipment

The college has continuously been equipping the workshops in line with the increasing number of students:

- Additional equipment in Fashion and design
- Additional Equipment in Building technology
- Putting up a plumbing and masonry workshop
- Additional training rooms and utilization of the available space.
- Adding up additional course in agriculture and extension

Community outreach

The college has involved the local community by engaging them in provision of unskilled labor and provision of locally grown food stuffs.

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The well-wishers of the college have significantly contributed to the growth and advancement of the skills where tertiary institutions such as karatina university, Dedan Kimathi university and karatina law courts have significantly donated resources to enhance skills to our students and collaborated with Tetu TVC where the college in return has been offering attachment opportunities to their students.

The college has encouraged the local community to put up hostels for the increasing student population.

On giving back to the community, the college has been providing tree seedlings to increase the forest cover whilst encouraging the community to grow avocados for economic prosperity. The college has collaborated with the surrounding churches African Independent Pentecostal Church of Africa and Eschatology (A.I.P.C.A-Kagwathi) and Presbyterian Church of East Africa (P.C.E.A-Kagwathi) to provide hostel for the NYS students.

Finally, the College expects community involvement and industry linkages to facilitate its growth as a budding world class institution.

National government Constituency development fund –Tetu

The college in conjunction with the National government Constituency development fund –Tetu has constructed a section of the perimeter wall, after putting up the gate and donated a 51-capacity seater bus to the college.

Dedicated College car

To ensure there is ease of transport and training in the college, the ministry of Education (State department for Technical, vocational education and training donated a serviceable car (Pajero model) for start of mechanical course from which the college repaired the car to transport services within the local travels hence lowering the transportation costs.

Throughout the financial year, the college has longevity as an ongoing concern.



Catherine Wangechi

Principal

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7. Statement of Performance against Predetermined Objectives

Tetu TVC has five strategic issues and objectives within current Strategic Plan for the FY 2023-
FY 2027. These strategic issues are as follows:

- Issue 1: Leadership and governance
- Issue 2: Curriculum Design and Delivery
- Issue 3: Infrastructural capacity
- Issue 4: Trainees' welfare
- Issue 5: Research, Innovation and Consultancy

Tetu TVC develops its annual work plans based on the above five pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets set for the FY 2023/2024 period for its five strategic pillars, as indicated in the diagram below;

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Strategic Pillar	Strategic issues	Strategic Objective	Key Performance Indicators	Activities	Achievements
I:	Leadership and governance	To strengthen the College's capacity to deliver on its mandate.	KRA 1: Leadership and governance KRA 2: Human Resource Capacity KRA 3: Operational Efficiency KRA 4: Revenue generation KRA 5: Environmental Conservation KRA 6: Organization visibility	Develop a Board of Governor's Charter Develop and implement a strategic plan Undertake annual plan Training for the BOG Undertake end of term Board performance evaluation Facilitate undertaking of internal and external audits Review and implement an appropriate organization structure Development and implementation of a HR policy and staff establishment Increase staffing levels Conduct staff capacity building Strengthen performance management Support staff welfare activities Implement Management Systems	The board charter is in place to govern the conduct and execution of the responsibilities by the board of governors. With the aid of the MoE, the college have increased staff population as at 30 th June 2024. The college have identified and operationalized the production units. The college have established greening champions and have participated in the county and in house greening campaigns

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	Curriculum Design and Delivery	To provide purposeful, deliberate, and systematic curriculum that enhances trainee learning and development.	KRA 7: Curriculum implementation KRA 8: Quality assurance KRA 9: Industrial Linkages	Develop the college master plan Gradually undertake Process automation Increase the number of Income Generating Activities Develop and implement a Finance policy Implement the greening TVET strategy Marketing and Branding activities	The college has signed several MoU's with the industries where trainees are attending dual training as basis of integrating curriculum offered in the institution. The office of ILO has established working schedules where trainees attend regular dual trainings.
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				<p>training for QA officers Strengthen industrial attachment/internship programme Conduct academic trips Introduce CBS dual training and certification with industry Collaboration with technical universities Undertake trainer's industrial exposure</p>	
3:	Infrastructural capacity	To provide and maintain adequate infrastructure development to support quality training and service delivery.	KRA 10: Physical Infrastructure development and upgrade	<p>Equip and modernize of existing infrastructure Enhance Transportation Develop new infrastructure Enhance security and safety in the College</p>	<p>The college has improvised training car and bus to aid in the transportation of the trainers and trainees. Safety signs have been imposed and fire assembly point established. The infrastructures in place have in place safety objects</p>

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4:	Trainees' welfare	To provide a safe and conducive learning environment to support trainees' growth academically, socially and emotionally.	KRA 11: Health, safety and security KRA 12: Recreational facilities KRA 13: Trainee Governance KRA 14: Affirmative action	Facilitate internal guidance and counselling activities Collaborate with local administration to curb insecurity and other vices Establish a college Sanatorium Enhance participation in recreational activities Empower trainees' leadership Development, sensitize and implementation of relevant policies	The office of the guidance and counselling is operational to sensitize the welfare of the trainees. The college has engaged security firm and imposed CCTV cameras to enhance security. The recreation and sports department is in full force to nurture talents and promote wellbeing of the trainees. Student council is operationalized to ensure there is proper link of the students and the college administration.
5:	Research, Innovation and Consultancy	To carry out research and offer consultancy in collaboration with stakeholders in the public and private sectors.	KRA 15: Science Technology and innovation KRA 16: Consultancy	Participate in national international research conferences Provide competitive grants for winning research proposals at departmental levels Development and implementation of relevant policies	The college have severally participated in the skills competitions organized by KATTI and have enticed trainees to be innovative in the fields of expertise

8. Corporate Governance Statement

Good corporate governance is key to the integrity of state corporations and is central to its sustainability. Corporate governance plays a leading role in how corporations and their boards of governors are directed, controlled, and held to account. Corporate governance, therefore, encompasses the systems, practices, and procedures by which the individual corporation is regulated to remain competitive, ethical, sustainable, and fair.

Tetu TVC Board adheres to principles of openness, integrity, and accountability in its stewardship of the College's affairs. It recognizes the developing nature of corporate governance and assesses the College's compliance with generally accepted corporate governance practice on a regular basis, directly and through its full board and Board committees. The role of the Board is to ensure conformance by focusing on and providing the College's overall strategic direction and policy-making as well as performance review through accountability and ensuring appropriate monitoring and supervision. The Board is also responsible for the overall system of internal control and for reviewing its effectiveness. The controls are designed to both safeguard the College's assets and ensure the reliability of financial information.

The College Board meets regularly to consider issues of operational and strategic importance to the College. Below are the key features of the existing corporate governance practices within Tetu TVC which are reviewed and improved on a regular basis: -

1. College Board

The College Board consists of the Chairman and eight members, who have been appointed in accordance with the TVET Act (2013). The full College Board meets at least four times a year.

The Board is responsible for setting the direction of the College through the establishment of strategic objectives, key policies, and approval of budgets. It monitors the implementation of strategies and policies through a structured approach of reporting by management and consequent accountability.

The Board is actively involved and brings strong independent judgment on its deliberations and discussions. The College Board members have diverse skill set, a wide range of knowledge and experience of college setting that is applied to the formulation of strategic objectives and decision-making. The Board meets regularly and retains full and effective control over the College in all strategic, financial, operational and compliance areas. The College Board held the following full Board meetings during the 2023/2024 financial year:

Meetings held by the Board Members.

