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REPORT

OF

THE AUDITOR-GENERAL

ON

**KIPKABUS TECHNICAL AND VOCATIONAL
COLLEGE**

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

11





OFFICE OF THE AUDITOR -GENERAL
CENTRAL RIFT REGIONAL OFFICE

09 MAY 2023

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KIPKABUS TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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



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I. Key Entity Information and Management

(a) Background information

Kipkabus Technical & Vocational College is situated in Uasin-Gishu County, Kenya. It was established in 2018 as a Technical and Vocational College. It was equipped with equipment's by the government for Mechanical workshop.

The entity has four departments respectively and is as follows; Building and Civil Engineering, Mechanical Department, Information Communication Technology Department and Administrative Department.

Kipkabus Technical and Vocational College was fully equipped by the Ministry of Education with Mechanical Engineering machines including Lead Machine.

(b) Principal Activities

The principal activity of Kipkabus Technical and Vocational College is to offer high quality Technical Training and carry out innovative research within and outside the college

Vision

To use our unlimited passion for technology content and services to deliver high quality skills

Mission

To provide high quality technical industrial & vocational training in a conducive environment using appropriate technology to empower trainees for individual and national development.

Strategic Objectives

- 1) To provide conducive environment for learning
- 2) To provide Technical training and re- skilling opportunities
- 3) To enhance integrations of Information Communication Technology in management, training and learning
- 4) Promote strategic collaboration and linkages with industries and other institutions
- 5) Promote entrepreneurship, innovation and research

Core Values

To meet the expectations of our stakeholders, we are committed to the following values: -

- 1) Professionalism,
- 2) Transparency
- 3) Accountability
- 4) Integrity

(c) Key Management

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

1. Board of Governors
2. Accounting officer/ Principal
3. Deputy Principal
4. Registrar
5. Dean of Students

- 6. Finance Officer
- 7. Procurement Officer
- 8. Heads of Departments

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Joseph K.Kemei
2.	Deputy principal Administration	Jackson N.Sorim
3	Deputy principal Academics	Dr Priscah Choge
4	Registrar (s)	Sheila Mutai
5	Dean of students	Raphael Korir
6	Head of Finance	CPA Elijah K.Chirchir
7	Procurement Officer	Newton K. Bett

(e) Fiduciary Oversight Arrangements

The key fiduciary oversight arrangements in the Institute are as follows;

1. Finance, Infrastructure and General-Purpose committee chaired by Kennedy Mwendwa
 He is practising Engineer and a Consultant.
 They deal with finance matters and approve policies.
2. Education, Human Resource and Training committee chaired by Dr. Zuhra M. Chepkoech
 She has worked as a Lecturer at Moi University.
 They do an oversight of education and human resource activities of the institution.
3. Audit and Risk Management chaired by Dr. Elijah Omutange
 He works as a lecturer at Moi University.He seats at Kipkabus Technical and Vocational College B.O.G as a member. They do an oversight of the audit and manage risk at Kipkabus Technical and Vocational College.

Key Entity Information and Management (Continued)

(f) Entity Headquarters

Kipkabus Technical and Vocational College
 P.O. Box 10882-30100
 Eldoret - Kenya
 40 km off Eldoret – Ainabkoi highway, approximately 40km from Eldoret.
 Eldoret, KENYA

(g) Entity Contacts

Telephone: (254) 717130180
E-mail: info@ktvc.ac.ke
Website: www.ktvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Eldoret East Branch
P.O BOX 01-30100
ELDORET

Other Commercial Banks
There are no other commercial banks held by the college





(i) Independent Auditors

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



(j) Principal Legal Adviser

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



II. The Council/Board of Governors

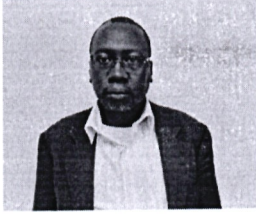




No.	Member/ Director	Details
1.	 Adv. Caroline Kiboss Lawyer, Bachelor of Law	Adv. Caroline Kiboss was born in the year 1975. She works as a lawyer at Advocate Kiboss and CO. Advocates. She has a Degree in Law and a graduate Diploma of the Kenya School of Law. She seats at Kipkabus Technical and Vocational College B.O.G as a Chairperson.
2.	 Dr. Zurah Chepkoech Mohammed	
3.	 Ms. Mary K Chepkemboi	
4.	 Mr John M Ndirangu	
5.	Mr Ronald R Omullo	
6.	Dr. Elijah Omutange	
7.	Mr Kennedy Mwendwa	
8.	Ms Joan Omuruli	

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9.	 Joseph Kemei Principal /Sec Board of Governors	Joseph Kemei is the Principal Kipkabus Technical and Vocational College. He has more than 20 years in service as a Principal.
10.	 Mr Gichuru Mutulili County Director Technical and Vocational Education and Training	Gichuru Mutulili is the County Director Technical and Vocational Education and Training of Uasin Gishu county. He is a member of the Audit and Risk Management

III. Management Team

No.	Member/ Director	Details
1.	 Joseph Kemei Principal/Board Of Governors Secretary	Joseph Kemei is the Principal Kipkabus Technical and Vocational College. He has more than 20 years in service as a Principal.
2.	 Dr. Prisca Choge Deputy Principal	Dr. Prisca .J. Choge is the Deputy Principal Kipkabus Technical and Vocational College. She has 30 years' experience in service as a trainer. She holds a Doctorate of Philosophy in Business Administration with Jomo Kenyatta University Agriculture and Technology, A Master of Business management (Strategic Management) with Moi University and a Bachelor of Business management with Moi University. She has a Higher Diploma in Human Resource Management with KNEC and is a member of Institute of Human Resource.