Name	Designation	Meetings Attended			Total Meeting
		22/9/2023	9/2/2024	18/4/2024	
Dr Mercy Mwaniki	Chairman of Board	√	√	-	2
Ms Esther Mbuga	Board Member	√	√	√	3
Mr Sebastian Kweyu	Board Member	√	√	√	3
Mr John Nderitu	Board Member	√	√	√	3
Ms Wamuyu Gathinji	Board Member	√	√	√	3

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Mr Washington Gitonga	Board Member	√	√	√	3
Mr Davies Kibet	Board Member	√	-	√	2
Charles Nyota	county director TVET	√	√	√	3
Ms Catherine King'ori	Secretary of Board/principal	√	√	√	3
	Attendance rate	100%	89%	89%	

BOARD COMMITTEES

To assist the Board in the discharge of its responsibilities, Board committees have been established. All the Board committees meet at least two times a year. The committees are as follows: -

1. FINANCE, HR, PLANNING AND DEVELOPMENT COMMITTEE

Membership

S no	Name	Designation
1	Mr Washington Gitonga	Chairperson
2	Ms Wamuyu Gathinji	Board Member
3	Mr Davies Kibet	Board Member
4	Ms Catherine King'ori	Secretary

Responsibilities:

1. To receive, consider and submit the proposed budget estimates from the various college department for approval by the Board;
2. To receive and consider all requests for authorization of expenditure more than the approved annual estimates and make recommendations to the Board;
3. To report to the Board all matters related to finance and development;
4. To ensure that accurate records are kept on the establishments in the College;
5. To consider and recommend to the Board the priority development projects and receive reports, and the recommendations of Management on the progress of the physical development of the College;
6. To report to the Board on the progress of physical infrastructure development of the College;
7. To prepare College Development plans for an approved period and submit to the Board; and
8. To exercise such other powers as the Board may from time to time delegate to the Committee.

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Meetings held by the Board committee:

Name	Designation	No. of Meetings	Meetings attended
Mr Washington Gitonga	Chairperson	2	100%
Ms Wamuyu Gathinji	Board Member	2	100%
Mr Davies Kibet	Board Member	2	100%
Ms Catherine King'ori	Secretary	2	100%

2. AUDIT AND RISK COMMITTEE

Membership

S no	Name	Designation
1	Ms Esther Mbuga	Committee Chair
2	Mr John Nderitu	Member
3	Ms Wamuyu Gathinji	Member
4	Ms Catherine King'ori	Secretary

Responsibilities:

- (1) To evaluate adequacy of management procedure with regard to issues relating to risk management, control and governance;
- (2) To review external audit findings and recommendations and propose corrective and preventive actions where necessary;
- (3) To review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics;
- (4) To initiate special audits and or investigations on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Accounting Officer; and
- (5) To exercise such other powers as the Board may from time to time delegate to the Committee

Meetings held by the Board committee

Name	Designation	No. of Meetings	Meetings attended
Ms Esther Mbuga	Chairperson	1	100%
Mr John Nderitu	Board Member	1	100%
Ms Wamuyu Gathinji	Board Member	1	100%
Ms Catherine King'ori	Secretary of Board	1	100%

3. ACADEMIC COMMITTEE

Membership

S no	Name	Designation
1	Mr. Sebastian Kweyu	Committee Chair
2	Mr Davies Kibet	Member
3	Ms Catherine King'ori	Secretary of Board

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Responsibilities:

- i) To Oversee academic performance of the college
- ii) To formulate guidelines rules and regulations of all academic affairs
- iii) Working with the Principal to implement academic policies in the school

Meetings held by the Board committee

Name	Designation	No. of Meetings	Meetings attended
Mr. Sebastian Kweyu	Chairperson	0	0%
Ms Jane Nthoki	Board Member	0	0%
Mr Davies Kibet	Board Member	0	0%
Ms Catherine King'ori	Secretary	0	0%

2. Board Members' Remuneration

Sitting allowance for Board members and Chairman Honorarium are guided by circular No. OP/CAB.9/21/2A/LII/43 dated 23rd November 2004. The remuneration for Board members consists of sitting and subsistence allowances in connection with Board & Board committee and Chairman's honorarium the financial year ended 30th June, 2022 are outlined under Note 11 on page 23 of these Financial Report and Financial Statements (Board expenses).

3. Succession Plan

The appointment of Board members is the prerogative of the Cabinet Secretary, Ministry of Education. Members have no control of the appointment and duration of service.

4. Board Charter

Tetu TVC Board has a board charter. The Board is also guided by Mwongozo Code of Governance.

5. Appointment and removal of Board members

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

6. Induction and Training

Tetu TVC Board of governors are inducted on periodical bases however, in the 2022/2023 financial one training was done to the newly appointed Board to resume the second term of the term since the inception of the college.

7. Board and Board Members' Performance

The Board performance evaluation exercise was done in January, 2023.

8. Conflict of interest

In every Board meeting held by the Tetu TVC Board, Members declare conflict of interest on matters in the agenda and register the same in the conflict of interest register book.

9. Ethics and Conduct

Tetu College Board Members uphold the highest standard of Ethics and conduct while executing their mandate.

10. 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.

11. 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.

12. Going Concern

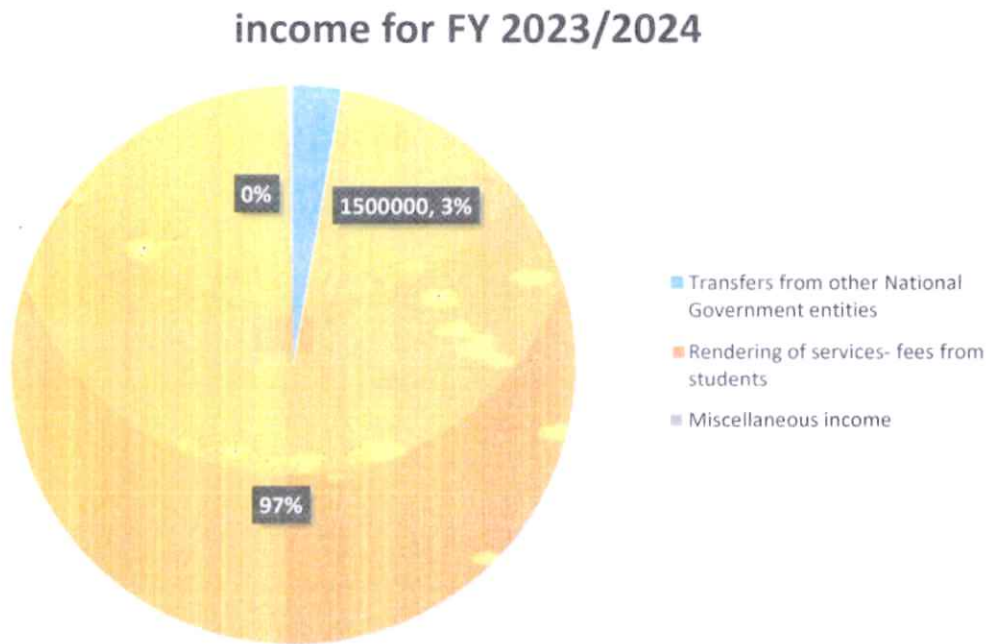
The College Board confirms that Tetu College has adequate resources to continue in operation for the foreseeable future and therefore, the continued use of going concern as a basis of preparing the financial statements.

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

9. Management Discussion and Analysis

OPERATIONAL AND FINANCIAL PERFORMANCE

A) INCOME ANALYSIS:



During the 2023/2024 financial year, National Government contributed to 3% while tuition and its related incomes contributed to 97%. Income generating activities contributed to insignificant percentage of equivalent 0% respectively. The College mostly depended on fees, transfers from other government agencies such as bursary and HELB to execute its operations.

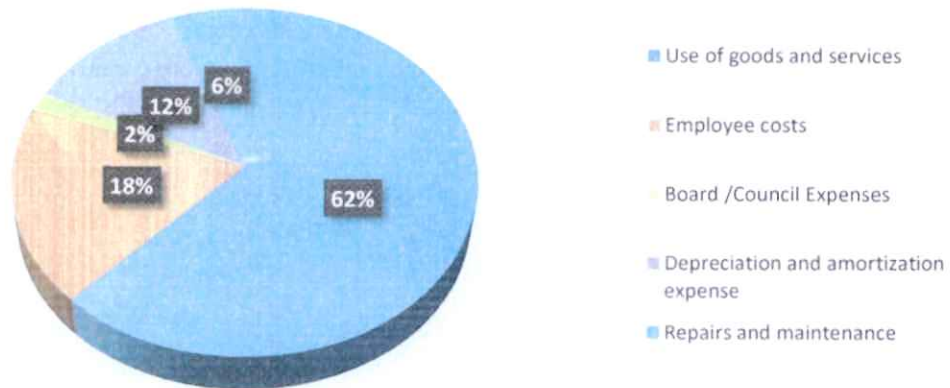
Comparison of Income between 2023/24 and 2022/2023



There was an increase of incomes in 2023/2024 financial year compared to 2022/2023 financial year in Government disbursements, rendering of services and other income increased as a result of vigorous marketing of the college services where the high population of the college led to more financing from the scholarships, Helb Loans and even sponsorships From MoE. Other incomes arose from the farming activities and execution of the production units especially in the hospitality department. The variation in the rendering of services arose out of reclassifying capitation and scholarship to fees received from the students.

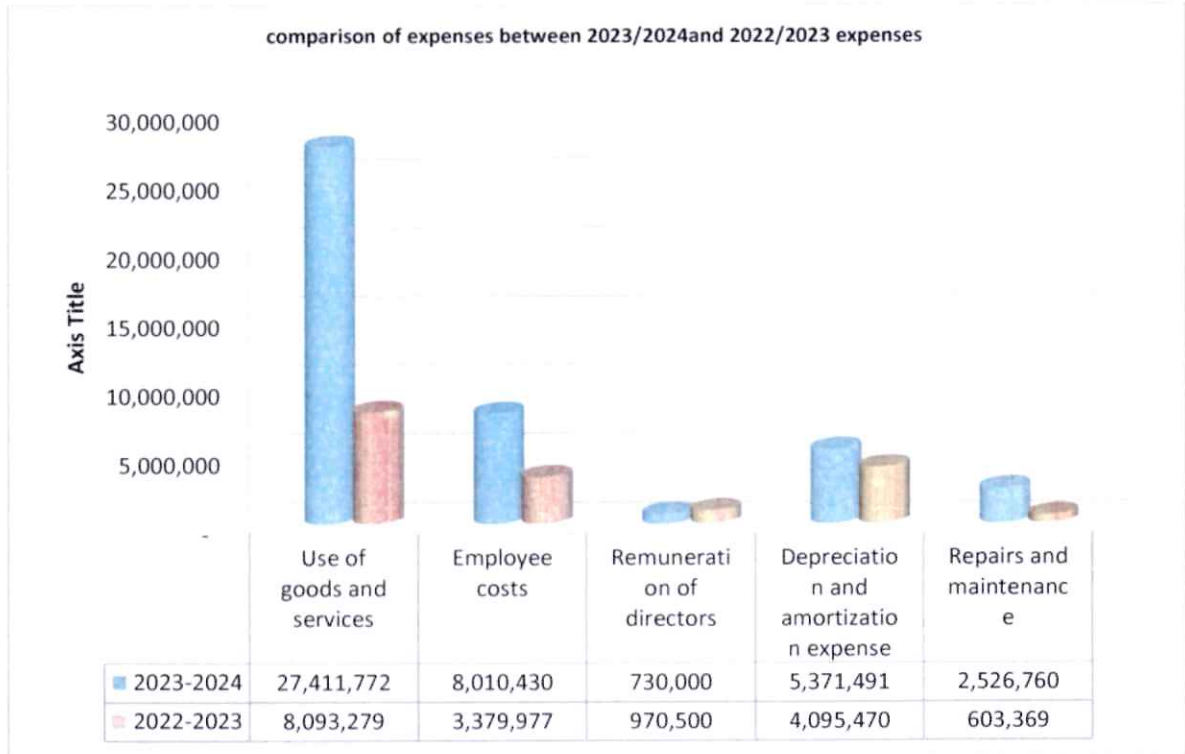
B) EXPENDITURE ANALYSIS

expenditure for fy 2023/2024



During the 2023/2024 financial year, employee cost which is committed expenditure item of ksh. 8,010,430 took the second highest amount of recurrent expenditure with 18%. Use of goods and services which include college core mandate operations formed 62 % with the board expense, depreciation expense and repairs and maintenance taking 2%, 12%, and 6% respectively of the total recurrent expenses of Kshs. 44,050,453.

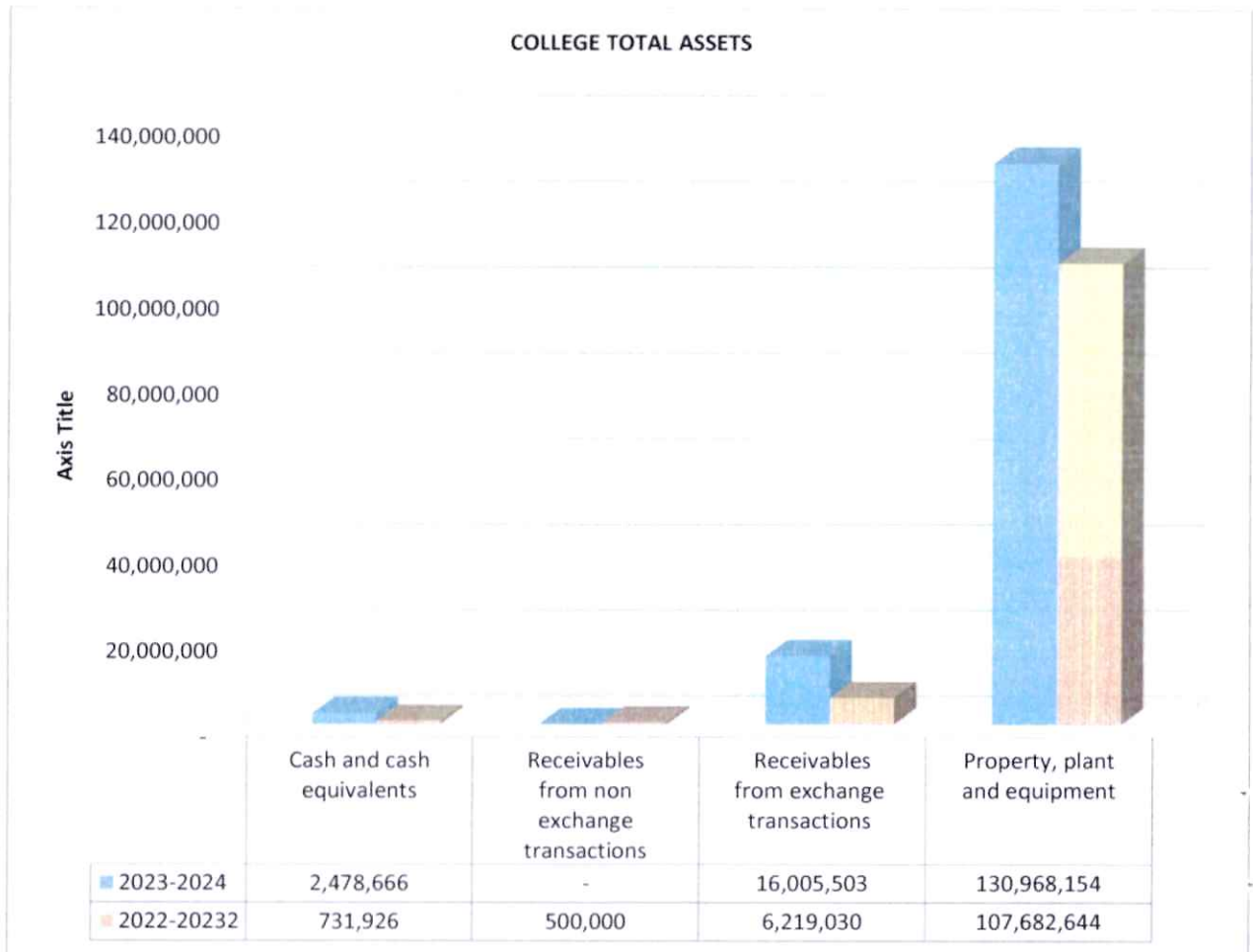
1. Comparison of Expenses between 2023/2024 and 2022/2023