3.	 Jackson Sorim Deputy Principal Administration	Jackson Sorim is the Deputy principal Administration at Kipkabus Technical and Vocational College. He has years' experience as a trainer. He holds a Bachelor's Degree in Mechanical Technology with Moi university
4.	 M.s Sheila Mutai Registrar	Sheila Mutai is the Institute Registrar. She has 11 years of experience as a trainer. She holds a Degree in Information Communication Technology with Makerere University of science and technology (Uganda) and a Diploma in Management, Project management Option with Kenya Institute of Management (KIMS).
5.	 Mr. Josphat Kebenei Head Of Department Building & Civil	Josphat Kebeney is the Head of department Building and Civil Engineering. He has 3 years of experience as a trainer. He holds a diploma in civil engineering with Kenya National Examination Council
6.	 Mr. John Kimaiyos Chepkirwok Head Of Department Mechanical Department	John K. Chepkirwok is the Head of department Mechanical Engineering. He holds a Diploma in Automotive Engineering with Kenya National Examination Council and Diploma in Technical Education Automotive option with Kenya Technical teachers' college.
7.	 CPA Elijah K. Chirchir Finance Officer	CPA Elijah K. Chirchir is the Head of Finance. He has done Certified Public Accounts (CPA) Finalist and is registered with the Institute of Certified public Accountants of Kenya (ICPAK). He has a Degree in Bachelor of Commerce-Finance Option with KCA University.
8.	 Maureen Chepkoech Head of Department Information Communication Technology	Maureen Chepkoech is the Head of Department Information Communication Technology. She holds a Diploma in Technical Education Programme (TEP) from Rift Valley Institute Of Science And Technology and Bachelor's Degree in Education (Technology Education)

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	Mrs. Maureen CHepkoech Head Of Department Information Communication Technology	Computer studies with University of Eldoret
9.	 Mr. Victor Kibet Industrial Liason Officer	Victor Kibet is the Industrial Liaison Office. He is concerned with linking of trainees with industries for attachments. He holds a Diploma in Automotive Engineering with Rift Valley Technical Training Institute and a Degree in Automotive Engineering with University of Eldoret.
10.	 Eng. Raphael Korrir Dean of Students	Raphael Korir is the Dean in the Institution. He is concerned with matters concerning students. He has 3 years of experience as a trainer. He has a Degree in Geospatial Engineering from the Technical University of Kenya and a Member of Institution of Surveyors of Kenya

IV. Chairman's Statement

It gives me great pleasure to present the 2021/2022 Annual Report to our stakeholders. We are immensely grateful to our staff, students, parents, donors, sponsors and collaborators for their continued commitment and support. Their support motivates and gives us the strength to drive the institution forward, to build on and consolidate the institute's strong profile, good reputation and positive impact, of mention is the increase in student enrolment that registered a big stride through the government initiative in Technical and Vocational Education and Training and vigorous marketing. In Kenya, education experts have predicted that the success of economic growth will be hinged on an adequate supply of middle-level technical skills. To address this concern, the government has moved to implement the Technical and Vocational Education and Training Act (2013). This has resulted in increased funding for the Technical and Vocational Education and Training Institutions through Capitation, Development Grants and Higher Education Loans Board loans and bursaries.

The government's initiative in improving Technical and Vocational Education and Training sector brought along several opportunities including increased enrolment, linkages and collaborations. Along these were also high levels of expectations from student community, employees and other stakeholders. The strategic plan being implemented had envisaged to address the emerging challenges and took advantage of existing opportunities. It provides a clear roadmap to the Board of Governors and management during the period 2019-2023 of the institute's development priorities. The Institute continues to make tremendous achievement in fulfilling its mandate by continuing to provide physical and training facilities, employing skilled manpower and automating its operations. It is expected that the government will continue to contribute to the realization of our dreams as we look out to other partners and sources of revenue to fund the planned expansion.

Despite the difficulties that were experienced due to Covid-19 pandemic, we managed to bounce back fully during this financial year by completing several priority projects earmarked during the previous and this financial year. We were more encouraged by very good results that the Institute attained through trainees who posted good results in the Technical and Vocational Education and Training fairs and the institute have put in place good measures this year on the improvement of the Performance contracting. We have continued to maintain several measures following the directives of both the Ministry of Health and Ministry of Education regarding Covid-19. Through a collaborative process of management working among staff and trainees, with the full support of the Board of Governors, we have continuously worked to ensure that the Institute meets its financial obligations for sustainability and for its infrastructural expansion. We continue to improve training facilities to gain competitive edge and meet the requirements of the extremely competitive environment since every constituency boasts of a public Technical and Vocational Education and Training institution as well as Private Colleges.

Our commitment as a Board is to continue setting the right tone at the top geared towards the realization of the Institute's vision and mission. We feel indebted to all the stakeholders who contributed to the success of the just concluded financial year and look forward to continued cordial relations.

Adv. Caroline Kiboss


Board Of Governors Chairperson

Date: 08/05/2023

V. Report of the Principal

Kipkabus Technical & Vocational College is meant to offer high quality technical training, carry out innovative research and community outreach programmes for sustainable socio-economic development. This also enables the institute to contribute towards the attainment of our country's Vision 2030 blue print and support the drive in realising the objectives of the National Government's 'Big Four' agenda. The Financial Year 2021/2022 was a significant year as the Government continued to emphasis on Technical and Vocational Education and Training sector and it had recovery strategies from the Covid -19 that had disrupted the previous financial year. The Institute took decisive, immediate actions and deliberate changes to match the dynamics including renovations of facilities. During the financial year, the institute implemented activities towards to roll out its Strategic Plan. Resources were directed to marketing activities to increase student enrolment, infrastructural projects, training, research and Information Communication Technology activities. Some of the key priority areas implemented in the financial year under review are;

1. Construction of Eight temporary classrooms.
2. Acquisition of a 67 seater bus
3. Construction of a Fabricated Bus house
4. Construction of two pit latrines
5. Marketing of the Institute's Programmed
6. Completion of Building and Civil Engineering workshop

Prudent financial management remain top in our agenda. In the financial year 2021/2022, the exchequer contribution totaled to Ksh.20,640,000 for recurrent expenditure purposes as compared with Ksh 19,785,000 in the previous year. Internally generated income of Ksh 54,596,140 collected was from fees from regular students, National youth service trainees and hostel income. The Institute recorded an aggregate income of Ksh 87,982,140 during the year while the recurrent expenditure stood at KSh 77,785,799. There was no capital development funds received in this financial year by the institute. On behalf of the Board of Governors, I take this opportunity to thank the National Government for its tremendous support during the year under review. I also appreciate the financial, material and moral support of our collaborators, stakeholders and well-wishers during the period. It is because of the co-operation with the National Government through the Ministry of Education, the Board of Governors as well as the cooperation of the Management team, all staff, our students and other partners that we ended the year with stability.

It is my desire that we continue working together as a team in the financial year and beyond

Mr. Joseph Kemeci

PRINCIPAL

Date: 08/05/2023



VI. Statement of Performance against Predetermined Objective

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

Kipkabus Technical & Vocational College has five strategic pillars and objectives within its Strategic Plan for the Financial Year 2019/2020- 2023/2024. These strategic pillars are as follows:

Pillar 1: Teaching & Learning

Pillar 2: Physical Infrastructure

Pillar 3: Governance and Management

Pillar 4: Information Communication Technology

Pillar 5: Finance

The institute 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 institute achieved its performance targets set for the Financial Year 2021/2022 period for its five strategic pillars, as indicated in the diagram below:

Strategic Pillar No.1	Objective	Key Performance Indicators	Activities
Teaching & Learning	To produce competent and skilled trainees	Enhance funding for training.	Increase budget allocation for training.
			Lobby Government for increased funding.
			Engage development partners for funding support
		Collaboration with the industry.	Identify areas of collaboration and probable industries of interest
			Establishing and strengthening collaboration
		Integrate Information Communication Technology in training.	Train 4 staff on basic Information Communication Technology skills
			Procure smart boards/other relevant teaching aid solutions
			Enhance Institution's communication and visibility Upgrade and update institutional website
Develop and implement CBET Curriculum.	Constitute a Technical committee to develop/adopt Curriculum Based Education Technology curriculum --		
	Develop a roll-out plan for the Curriculum Based Education Technology -- Three relevant curricula		
To enhance quality in service delivery	Effective and efficient curriculum implementation.		Full/complete curriculum implementation.
			Enhance Academic standards as stipulated in the academic policy.
			Review and update academic policy
			Implement Quality Management System , review and maintain standards
			Monitor and evaluate quality assurance standards implementation
	Enforce academic standards as stipulated in the academic policy.		

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		Review and update academic policy.	
		Implement Quality Management Systems, review and maintain standards.	
		Monitor and evaluate quality and assurance standards for all products and services.	
To strengthen collaboration and linkages with industry		Establish and strengthen collaborations and partnerships.	Establishing and strengthening collaboration
		Improve on supervision of attachment activities.	Upgrade the Management Information System include industrial attachment module
		Promote apprenticeship and internship placement	Develop and implement attachment, apprenticeship and internship policy
To promote innovation, creativity and research	Strengthen Research & Development unit.		Create a research and innovation fund
			Write research funding proposals from donors and NRF
			Provide relevant training and research facilities
			Collaborate with research institutions
			Develop a research and development policy
		Provision of relevant training and research facilities.	
		Collaborate with other research institutions.	
		Funding research, innovation and Set-up a business and innovation hub/ incubator.	
		Inculcate and nurture innovative culture – Seng up exhibition.	Set-up a business and innovation hub.
			Design/come-up with a competition and reward best innovations.
		Set-up a seed capital fund to finance incubation of startups	
	Fabrication and installation of hydram.		
To promote access and equity to training	Provide institutional academic scholarships to SET courses.		
	Promote gender equity.	Carry out motivational talks in targeted high schools	
		Develop gender centric initiatives to support either gender e.g sports, hostels allocation	
	Collaborate with industry and Small Markets for training, attachment and internship/apprenticeship.		
Market the Institute.	Develop a talent discovery/search programme through events e.g culture week, innovations expo.		

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			Participation in co-curricular activities e.g sports, Kipkabus Technical And Vocational College events	
			Advertise through print and electronic media.	
			Visits to secondary schools, attend graduations and public forums	
			Participate in Technical and Vocational Education and Training Fairs and exhibitions	
		Liaise with Kenya Universities and Colleges Central Placement Services (Kenya Universities And College Central Placements Service) for placement of students		
		Establish/set-up an E-learning centre		
	To enhance student's welfare	Participate in co-curricular activities.		
		Advocate for comprehensive and affordable insurance cover	Procure affordable insurance cover	
		Acquisition of 62-seater institute bus		
		Enhance security – install CCTV	Install CCTV cameras.	
		Improve recreational facilities	Repair the fields and internal sports arenas Adequately Kit all the teams	
		Improve student's wellbeing - Strengthen counselling		Increase participation in co-curricular activities
				Advocate for comprehensive insurance cover
				Create awareness on HIV/AIDS, Drugs and Substance abuse and facilitate voluntary counseling and testing s.
				Strengthen the counseling unit – proactive
			Acquire a 62-seater bus	
		Enhance student's governance structures		
Strategic Pillar No. 3	Objective	Key Performance Indicators	Activities	
Governance & Management	Maintain a competitive edge, corporate image and sustainable environment	Adhere and regular review of customer delivery charter.	Review customer service delivery charter Bi-annually.	
			Enforce adherence of service delivery charter.	
		To enhance institutional corporate image.	Participate in corporate social activities.	
		Enhance health, safety and disaster preparedness		

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		Enhance HIV/AIDS, drugs and substances abuse awareness.	
		Address disability concerns.	
		Promote integrity through prevention of corruption and resolution of public complaints	
Strategic Pillar No.4	Objective	Key Performance Indicators	Activities
Information Communication Technology	To promote use and adoption of Information Communication Technology	Adopt and operationalize e-Government strategy.	
		Enhance institutional Information Communication Technology security.	Enhance Information Communication Technology security – install firewalls etc Develop Information Communication Technology security policy Implement Integrated Security Management System based on ISO 27001
		Improve staff to computer ratio to 2: 1	Procure 25 additional computer and computer accessories for staff
		To link the institute to the national fibre optic grid	To link the institute to the national Fibre optic back bone grid
		Enhance access to LAN within the institution.	Extend LAN services to all offices Boost Wi-Fi coverage
		Enhance Information Communication Technology equipment and Systems security measures.	
		Increase Information Communication Technology literacy	
		Improve the Institutions' website	Upgrade the Institute's website
		Enhance Automation of core services in the institute- e.g. Students admission, E-learning	Install ERP /Modules
		Integrate Information Communication Technology into teaching and learning	Train 20 staff on basic Information Communication Technology skills

VII. Corporate Governance Statement

1. Code of conduct/ responsibilities of board members

Kipkabus Board of Governors relies on the prescription of the Technical and Vocational Education and Training Act, 2013 on the description of its responsibilities, functions and structure and ethical conduct.