In the financial year 2023/2024 all the expenses except directors' fees had substantial increase with the use of goods and services increasing thrice the value in the year 2022/2023. RMI increased by more than four times while employee costs increased by almost three times. Depreciation expense rose by one million while director's fees fell by approximately ksh. 240,000.

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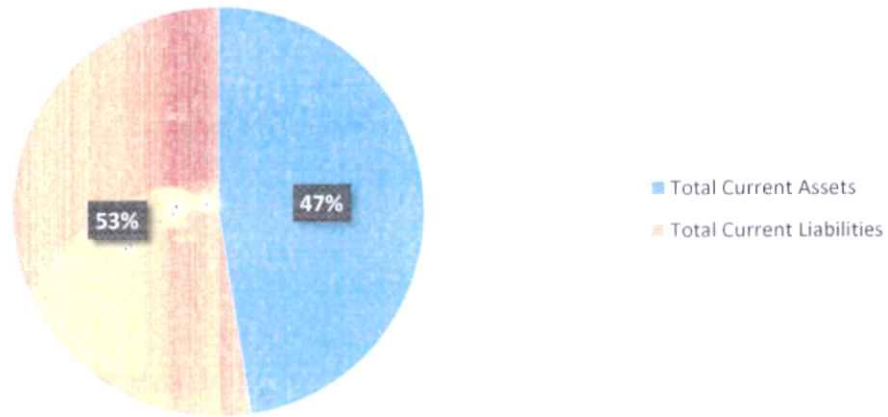
C) STATEMENT OF THE FINANCIAL POSITION



The college statement of financial position included Net book value of the fixed assets Kshs. 130,968,154 some of which were revalued at the end of the financial year 2020/2021 and some acquired in the financial year 2023/2024. The increase in receivable from revenue from exchange transactions is a result of the population growth of trainees who were promised to be sponsored by the Area MP and others had pending scholarships from MoE while others are NYS sponsored and funds had not been released by the close of financial year 2023/2024.

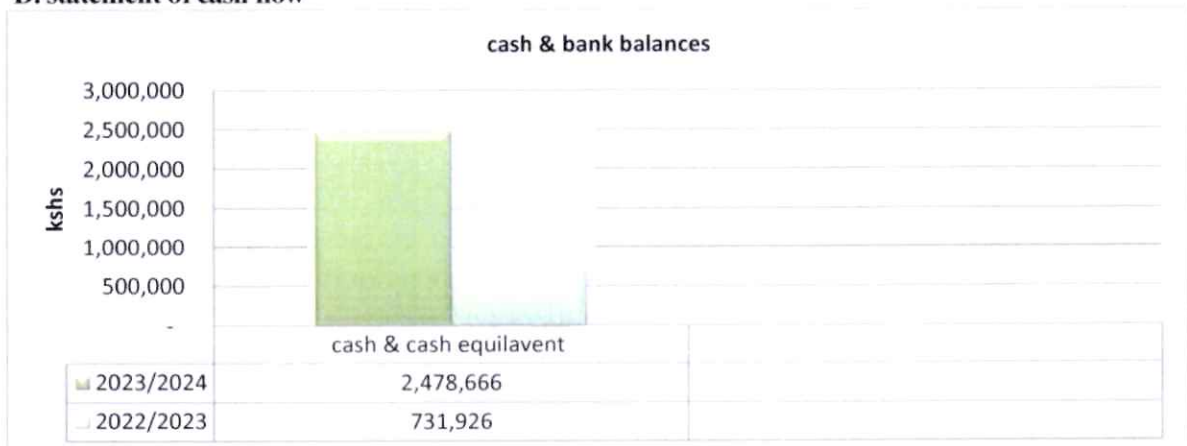
Current assets Vs current liabilities

college liquidity chart



The College closed the financial year with current assets of Kshs. 18,484,169 which are relatively lower than the current liabilities of Kshs. 20,473,970. This implies that the liquidity of the College is favorable as at the end of the 2023/2024 financial year as the high portion of the outstanding payable are anticipated to fall due when the arrears from the trainees and the scholarships will have been honored.

D. statement of cash flow



The College closed the financial year 2023/2024 with cash and cash equivalent of Kshs. 2,478,666 as compared to the Kshs. 731,926 in the 2022/2023 financial year. This increase in cash and bank balance can be attributed to:

- a) cash inflow from production unit activities
- b) HELB Disbursement by the government.

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PROJECTS AND INVESTMENT DECISIONS PLANNED AND IMPLEMENTED

Within the financial year ended 30th June 2024, the College has been implementing the following projects in order of priority;

S/No	Project	% of Completion	Financing of the project	Remarks
1	Provision of college Bus	100	TETU NG-CDF	Complete
2	Fully equipped ICT Jitume Lab	100	Tetu TVC, MoE State department of TVET & Ministry of ICT	complete
3	Prefab lecture shed for electrical department	100	Tetu TVC	Complete

Funding for the projects was based on saving realized on cost cutting measures on recurrent expenditures as the Government stopped funding capital development.

COMPLIANCE WITH STATUTORY REQUIREMENTS

During the 2023/2024 financial year, the College complied with all statutory requirements. The Institution does not have any non-compliance that may result to any potential litigation issues or exposure to contingent liabilities.

MAJOR RISKS

OPERATIONAL RISKS

This is loss resulting from inadequate or failed procedures, systems or policies including:

- 1) Failure to collect the full income owing
- 2) Some students fail to pay their full fees
- 3) Some debtors from non-tuition activities delay paying for services rendered.
- 4) The College is facing the risk of insecurity which is prevalent in the country

Risk Mitigation Strategies

- 1) Strict enforcement of the fees payment policy
- 2) Enhancing debt collection measures
- 3) Enforcement of the 100% payment on admission or on reporting back in new term
- 4) Installation of CCTV security systems and outsourcing more security guards

MARKET RISKS

These are losses due to factors that affect the overall performance of market including:

- 1) Risk of not attracting enough trainees due to the competition from other TVET colleges in the region
- 2) Risk of failing to get enough specialist trainers to act as thematic leaders due to competition.

Risk Mitigation strategies:

- i. Aggressive marketing of programmes.
- ii. Enhance the diversity and quality of the College programmes.
- iii. Enhancing the staff working environment and improving staff welfare.

CAPITAL RISKS

The College is not exposed to any capital risks.

LIQUIDITY RISK

This is termed to be the inability to meet short term financial demands. This usually occurs due to the inability to convert assets like debts to cash.