2. Appointment and removal of Board of Governors

The appointment and removal of the Board of Governors is prescribed under the Technical and Vocational Education and Training Act, 2013. The appointing authority takes into consideration skills mix in selection to ensure persons with key specialization are included such as Information Communication Technology, Finance, Technical areas etc. it also factors in gender and ethnic representation as per the Constitution. The current Board of Governors was appointed by the Permanent Secretary Ministry of Education Science and Technology in 7th March 2022 and it is ment to run for the next three years.

3. Training

The Board of Governors attended induction training in corporate governance organized by the Ministry through the Technical and Vocational Education and Training in December 2019 and was attended by all members led by the Chairperson.

4. Board performance evaluation

There is a formal process for reviewing and evaluation of Boards performance and its committee

5. Conflict of interest

Declaration of conflict of interest is maintained in all meetings. A register of conflict of interest is maintained by the institution to record all the declarations

6. Board remuneration

The Board are entitled to sitting allowance as prescribed in the Kipkabus Technical and Vocational College Board allowances.

7. Succession plan

The current board does not have a succession plan as members appointed were given the same time of tenure. The Institute is in discussion with the parent ministry to stagger appointment of the Board members

8. Board meeting attendance

The board holds its meetings at least once every quarter. In Financial Year 2021/2022, meetings were held as follows;

	Nature of meeting	Ordinary	Special	Total
1	Full Board	4	2	6
2	Committee- Finance and infrastructure	2		2
	Finance and infrastructure	4	2	6
3	Special Board	1		1
4	Training	1 undertaken by Technical and Vocational Education and Training		

VIII. Management Discussion and Analysis

1) Financial performance

In the financial year 2021/2022, the exchequer contribution totaled to Ksh.20,640,000 for recurrent expenditure purposes as compared with Ksh 19,785,000 in the previous year. Internally generated income of Ksh 545,596,140 collected was from fees from regular students, National youth service trainees and hostel income. The Institute recorded an aggregate income of Ksh 87,982,140 during the year while the recurrent expenditure stood at Ksh 77,785,799.

Key projects and investment decisions

Capital projects are key to the growth and development of the Institute given its continued expansion and improvement of the required physical facilities to accommodate increasing population.

During the year under review, the major projects undertaken included Construction of Eight temporary classrooms, purchase of text books and furniture, Acquisition of 67-seater bus, Construction of a fabricated bus house. Marketing of the Institute's Programmes, and Extension of classrooms and offices. Due to Covid- 19 some of the projects earmarked during the financial year were not completed we however, look forward to completing them in the next financial year. The other challenges in implementation include delays in disbursement of funds. We have written a request for funding in aid of a stalled Building and Civil engineering workshop which was initially laid to the slab level by the contractor and its completion shall create offices has implementation were phased into four phases to avoid conflict with contractors and each stage is implemented as soon as funds are available.

2) Risks and opportunities

Strengths

- Experienced, committed and supportive Board of Governors
- Modern training equipment
- Community good will
- Existence of students' council
- Space for expansion
- Committed management team

Opportunities

- Increase of training programmes
- Increasing demand for technical education
- Harmonious relationship with the community
- Reliable food and affordable supplies
- Existence of Higher Education Loans Board, Constituency Development Fund and other Bursaries
- Partnership with other institutions
- Placement of trainees by Kenya Universities And College Central Placements Service

The Entities Challenges

- Inadequate Public Service Commission trainers
- Inadequate class rooms
- Delayed disbursement of Government of Kenya capitation and fees for sponsored students.
- Un consistent water flow.

3) Material arrears in financial obligation

There are no material arrears in financial obligation to the institute.

4) Compliance with statutory deductions

The institute complies with all the statutory obligations that include Pay As You Earn, National Social Security Fund, Higher Education Loans Board, and National Hospital Insurance Fund and there is no pending obligation known to the institution in regards to statutory obligation. The institute even holds a compliance certificates on the same.

5) Performance contracting

. The Performance contract for Financial Year 2018/2019 was not negotiated by the Board with the ministry of Education because the institute did not have all the documents required for negotiations i.e Strategic plan

6) Students welfare

The Dean of Students Office is mandated with management of all students' welfare matters. It supports welfare activities through the student council. These activities include election and managing students' council, participation in co-curriculum activities, guidance and counselling and inter religious activities.

IX.Environmental and Sustainability Reporting Statement

Kipkabus Technical & Vocational College exists to change lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on five pillars: putting the customer first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

We take it to be our responsibility to ensure that there is continuous improvement and integration with economic, environmental and social undertaking. We strive to work closely with our clients, suppliers, the local community, partners and other stakeholders.

2. Environmental performance

The environment is one key natural resources of the institution and operationalized through the institutes environmental policy the institute's commitment on reducing environmental impact is through tree planting and pursuing environmental audit to enable the colleges environmental performance improve

3. Employee welfare

The institute follows the guidelines of the public service human resource policy on recruitment, training and appraisal. We also adhere to the provision of the safety and compliance with Occupational Safety and Health Act of 2007, and have a policy in place that is being implemented.

4. Market place practices-

a) Responsible competition practice.

The institute brands itself as a corruption free zone and every member of staff is required to sign an integrity pact, provided corruption reporting and complaints boxes and developed code of conduct and whistle blowing policy

b) Responsible Supply chain and supplier relations- the institute follows the guidelines of Public Procurement Act, 2015 provisions and the Institute charter in handling its suppliers. We have also developed complaints and compliments structures that provide feedback mechanism.

5. Corporate Social Responsibility / Community Engagements

The Institute continue to work very closely with the community. In the financial year under review, we undertook several CSR activities that include continued support in provision of tea buying centre, use of the playing fields to host community tournament Competitions, repairs of water pipes during breakages which used by the college and the entire community

X. Report of the Council/Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022 which show the state of the Kipkabus Technical and Vocational College affairs.

Principal activities

The principal activity of the Kipkabus Technical and Vocational College is to offer high quality Technical Training, carry out innovative research and community outreach programmes for sustainable socio-economic development

Results

The results of the Kipkabus Technical and Vocational College for the year ended June 30, 2022 are set out on page 1 to 5

BOARD OF GOVERNORS

The members of the Board who served during the first and second quarter of financial year their term expired and the college inaugurated a new board in the third quarter of the financial year and they are as captured on page xi. All Board members are still on session since no Board member retired neither resigned.