Risk Mitigation strategies:

- 1) Step up efforts to collect the outstanding fees and sensitize the trainers on alternative sources of funding like NG CDF bursaries, HELB loan/bursaries,

MATERIAL ARREARS IN STATUTORY AND OTHER FINANCIAL OBLIGATIONS

The College has no material arrears in statutory and financial obligations to the national exchequer or any other Government agency.

FINANCIAL PROBITY AND SERIOUS GOVERNANCE ISSUES

The College does not have any cases of financial improbity as reported by Audit committee, external auditors, or other National Government Agencies providing oversight.

There are no governance issues among the members of the board, college top management team, including conflict of interest. This has been due to the cordial working relationship between the board and College top management as well as adherence to constitutional requirements and guidelines.

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

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 define 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.

Ecological Dimension of Corporate Sustainability

This dimension deals with environmental impacts due to corporate activities. There exist several publications about the most relevant ecological aspects (GRI, 2006; Labuschagne et al., 2005; DJSI, 2007; FTSE, 2006). These environmental impacts are caused by resource use, and emissions into air, into water or into ground, as well as waste and hazardous waste.

Additionally, the impact on biodiversity and environmental issues of the product over the life cycle are of importance. 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.

Corporate Sustainability Strategies

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 mandates of the board.

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. The college has developed an anti-corruption policy and non-political adherence.

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 Tetu Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Hands on Skills and Technology to make a difference in this generation and generations to come. The Tetu Technical and Vocational College is committed to offering the best and top-quality training.

Corporate Social Responsibility / Community Engagements

Tetu College being a public Tetu TVC 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 to needy children in various children's homes within Tetu region through donation of foodstuffs and cloths.

(b) Communities outreach activities

Tetu TVC in conjunction with Wamagana health centre organised for a sensational awareness programmes at the college grounds where the community and the trainees were invited for well-being talk and good feeding programmes. This was a sign that 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. Universal Health Coverage (UHC) concept is firmly based on WHO constitution of 1948 declaring health a fundamental Human right. This is equally in line with the Constitution of Kenya 2010 that confers on every Citizen Highest attainable standards of Health Including Reproductive Health. Former President H.E Uhuru Kenyatta reaffirmed the objective of Kenyan constitution through the Big Four Agenda where Affordable Health Care is a pillar. UHC should be every body's business and a multi-sectorial approach is the way to go in the realization of this concept of Health care delivery.

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 at Kagwathi & Giakanja Shopping Center has been one of the environmental activities of the Institution.

(d) Academic Mentorship

Tetu TVC in conjunction with local secondary schools was involved in offering career advice to students within and around Tetu Sub County during the financial year 2023/2024.

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

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11. Report of the Council/Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the *Tetu TVC*'s affairs.

Principal activities

The principal activities of the Tetu TVC are (continue to be) offering of technical and vocational training.

Results

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

Council/Board of Governors

The members of the Board /Council who served during the year are shown on page iii. During the year 2022, the first team of the Board of directors retired and the second team of the Board of Directors was appointed with effect from January 2023.

Auditors

The Auditor General is responsible for the statutory audit of the *Tetu TVC* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. The office of the auditor General is expected to carry out the audit of the *Tetu TVC* for the financial year ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015.

By Order of the Board



.....
Secretary of the Board/Council

Nairobi

Date: 26/09/2024

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

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

The Council members are responsible for the preparation and presentation of the *Tetu TVC's* financial statements, which give a true and fair view of the state of affairs of the *Tetu TVC* for and as at the end of the financial year ended on June 30, 2024. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *Tetu TVC*,
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) safeguarding the assets of the *Tetu 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 the *Tetu TVC's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *TVET Act 2015*. The council members are of the opinion that the *Tetu TVC's* financial statements give a true and fair view of the state of *Tetu TVC's* transactions during the financial year ended June 30, 2024, and of the *Tetu TVC's* financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the *Tetu TVC*, which have been relied

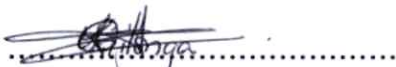
TETU TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

upon in the preparation of the *Tetu TVC's* financial statements as well as the adequacy of the systems of internal financial control.

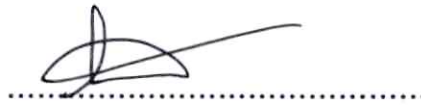
In preparing the financial statements, the Principal has assessed the *Tetu TVC's* ability to continue as a going concern *and* nothing has come to the attention of the Council members to indicate that the *Tetu TVC* will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The *Tetu TVC's* financial statements were approved by the Board on 26th September 2024 and signed on its behalf by:



Name: Dr. Mercy Mwaniki
Chairperson of the Board/Council



Name: Catherine Wangechi
Accounting Officer/Principal

REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

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

PREAMBLE

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

- A. Report on 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 Tetu Technical And Vocational College set out on pages 1 to 30 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 year then ended 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 present fairly, in all material respects, the financial position of Tetu Technical And Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Public Finance Management Act, 2012 and Technical and Vocational Education and Training Act, 2013

Basis for Qualified Opinion

1.0 Long Outstanding Trade and Other Receivables

The statement of financial position and Note 15 to the financial statements reflect the current portion of receivables from exchange transactions balance of Kshs.16,005,503. Review of supporting schedules indicated the balance includes Kshs.6,219,030 which have remained outstanding for more than one year. Further, in the financial year under review, out of total expected fees of Kshs.19,046,034 as reported in the statement of financial performance, Kshs.9,786,473 (51%) was not collected despite services being rendered, further affecting the cashflow of the college. If appropriate measures are not taken, this balance may continue to increase over time and the college may not recover the overdue debt.

In the circumstances, the accuracy and recoverability the current portion of receivables from exchange transactions amount of Kshs.16,005,503 could not be confirmed.

2.0 Inaccuracies in Property, Plant and Equipment

The statement of financial position and Note 17 to the financial statements reflects property, plant and equipment amount of Kshs.130,968,154. Review of the asset register provided for audit showed that the total assets amounted to Kshs.125,992,163, resulting in unexplained and unreconciled variance of Kshs.4,975,991. It was further noted that

the college had not finalized the process of acquiring title deeds of parcels of land it owned, including land worth Kshs.5,000,000 that was donated to the college by the community in the financial year under review, and as a result, the college did not have clear legal proof of ownership to its parcel of land, which may have exposed the college to disputes with individuals or entities claiming ownership of the land.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.130,968,154 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects rendering of services fees from students' final budget of Kshs.33,756,650 and actual receipt of Kshs.54,813,597 resulting in budget overperformance of Kshs.21,056,947 or 138% of the budget. Similarly, review of the statement of comparison of budget and actual amounts reflected final budget on capital expenditure of Kshs.10,713,110 and actual payments of Kshs.5,371,491 resulting in under expenditure of Kshs.5,341,619 or about 50%. In addition, it was further noted that there was over expenditure in three (3) components as follows:

Audit Components	Current Year Final Budget Figures Kshs.	Current Year Actuals Amount Kshs.	Over Expenditure Kshs.	Difference %
Use of Goods and Services	17,698,540	27,563,334	(9,864,794)	(56)
Employee Costs	2,925,000	8,010,430	(5,085,430)	(174)
Repairs and Maintenance	1,032,000	2,526,760	(1,474,180)	(145)

The overperformance indicates that the budget making process may not have been credible while the under absorption of the budget may impact negatively on service

delivery to the public. Further, over expenditure is an indication of weak internal controls in vote book management.

My opinion is not modified in respect of this matter

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

Conclusion

The Management is responsible for the Other Information set out on page ii to xlv which comprise of Key Entity Information and Management, Council/Board of Governors , Key Management team, Chairman's Statement, Report of The Chief/Senior Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Council/Board of Governors, Statement of Board of Governors/Council's Responsibilities and Report of the Independent Auditors on Tetu Technical And Vocational College.