Auditors

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

By Order of the Board

.....
Secretary of the Board

Nairobi

Date: 08/05/2023

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

Section 81 of the Public Finance Management Act, 2012 and require the council members to prepare financial statements in respect of Kipkabus Technical & Vocational College, which give a true and fair view of the of the college at the end of the financial year and the operating results of the institute for that year. The council members are also required to ensure that the Kipkabus Technical and Vocational College keeps proper accounting records which disclose with reasonable accuracy the financial position of the Institute. The council members are also responsible for safeguarding the assets of Kipkabus Technical and Vocational College.


The council members are responsible for the preparation and presentation of the Kipkabus Technical and Vocational College financial statements, which give a true and fair view of the of the Kipkabus Technical and Vocational College for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of Kipkabus Technical and Vocational College; (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 Kipkabus Technical and Vocational College financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The council members believe the Kipkabus Technical & Vocational College financial statements give a true and fair view of the state of the institutes transactions during the financial year ended June 30, 2022, and of the Institutes financial position as at that date. The council members further confirm the completeness of the accounting records maintained for Kipkabus Technical and Vocational College, which have been relied upon in the preparation of the Institutions financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the council members to indicate that the Kipkabus Technical & Vocational College will not remain a going concern for at least the next twelve months from the date of this statement.

. Approval of the financial statements

Kipkabus Technical & Vocational College financial statements were approved by the Board on
_____ 08/05/2023 _____ and signed on its behalf by:


.....
Name Adv Caroline Kiboss
Chairperson of the Board


.....
Name Joseph Kemer
Accounting Officer/Principal



REPUBLIC OF KENYA



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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON KIPKABUS TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kipkabus Technical and Vocational College set out on pages 1 to 54, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of

significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kipkabus Technical and Vocational College as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Non-Disclosure of Board of Governors Particulars

The information on the Board of Governors at page vi of the annual report and financial statements does not include key professional and academic qualifications, dates of birth, work experience, whether the member is independent or an executive member and which Committee of the Board the member chairs where applicable, for five (5) out of the nine (9) Board Members. Further, passport size photographs of four (4) out of the nine (9) Board Members have not been inserted against their names.

In the circumstances, the annual report and financial statements were not prepared in accordance with the financial reporting guidelines issued by the Public Sector Accounting Standards Board (PSASB).

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The College spent Kshs.56,341,994 against an approved budget of Kshs.78,648,500 resulting to an under expenditure of Kshs.22,306,506 or 28% of the budget.

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

2. Stalled Engineering Tuition Block Building

Physical inspection of the buildings within the College revealed that there is a building under construction which has stalled at the foundation level. Further, it was revealed that this was a tuition block for Building and Engineering being put up under the

supervision of the mentor institution (Rift Valley Technical Training Institute). However, the contract file or any other documents relating to the project were not provided for audit verification. Further, information provided indicate that the contractor has not been on site for over five years. In addition, there was no budgetary provision for the construction.

In the circumstances, the possibility of realizing the intended benefits from the project could not be confirmed.

3. Unexplained Increase in Trade and Other Payables

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.7,473,487 as disclosed in Note 34 to the financial statements. However, Management did not provide plausible explanation for the increase in trade and other payables by 403% from Kshs.1,486,271 in the financial year 2020/2021 to Kshs.7,473,487 in the year under review.

4. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management had not fully resolved the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Deduct Tax on Board of Governors' Allowances

The statement of financial performance reflects Board expenses amount of Kshs.1,089,270 as disclosed in Note 17 to the financial statements. Review of payment vouchers and Board records provided for audit revealed that sitting allowances was paid in full. Management did not withhold or deduct applicable tax for remittance to tax authorities. This is contrary to Section 3(1) of the Income Tax Act, 2015 which states that, subject to, and in accordance with, this Act, a tax to be known as income tax shall be charged for each year of income upon all the income of a person, whether resident or non-resident, which accrued in or was derived from Kenya and Section (2) (ii) which states that subject to this Act, income upon which tax is chargeable under this Act is income in respect of employment or services rendered.

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

2. Irregular Allowances Paid to the Board of Governors

The statement of financial performance reflects Board expenses amount of Kshs.1,089,270 as disclosed in Note 17 to the financial statements. Review of the Board of Governors' payment schedules and Board minutes revealed that the

Chairperson of the Board was paid sitting allowance at the rate of Kshs.15,000 per meeting, while the other Board of Governors Members were paid sitting allowance at the rate of Kshs.10,000. Further, the Board reviewed commuting allowances during the inauguration meeting held on 22 March, 2022 to be paid as follows: Nairobi, Kitui and beyond Kshs.10,000; Kisumu, Nakuru and Kitale at the rate of Kshs.6,000, Homabay Kshs.7,000 and Eldoret Kshs.4,000.

However, no evidence was provided indicating that the Cabinet Secretary approved the allowances contrary to Section 17 of the Second Schedule of the Technical and Vocation Education and Training Act, 2013 which requires that Members of a Board of Governors shall be paid in respect of their services such remuneration or allowances as the Board of Governors shall, with the approval of the Cabinet Secretary, determine.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and the Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation

of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

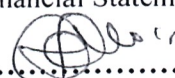
19 May, 2023

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

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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities Capitation	6	27,555,000	24,300,000
Grants from donors and development partners	7	0	0
Transfers from other levels of government UG County	8	5,831,000	0
Public contributions and donations	9	0	0
		33,386,000	24,300,000
Revenue from Exchange transactions			
Rendering of services- fees from students	10	24,359,240	23,833,370
Rendering of services- fees from NYS students	11	28,306,900	18,598,600
Hostel and Accommodation	12	1,930,000	6,006,000
Finance income	13	0	0
Other income	14	0	0
		54,596,140	48,437,970
Total Revenue		87,982,140	72,737,970
Expenses			
Use of goods and services	15	46,886,092	22,305,000
Employee costs	16	7,348,282	5,829,922
Board /Council Expenses	17	1,089,270	671,000
Depreciation and amortization expense	18	22,050,473	23,987,006
Repairs and maintenance	19	1,018,350	2,383,526
Contracted services	20	0	0
Grants and subsidies	21	0	0
Finance costs	22	0	0
		78,392,467	55,176,454
Total Expenses		78,392,467	55,176,454
Other Gains/(Losses)			
Gain on sale of assets	23	0	0
Unrealized gain on fair value of investments	24	0	0
Impairment loss	25	(0)	(0)
		0	0
Total Other Gains/(Losses)		0	0
Net surplus for the year		9,589,673	17,561,516

The Financial Statements set out on pages 21 to 28 were signed by:

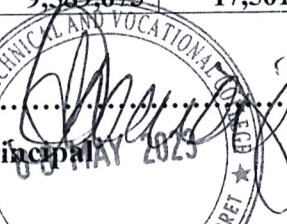
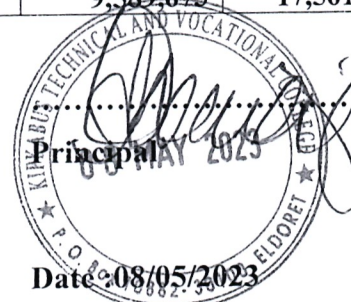
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Chairman of Council

.....

Finance Officer
ICPAK No ASSOC 4076
08 MAY 2023
Date :08/05/2023


Date: 08/05/2023

.....

Principal
08 MAY 2023
Date: 08/05/2023


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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	21,414,704	16,994,472
Current portion of receivables from exchange transactions	27(a)	18,934,997	17,290,331
Receivables from non-exchange transactions	28(a)	6,915,000	11,182,500
Inventories	29	0	0
Investments	30	0	0
		47,264,701	45,467,303
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	10,620,000	0
Long term receivables from non-exchange transactions	28(b)	5,752,500	0
Property, plant, and equipment	31	322,205,379	326,653,388
Intangible assets	32	1,855,000	0
Investment property	33	0	0
		340,432,879	326,653,388
Total Assets		387,697,580	372,120,691
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	34	7,473,487	1,486,271
Refundable deposits from customers	35	0	0
Current provisions	36	0	0
Finance lease obligation	37	0	0
Current portion of borrowings	41	0	0
Deferred income	38	0	0
Employee benefit obligation	39	0	0
		7,473,487	1,486,271
Non-Current Liabilities			
Finance lease obligation	37	0	0
Deferred income	38	0	0
Non-Current Employee Benefit Obligation	39	0	0
Non-Current Provisions	40	0	0
Borrowings	41	0	0
Service Concession Liability	42	0	0

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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Deferred Tax Liabilities	49	0	0
Total Liabilities		7,473,487	1,486,271
Net Assets			
Reserves		0	0
Accumulated Surplus as at 1 st July		-34,650,298	-52,211,814
Surplus for the year		9,589,673	17,561,516
Accumulated Surplus		-25,060,625	-34,650,298
Capital Fund		405,284,718	405,284,718
Total Capital & Reserves		380,224,093	370,634,420
Total Net Assets and Liabilities		387,697,580	372,120,691

The Financial Statements set out on pages 28 to 51 were signed by:

.....

Chairman of Board **Finance Officer** **Principal**

Date **Date** **Date**







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

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

Description	Royalties reserve	Fair value adjustment reserve	Retained earnings	Capital/ Development Grants/Fund	Total
At July 1, 2020	0	0	-52,211,814	405,284,718	353,072,904
Revaluation gain	0	-	-	-	0
Fair value adjustment on quoted investments	-	0	-	-	0
Total comprehensive income	-	-	17,561,516	-	17,561,516
Capital/development grants received during the year	-	-	-	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	(0)	-
At June 30, 2021	0	0	-34,650,298	405,284,718	370,634,420
At July 1, 2021	0	0	-34,650,298	405,284,718	370,634,420
Revaluation gain	0	-	-	-	0
Fair value adjustment on quoted investments	-	0	-	-	0
Total comprehensive income	-	-	9,589,673	-	9,589,673
Capital/development grants received during the year	-	-	-	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	0	(0)	-
At June 30, 2022	0	0	-25,060,625	405,284,718	380,224,093

(Note:

1. For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).

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

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

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other government entities/govt. Grants		20,640,000	19,762,500
Rendering of services- fees from students		20,649,064	0
Rendering of services- fees from NYS students		28,237,250	8,951,229
Examination Fees		2,901,418	18,455,600
Revenue from hostel and Accommodation		1,837,000	0
Total Receipts		74,264,732	47,169,329
Payments			
Compensation of employees		7,348,282	5,829,922
Use of goods and services		46,886,092	22,305,000
Repairs and Maintenance		1,018,350	2,383,526
Taxation paid		0	0
Other payments (Board Of Governors remuneration)		1,089,270	671,000
Total Payments		56,341,994	31,189,448
Net Cash Flows from operating activities	43	17,964,975	15,979,881
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(17,602,464)	(0)
Proceeds from sale of property, plant and equipment		0	0
Net cash flows used in investing activities		(17,602,464)	(0)
Cash flows from financing activities			
Repayment Of Borrowings		(0)	(0)
Deposits receipts		4,057,721	0
Net cash flows used in financing activities		(0)	(0)
Net Increase/(Decrease) in Cash and Cash equivalents		4,420,232	(15,979,881)
Cash and Cash equivalents at 1 JULY	26	16,994,472	1,014,591
Cash and Cash equivalents at 30 JUNE	26	21,414,704	16,994,472

The Financial Statements set out on pages 28 to 43 were signed by:

.....
 Chairman of Council/Board

Date

Finance Officer
 ACCOUNTANT
 ICPAK No
 Date 08 MAY 2023

Principal
 Date 08 MAY 2023

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

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

	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other govt entities and govt grants	35,002,500	(0)	35,002,500	33,386,000	(1,616,500)		4.62%
Public contributions and donations	0	(0)	0	0	(0)		0%
Rendering of services- fees from students	43,346,000	(0)	43,346,000	26,196,240	(17,149,760)		39.56%
Fees from NYS students	0	-	0	28,237,250	(28,237,250)		100%
Finance income	0	-	0	0	0		0%
Other income Application and Tender Fee	300,000	-	300,000	0	300,000		100%
Gains on disposal, rental income and agency fees	0	0	0	0	(0)		1%
Total Income	78,648,500	(0)	78,648,500	87,819,490	(6,983,120)		-887.89%
Expenses							%
Compensation of employees	14,796,000	-	14,796,000	7,348,282	(7,446,553)		5092.52%
Use of goods and services	60,414,000	(0)	60,414,000	46,886,092	(13,527,908)		21.82%
Finance costs	0	(0)	0	0	(0)		0%
Repairs and Maintenance	2,528,500	(0)	2,528,500	1,018,350	(1,510,150)		139.71%
Remuneration of directors	910,000	(0)	910,000	1,089,270	179,270		-1097.69%
Grants and subsidies paid	0	-	0	0	-		0%
Total Expenditure	78,648,500	(0)	78,648,500	56,341,994	(22,306,506)		40.63%
Surplus For the Period	-	-	-	31,477,496	7,218,890		0%

(Budget notes)

1. The differences of 100% witnessed in the fees from National Youth Service (NYS) arose since the fees from NYS weren't included in the budget.
2. The underutilization of the budget by Ksh.22, 913,538 resulted due to delayed disbursements from the government and student debtors hence the college couldn't realize the budget as approved.
3. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) provide a reconciliation.

XVIII. Notes to the Financial Statements

1. GENERAL INFORMATION

Kipkabus Technical & Vocational College is established by and derives its authority and accountability from Technical and Vocational Education and Training Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is Technical 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 judgement in the process of applying the Kipkabus Technical and Vocational College accounting policies. The areas involving more judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Kipkabus Technical & Vocational College.

The financial statements have been prepared in accordance with the Public Finance Management Act, the State Corporations Act, the Technical and Vocational Education and Training Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting</p>

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Standard	Effective date and impact:
	<p>Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classification of financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p>

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Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

iii. Early adoption of standards

Kipkabus Technical and Vocational College did not early-adopt any new or amended standards in year 2022.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

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

Interest income

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

Dividends

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

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for Financial Year 2021/2022 was approved by the Council or Board on **08/04/2021**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded additional appropriations on the Financial Year 2021/2022 budget following the Council/ Board's approval.

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

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

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

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule **xxx** of the **xxx** Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

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

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

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

e) Property, plant and equipment

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

f) Leases

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

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

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

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

g) Intangible assets

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

h) Research and development costs

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

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

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

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

j) Inventories

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

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

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

k) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) because 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 a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

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

Contingent liabilities

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

Contingent assets

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

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

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

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

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

o) Foreign currency transactions

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

p) Borrowing costs

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

q) Related parties

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

r) Service concession arrangements

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

s) Cash and cash equivalents

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

t) Comparative figures

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

u) Subsequent events

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

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. 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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 Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2021-2022 Kshs	2020-2021 Kshs
Unconditional Grants		
Capitation Grants	27,555,000	24,300,000
Operational Grant	0	0
Other Grants	0	0
	27,555,000	24,300,000
Conditional Grants		
Library Grant	0	0
Hostels Grant	0	0
Administration Block Grant	0	0
Laboratory Grant	0	0
Learning Facilities Grant	0	0
Other Organizational Grants	0	0
Total Government Grants and Subsidies	27,555,000	24,300,000

(a) Transfers from other Government entities (Categorized)

Name Of The Entity Sending The Grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund Kshs	Total grant income during the year Kshs	2020-2021 Kshs
State Department VTT	0	0	0	0	0
Ministry of Education	20,640,000	6,915,000	0	27,555,000	15,345,000
	-	-	-	-	-
Total	20,640,000	6,915,000	0	27,555,000	15,345,000

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Notes to the Financial Statements (Continued)

7. Grants from Donors and Development Partners

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

Reconciliations of grants from donors and development partners

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

8. Transfers from Other Levels of Government

Description	2021-2022	2020-2021
	Kshs	Kshs
	0	0
Transfer from Uasin Gishu County	5,831,000	0
Transfer from XX University	0	0
Transfer from XX Institute	0	0
Total Transfers	5,831,000	0

The transfer from county government of Uasin Gishu is for Fifty (50) trainees fully sponsored pursuing Artisan courses at Kipkabus Technical and Vocational College.

9. Public Contributions and Donations

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

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

10. Rendering of Services

Description	2021-2022 Kshs	2020-2021 Kshs
Personal Emoluments	9,580,522	9,331,200
Activity Fees	2,324,090	2,384,704
Industrial Attachment Fees	1,844,000	1,620,000
Examination Fees	2,901,418	2,761,966
Electricity, Water & Conservation	2,167,330	2,640,600
Local Transport and Travel	2,826,590	2,709,450
Repairs and Maintenance	1,793,290	1,575,450
Others (Medical and Insurance)	922,000	810,000
Total Revenue from The Rendering Of Services	24,359,240	23,833,370

This is revenue generated from a regular students placed by Kenya Universities and College Central Placements Service and walk Inns.

11. Fees from NYS students

Description	2021-2022 Kshs	2020-2021 Kshs
Tuition	12,807,340	5,994,000
Meals and Accommodation	11,917,500	7,592,400
Practical Fee	612,900	2,806,900
Exam Fee	2,837,500	2,205,300
Student Insurance	131,660	0
Total Revenue from Sale of Goods	28,306,900	18,598,600

This is revenue generated from a group of student's fully sponsored by the National Youth Service

12. Hostel and Accommodation

Description	2021-2022 Kshs	2020-2021 Kshs
Boarding Fees	1,837,000	6,006,000
Contingent Rental	0	0
Operating Lease Revenue		
Total	1,837,000	6,006,000

This is revenue generated from the hostel fees paid by students who reside within the college. It is charged Ksh.10,000/= per term. The income generated from hostel and accommodation reduced drastically since priority for hostel was given to National Youth Service students

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Notes to the Financial Statements (Continued)

13. Finance Income

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

14. Other Income

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

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Notes To The Financial Statements (Continued)