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

Basis for Conclusion

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 and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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

Basis for Conclusion

Engagement of Unregistered and Unlicensed Tutors

The statement of financial performance and Note 16 to the financial statements reflect employee costs amounting to Kshs. 8,010,430. A review of human resource records revealed that eleven (11) trainers employed by the board of governors of the college who were paid gross annual income of Kshs 1,754,000 and fifty-one (51) trainers employed by the Public Service Commission (PSC) were not licensed or registered with the Technical and Vocational Education and Training Authority (TVETA) as required.

In the circumstances, Management was in breach of law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1.0 Lack of Human Resource Unit & Unimplemented Staff Establishment

The statement of financial performance and Note 16 to the financial statements reflect employee costs amounting to Kshs.8,010,430. A review of the approved staff establishment revealed that, as of 30 June, 2024, the academic department and non-academic department had 195 and 30 positions respectively, out of which only 48 and 16 had been filled respectively, resulting in a staffing shortfall of 147 and 14 respectively.

In the circumstances, the absence of human resource unit and substantial number of unfilled positions may hinder the college's ability to effectively deliver its mandated services.

2.0 Failure to Tag Assets

Statement of financial position and Note 17 to the financial statements reflects property, plant and equipment amount of Kshs.130,968,154. Review of the college records showed that the assets had not been serialized, and they lacked proper tagging for identification.

In the circumstances, management, reconciliation and traceability of the college assets may not be effective.

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 the Management and those Charged with Governance

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

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

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

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

Those charged with governance are 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

19 May, 2025


TETU 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	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	1,500,000	7,975,745
		1,500,000	7,975,745
Revenue from Exchange transactions			
Rendering of services- fees from students	10	53,099,285	9,754,870
Miscellaneous income	14	214,312	145,620
Revenue from Exchange transactions		53,313,597	9,900,490
Total Revenue		54,813,597	17,876,235
Expenses			
Use of goods and services	15	27,411,772	8,093,279
Employee costs	16	8,010,430	3,379,977
Board /Council Expenses	17	730,000	970,500
Depreciation and amortization expense	18	5,371,491	4,095,470
Repairs and maintenance	19	2,526,760	603,369
Total Expenses		44,050,453	17,142,595
Net surplus/(deficit) for the year		10,763,145	733,640

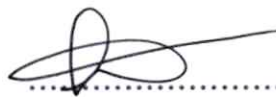
(The notes set out on pages 6 to 33 form an integral part of the Annual Financial Statements).

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



Chairman of Council/Board

Date 26.09.2024



Principal

Date



Finance Officer

ICPAK No : 25452

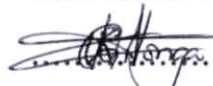
Date : 26/09/2024

TETU TECHNICAL AND VOCATIONAL COLLEGE
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15. Statement of Financial Position as At 30th June 2024


Description	Notes	FY	FY
		2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	14	2,478,666	731,926
Current portion of receivables from exchange transactions	15	16,005,503	6,219,030
Receivables from non-exchange transactions	16	-	500,000
Total Current Assets		18,484,169	7,450,956
Non-Current Assets			
Property, plant, and equipment	17	130,968,154	107,682,644
Total Non-Current Assets		130,968,154	107,682,644
Total Assets		149,452,323	115,133,600
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	19	20,473,970	1,902,781
Total Current Liabilities		20,473,970	1,902,781
Total Liabilities		20,473,970	1,902,781
Net Assets			
Revaluation Reserves		39,781,700	39,781,700
Accumulated Surplus		14,839,939	3,743,854
Capital Fund		74,356,714	69,705,265
Total Net Assets and Liabilities		149,452,323	115,133,600

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



Chairman of Council/Board

Date 26.09.2024



Principal

Date 26/09/2024



Finance Officer

ICPAK No : 25452

Date : 26/09/2024

TETU TECHNICAL AND VOCATIONAL COLLEGE
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16. Statement of Changes in Net Asset for The Year Ended 30 June 2024

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2022	39,781,700	2,067,133	69,571,819	111,420,652
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	733,640	-	733,640
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained Earnings	-	1,276,021	(1,276,021)	-
At June 30, 2023	39,781,700	4,076,794	68,295,798	112,154,292
At July 1, 2023	39,781,700	4,076,794	68,295,798	112,154,292
Revaluation gain	-	-	16,824,061	16,824,061
Surplus/(deficit) for the year	-	10,763,145	(10,763,145)	(0)
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	39,781,700	14,839,939	74,356,714	128,978,353

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

Description	Notes	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		1,500,000	7,975,745
Rendering of services- fees from students		43,312,812	9,754,870
Miscellaneous income		214,312	145,620
Total Receipts		45,027,124	17,876,235
Payments			
Use of goods and services		27,563,334	8,093,279
Employee costs		8,010,430	3,379,977
Board /Council Expenses		730,000	970,500
Repairs and maintenance		2,706,180	603,369
Total Payments		39,009,944	13,047,125
Net Cash Flows from operating activities	19	6,017,181	4,829,110
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(15,949,959)	(568,604)
building shed			-
Increase in receivables and payables		9,284,716	(2,697,350)
Net cash flows used in investing activities		(6,665,243)	(3,265,954)
Cash flows from financing activities			
Net cash flows used in financing activities		-	-
Net Increase/(Decrease) in Cash and Cash equivalents		1,746,740	1,563,156
Cash and Cash equivalents at 1 JULY 2023	14	731,926	1,073,097
Cash and Cash equivalents at 30 JUNE 2024	14	2,478,666	731,926

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
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other National Government entities	1,500,000	-	1,500,000	1,500,000	-	-
Rendering of services- fees from students	31,956,650	-	31,956,650	53,099,285	21,142,635	66
Miscellaneous Income	300,000	-	300,000	214,312	(85,688)	(29)
Total Income	33,756,650	-	33,756,650	54,813,597	21,056,947	62
Expenses						
Use of goods and services	17,698,540	-	17,698,540	27,411,772	(9,713,232)	(55)
Employee costs	2,925,000	-	2,925,000	8,010,430	(5,085,430)	(174)
Board /Council Expenses	1,388,000	-	1,388,000	730,000	658,000	47
Repairs and maintenance	1,032,000	-	1,032,000	2,526,760	(1,494,760)	(145)
Total Expenditure	23,043,540	-	23,043,540	38,678,962	(15,635,422)	(68)
Surplus For the Period	-	-	-	10,763,145	(10,763,145)	
Capital Expenditure	10,713,110	-	10,713,110	5,371,491	5,341,619	50

TETU TECHNICAL AND VOCATIONAL COLLEGE
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19. Notes to the Financial Statements

1. General Information

Tetu Technical and vocational college is established by and derives its authority and accountability from TVET Act of 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to offer of technical and 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 *Tetu TVC'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 17.

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> 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 cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.

TETU TECHNICAL AND VOCATIONAL COLLEGE
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	<p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

- a) Revenue recognition
 - i) Revenue from non-exchange transactions

Transfers from other government entities

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

- ii) Revenue from exchange transactions

Rendering of services

Tetu TVC 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 approved by the Council or Board on *26TH May 2023*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of ksh.8, 000,000 on the FY 2023/2024 budget following the Council/ Board's approval. Tetu TVC'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 4 of these financial statements.

e) Investment property

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

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, Tetu TVC 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) Intangible assets

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

f) Research and development costs

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

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

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

Trade and other receivables

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

g) 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.

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Contingent liabilities

Tetu TVC 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

Tetu TVC 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 Tetu TVC 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.

h) Social Benefits

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

i) Nature and purpose of reserves

Tetu TVC creates and maintains reserves in terms of specific requirements. The college maintains revaluation, retained and capital reserves which forms part of the total funds of the college.

j) Changes in accounting policies and estimates

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

k) Employee benefits

Retirement benefit plans

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

l) Foreign currency transactions

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

m) Borrowing costs

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

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

n) Related parties

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

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o) Service concession arrangements

Tetu TVC 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.

p) 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.

q) Comparative figures

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

r) 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 Tetu TVC 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 Tetu TVC.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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6. Transfers from other National Government entities

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	0	3,772,770
Operational Grant	1,500,000	2,000,000
Total unconditional Grants	1,500,000	5,772,770
Conditional Grants amortised/ recognised in revenue		
HELB	-	2,075,000
SPONSORSHIP	-	127,975
Total Government Grants and Subsidies	1,500,000	7,975,745

7. Rendering of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition	32,047,534	3,342,060
Administration	11,692,979	551,395
Practical	192,701	321,055
Capacity Building Development	37,940	26,920
P. Emolument	1,769,368	853,110
Casuals	166,313	215,280
Local Transport & Travelling	489,671	254,390
Repair Maintenance & improvement	303,419	137,345
Electricity water & conservancy	711,594	311,685
Activity	415,754	232,240
Student Welfare	113,775	67,420
Insurance	199,072	118,000
Kenya National Examination Council	588,901	1,322,575
Gratuity	29,978	57,100
Attach	156,970	177,680
College Identity Card	62,729	77,550
National Industrial Training Authority	209,087	309,505
Bursary	3,911,500	1,379,560
Total revenue from the rendering of services	53,099,285	9,754,870

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8. Miscellaneous Income

Description	2023-2024	2022-2023
	Kshs	Kshs
Sale of tender documents	14,000	4,000
Farm income	29,478	5,150
Computer packages	21,000	61,750
production unit	147,239	100
Replacements	800	0
Marketing	1,795	74,620
Total other income	214,312	145,620

9. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Training Equipment	475,970	81,200
Training Materials	3,960,093	1,685,050
Kenya National Examination Council	1,034,313	512,857
National Industrial Training Authority	367,468	217,205
Attachment	313,093	242,421
Sports	678,258	95,817
Admin Expenses	1,283,114	407,100
Hospitality	985,919	330,824
Internet	515,606	172,300
Electricity	669,773	280,481
Water & Conservancy	51,767	24,920
Stationery/Photocopies	566,260	183,121
Transport	933,731	82,190
Bank Charges	6,633	8,453
Marketing	1,649,938	155,740
Subsistence Allowance	6,952,465	1,971,900
Local Travelling & Transport	123,434	74,100
Posta Rental Charges	7,725	7,725
S/Welfare	910,479	56,600
Subscription to KATTI	849,760	398,500
Subscription to KUCCPS	73,738	0
Subscription to TVET Activities	1,103,408	167,440
Production Units (PU)	614,464	128,975
Performance Contracting (PC)	138,000	186,520
Security	470,000	374,000
CAPACITY BUILDING	330,560	247,840
Insurance Cover	146,777	0
NYS Materials	2,199,026	0
Total good and services	27,411,772	8,093,279

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10. Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
P. emoluments	5,238,236	2,493,399
Part-Time Trainer	310,250	251,600
Casuals	581,277	251,400
NSSF	577,602	124,280
NHIF	178,850	79,150
PAYE	518,558	33,864
HELB Deductions	53,657	33,284
Salary advance	552,000	113,000
Employee Costs	8,010,430	3,379,977

11. Board/Council Expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Chairman's Honoraria	51,000	12,000
Directors Emoluments	679,000	958,500
Other Allowances	0	0
Other Board/Council Expenses	0	0
Total	730,000	970,500

12. Depreciation and Amortization expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Buildings	1,665,156	1,695,022
Computer & ict infrastructure	1,134,818	198,596
Furniture & fittings	1,443,877	784,549
Plant, machinery & equipment	627,639	1,417,303
Motor vehicles	500,000	-
Total depreciation and amortization	5,371,491	4,095,470

13. Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
Property	2,526,760	603,369
Total Repairs and Maintenance	2,526,760	603,369

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14. Cash and Cash Equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Account	2,473,903	719,382
Cash	4,763	12,544
Total Cash and Cash Equivalents	<u>2,478,666</u>	<u>731,926</u>

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

		2023-2024	2022-2023
Financial Institution	Account number	Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1259486818	2,454,775	432,743
Kenya Commercial Bank	1298143977	19,128	286,639
Co-operative Bank	01100923589001	36,048	0
Sub- Total		<u>2,473,903</u>	<u>719,382</u>
b) Others(Specify)			
Cash in Hand		4,763	12,544
Sub- Total		<u>4,763</u>	<u>12,544</u>
Grand Total		<u>2,478,666</u>	<u>731,926</u>

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15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Student Debtors	16,005,503	6,219,030
Total Current Receivables	16,005,503	6,219,030

15 (b) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
At the beginning of the year	6,219,030	2,924,245
Additional provisions during the year	9,786,473	3,294,785
Recovered during the year		0
Written off during the year		0
At the end of the year	16,005,503	6,219,030

16. Receivables from Non-Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Capitation Grants*	0	500,000
Recurrent grants	0	0
Total Current Receivables	0	500,000

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

Description	2023-2024	2022-2023
	Kshs	Kshs
At the beginning of the year	500,000	1,000,000
Additional provisions during the year	0	500,000
Recovered during the year	-500,000	-1,000,000
Written off during the year	0	0
At the end of the year	0	500,000

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17. Property, Plant and Equipment

	Land	Buildings	Furniture and fittings	Computer & ICT Infrastructure	Plant, Machinery and equipment	Motor Vehicles	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 30th June 2023	10,000,000	85,315,622	4,031,551	1,020,524	7,314,947	-	107,682,644
Additions	5,000,000	807,000	-	12,850,000	-	10,000,000	28,657,000
Disposals	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-
At 30 th June 2024	15,000,000	86,122,622	4,031,551	13,870,524	7,314,947	10,000,000	136,339,644
Depreciation And Impairment							
Depreciation	-	1,665,156	627,639	1,443,877	1,134,818	500,000	5,371,491
At 30 th June 2023	-	1,665,156	627,639	1,443,877	1,134,818	500,000	5,371,491
Net Book Values							
At 30 th June 2023	10,000,000	85,315,622	4,031,551	1,020,524	7,314,947	-	107,682,644
At 30 th June 2024	15,000,000	84,457,466	3,403,912	12,426,647	6,180,129	9,500,000	130,968,154

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Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by ICON professional valuers on 2021. These amounts were adopted in the financial statements on 2022.

17 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	15,000,000	0	15,000,000
Buildings	86,122,622	1,665,156	84,457,466
Plant And Machinery	7,314,947	1,134,818	6,180,129
Computers and Related Equipment	13,870,524	1,443,877	12,426,647
Office Equipment, Furniture, And Fittings	4,031,551	627,639	3,403,912
Motor Vehicles	10,000,000	500,000	9,500,000
Total	136,339,644	5,371,491	130,968,153

18. Trade and Other Payables

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade payables	12,720,258	826,700
Fees paid in advance	7,753,712	1,076,081
Total Trade and Other Payables	20,473,970	1,902,781

19. Cash generated from operations.

	2023-2024	2022-2023
	Kshs	Kshs
Surplus for the year before tax	645,691	733,640
Adjusted for:		
Depreciation	5,371,491	4,095,470
Working Capital Adjustments		
Increase in Receivables	9,286,473	445,679
Increase in Payables	18,571,189	213,950
Net Cash Flow from Operating Activities	6,017,181	4,829,110

20. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables from exchange transactions	6,219,030	-	-	-
Receivables from non-exchange transactions	500,000	500,000	-	-
Bank balances	719,382	-	-	-
Total	7,438,412	500,000	0	0
At 30 June 2024				
Receivables from exchange transactions	16,005,503	11,473,234	4,532,269	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	2,473,903	-	-	-
Total	18,479,406	11,473,234	4,532,269	0

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Financial risk management

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

Tetu TVC has no significant concentration of credit risk on amounts due from any other party.

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Trade payables	-	-	-	-
prepaid fees		68,000	38,680	106,680
refundable to customers		-	-	-
refundable to mentor		-	-	-
Total	-	68,000	38,680	106,680
At 30 June 2024				
Trade payables	12,720,258	-	-	12,720,258
prepaid fees		303,555	7,450,157	7,753,712
refundable to customers		-	-	-
refundable to mentor		-	-	-
Total	12,720,258	303,555	7,450,157	20,473,970

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(iii) Market risk

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

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

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

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

iv) Capital Risk Management

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	39,781,700	39,781,700
Retained Earnings	14,839,939	3,743,854
Capital Reserve	74,356,714	69,705,265
Total Funds	128,978,353	113,230,819
Total Borrowings	-	-
Less: Cash and Bank Balances	2,478,666	731,926
Net Debt/(Excess Cash and Cash Equivalents)	2,478,666	731,926
Gearing	-	-

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21. Related Party Balances

Nature of related party relationships

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

- i) The National Government;
- ii) The Parent Ministry; Ministry of Education
- iii) Tetu CDF
- iv) Local community
- v) Nyeri County Government
- vi) College Top management and trainers;
- vii) Board of Governors;
- viii) College trainees, sponsors and guardians.

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Transactions with Related Parties		
a) Grants /Transfers from the Government		
Grants from National Govt	1,500,000	7,975,745
Total	1,500,000	7,975,745
b) Key Management Compensation		
Directors' emoluments	730,000	970,500
Total	2,230,000	8,946,245

22. Events After The Reporting Period

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

23. Ultimate And Holding Entity

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

24. Currency

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Inaccuracies in the statement of cash flows	The error in the cash and cash equivalent of kshs.53, 602 arose from the omission of the balance reflected in the financial statements as decrease/ increase in receivables and payables respectively where the value of the receivables is understated by the amount. The misstatement in the cash flows rose as a result of adjusting the working capital where the variance of Kshs. 4,119,085 is a result of reconsidering the net cash flows from the operating activities twice in the statement of cash flow.	Resolved	30/6/2023
2.	Unconfirmed Property, plant and Equipment Balance	The audited financial statements for year 2020/2021 were adopted on the basis of equivalent valuations as the college was in early stage of development after being handed over from its mentor institution. In the year 2021/2022, the college managed to value its	Resolved	30/6/2023

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		property, plants and equipment and resonated to adopt the valuer rates hence adjusting the value from Kshs.106, 123,733 to Ksh. 109,591,809. The process of acquiring the title deed is in the final stages where with the advice from the National lands commission, the college has been advised to consult with the Nyeri lands office.		
3.	Unconfirmed Cash and Cash Equivalents Balance	The misclassification arose out of the college being its first time to execute the warrant to the staff personnel undertaking the trainings to better service delivery to the institution. With the advice by the auditors from your office, the college is better placed now to classify the transactions and report the correct values.	Resolved	30/6/2023
Other matter				
1.	Budgetary Control and Performance	The college was unable to meet the intended spending due to the financial constraints where the major source of revenue which is fee from the students was	Resolved	30/6/2023

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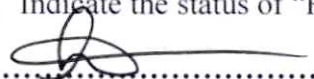
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		inadequate due to non-achievement of the target population number. The low population constituted to the college in adoption of priority spending based on the needs at hand and the underperformance mainly was declined in the development activities where intended structures worth Kshs. 6 million were not put in place.		
2.	Unresolved Prior Year Matters			
	a) Staff Ethnic Diversity	The human resource of Tetu technical and Vocation College is on the lookout for the ethnic composition of the institution. With the growing population of students, the college is in the process of increasing the staff population where equal opportunities are offered to all qualified personnel. Thus, with time the college will resolve the issue of ethnic diversity.	Resolved	Gradual

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	b) Failure to deduct and remit Board's Pay-As-You-Earn (PAYE)	The issue of the Board of Governors' remuneration is in effect for the tax deduction where in the next financial year, the PAYE deductions are in place and the BOG members are aware of the same upon consultation with the KRA office. It was agreed with the office of KRA the expense to be categorized as facilitation of the BoG instead of allowances.	Resolved	30/6/2023

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for 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- Catherine W. King'ori

Date : 26TH SEPTEMBER 2024

Appendix II: Projects Implemented by TETU TVC

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)
Provision of college Bus	2023/2024/1	TETU NG-CDF	1 YEAR	100% FINANCING	YES	YES
Fully equipped ICT Jitume Lab	2023/2024/2	Tetu TVC, MoE State department of TVET & Ministry of ICT	1 YEAR	100%	YES	YES
Prefab lecture shed for electrical department	2023/2024/3	Tetu TVC	6 MONTHS	100% FINANCING	YES	YES

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Provision of college Bus	8,500,000	8,500,000	100%	8,000,000	8,500,000	TETU NG-CDF
2	Fully equipped ICT Jitume Lab	15,000,000	15,000,000	100%	15,000,000	15,000,000	Tetu TVC, MoE State department of TVET & Ministry of ICT
3	Prefab lecture shed for electrical department	800,000	800,000	100%	1,000,000	800,000	Tetu TVC

TETU TECHNICAL AND VOCATIONAL COLLEGE
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Appendix III- Inter-Tetu TVC Confirmation Letter



MINISTRY OF EDUCATION
 STATE DEPARTMENT OF TECHNICAL & VOCATIONAL TRAINING
TETU TECHNICAL AND VOCATIONAL COLLEGE
 P.O BOX 1716 - 10100, NYERI TEL: 0758 660 300
 Website: www.tetutvc.ac.ke E-mail: info@tetutvc.ac.ke tetutvc@gmail.com



The *Ministry of Education* 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 Tetu TVC as at 30th June 2024							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2024				Amount Received by [beneficiary Tetu TVC] (KShs) as at 30 th June 2024 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	Capitation						
999999FT2	18 th July 2023	1,360,000			1,360,000	1,360,000	0
999999FT2	2 nd October 2023	1,204,000			1,204,000	1,204,000	0
999999FT2	18 th January 2024	1,605,500			1,605,500	1,605,500	0
999999FT2	5 th February 2024	1,836,000			1,836,000	1,836,000	0
MOE VTT	27 th February 2024	5,254,180			5,254,180	5,254,180	0
MOE VTT	6 th march 2024	577,825			577,825	577,825	0
RTGS	31 st may 2024	1,370,425			1,370,425	1,370,425	0

TETU TECHNICAL AND VOCATIONAL COLLEGE

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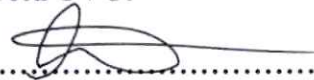
PAYMENT							
	Sub-total	<u>13,208,930</u>			<u>13,208,930</u>	<u>13,208,930</u>	0
	grants						
999999FT2	2 nd October 2023	500,000			500,000	500,000	0
999999FT2	18 th January 2024	500,000			500,000	500,000	0
999999FT2	5 th February 2024	500,000			500,000	500,000	0
	Sub-total	<u>1,500,000</u>			<u>1,500,000</u>	<u>1,500,000</u>	0
Total		<u>14,708,930</u>			<u>14,708,930</u>	<u>14,708,930</u>	0

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

Head of Accountants department of beneficiary Tetu TVC:

Name Catherine Wangechi King'ori

Sign



Date 26/9/2024