15. Use Of Goods And Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	9,945,163	10,639,094
Industrial attachment costs	367,593	233,043
Electricity & Water	1,443,411	680,733
Activities	1,129,632	142,320
Administrative expenses	15,201,509	0
Subscriptions	0	75,000
Advertising	0	227,894
Examination fees	3,063,660	833,360
Audit fees	0	0
Boarding and Accommodation E	11,899,132	7,557,732
Travelling and accommodation	2,769,543	1,792,826
Bank charges	33,606	15,798
Insurance	531,843	0
Medical Expenses	20,000	107,200
Licenses and permits	0	0
Postage	0	0
Printing and stationery	0	0
Hire charges	0	0
Rent expenses	0	0
Skills development levies	0	0
Telephone expenses	0	0
Internet expenses	481,000	0
Training expenses	0	0
Other (<i>speciFinancial Year</i>)	0	0
Total good and services	46,886,092	22,305,000

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

Notes to the Financial Statements (Continued)

16. Employee Costs

Description	2021-2022 Kshs	2020-2021 Kshs
Salaries and wages	7,348,282	5,829,922
Employee related costs - contributions to pensions and medical aids	0	0
Travel, motor car, accommodation, subsistence and other allowances	0	0
Housing benefits and allowances	0	0
Overtime payments	0	0
Performance and other bonuses	0	0
Social contributions	0	0
Employee Costs	7,348,282	5,829,922

17. Board/Council Expenses

Description	2021-2022 Kshs	2020-2021 Kshs
Chairman's Honoraria	0	0
Directors Emoluments	1,089,270	671,000
Other Allowances	0	0
Other Board/Council Expenses	0	0
Total	1,089,270	671,000

18. Depreciation and Amortization expense

Description	2021-2022 Kshs	2020-2021 Kshs
Property, plant and equipment	22,050,473	23,987,006
Intangible assets	0	0
Investment property carried at cost	0	0
Total depreciation and amortization	22,050,473	23,987,006

19. Repairs and Maintenance

Description	2021-2022 Kshs	2020-2021 Kshs
Property	1,018,350	2,383,526
Investment property – earning rentals	0	0
Equipment and machinery	0	0
Vehicles	0	0
Furniture and fittings	0	0
Computers and accessories	0	0
Total Repairs and Maintenance	1,018,350	2,383,526

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

20. Contracted Services

Actuarial valuations	0	0
Investment valuations	0	0
Property valuations	0	0
Total contracted services	0	0

21. Grants and Subsidies

Community Development	0	0
Education Initiatives and Programs	0	0
Social Development	0	0
Community Trust	0	0
Sporting Bodies	0	0
Total Grants and Subsidies	0	0

22. Finance Costs

Borrowings (Amortized Cost)*	0	0
Finance Leases (Amortized Cost)	0	0
Unwinding of Discount	0	0
Interest on Bank Overdrafts	0	0
Interest on Loans from Commercial Banks	0	0
Total Finance Costs	0	0

23. Gain On Sale of Assets

Property, Plant and Equipment	0	0
Intangible Assets	0	0
Other Assets not capitalised	0	0
Total Gain On Sale of Assets	0	0

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

Notes to the Financial Statements (Continued)

24. Unrealized Gain on Fair Value Investments

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

25. Impairment Loss

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

26. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account-1238352421	21,216,769	16,919,596
Development Account -125	935	935
Cash in hand	197,000	73,941
Staff Car Loan/ Mortgage	0	0
Others (Specify)	0	0
Total Cash and Cash Equivalents	21,414,704	16,994,472

Kipkabus Technical and Vocational College
 Annual Report and Financial Statements for the year ended 30th June 2022
 Notes To The Financial Statements (Continued)

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

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1238352421	21,216,769	16,919,581
Kenya Commercial Bank	1259544508	935	935
Sub- Total		21,217,704	16,919,581
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank – etc.		0	0
Sub- Total		0	0
c) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
e) Others(Specify)			
Cash in Transit		0	0
Cash in Hand		197,000	73,941
Mobile Money account		0	0
Sub- Total		197,000	73,941
Grand Total		21,214,704	16,994,457

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

27. Receivables from Exchange transactions

27(a) Current Receivables from Exchange transactions

Description	2021-2022 Kshs	2020-2021 Kshs
Current Receivables		
Student Debtors	18,934,997	17,290,331
Rent Debtors	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	(0)	0
Total Current Receivables	18,934,997	17,290,331

27(b) Long- term Receivables from Exchange transactions

Description	2021-2022 Kshs	2020-2021 Kshs
Non-Current Receivables		
Refundable Deposits	10,620,000	0
Advance Payments	0	0
Public Organizations	0	0
Less: Impairment Allowance	0	0
Total	0	0
Current Portion Transferred To Current Receivables	(0)	0
Total Non-Current Receivables	0	17,261,841
Total Receivables	10,620,000	17,261,841

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

Description	2021-2022 Kshs	2020-2021 Kshs
At the beginning of the year	17,290,331	0
Provisions during the year	0	0
Recovered during the year	(6,670,331)	0
Write offs during the year	(0)	0
At the end of the year	10,620,000	0

Malakambus Technical and Vocational College
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Notes to the Financial Statements (Continued)

Receivables from Non-Exchange transactions

Description	2021-2022	2020-2021
	KShs.	KShs.
Current Receivables		
Capitation Grants*	6,915,000	11,182,500
Transfers from Other Govt. entities	0	0
Unexpended Donor Funds	0	0
Student Debtors (Non-Exchange Transactions)	0	0
Less: Impairment Allowance	(0)	(0)
Total Current Receivables	6,915,000	11,182,500

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

Description	2021-2022	2020-2021
	KShs.	KShs.
At the beginning of the year	11,182,500	3,840,000
Additional provisions during the year	0	0
Reversed during the year	(0)	3,840,000
Transferred to student debtors	(5,430,000)	(0)
At the end of the year	5,752,500	0

At the close of the financial year, the government gave a directive that the capitation not paid be transferred to student debtors.

Inventories

Description	2021-2022	2020-2021
	KShs.	KShs.
Consumable stores	0	0
Maintenance stores	0	0
Health Unit stores	0	0
Electrical stores	0	0
Construction Materials stores	0	0
Other stores	0	0
Total Inventories at lower of Cost and Net Realizable Value	0	0

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

Cost	Land and Buildings	Motor Vehicles and other assets	Furniture and fixtures	Capital Assets	Other Assets	Plant and Equipment	Capital Work in Progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfer/Adjustment	0	(0)	(0)	0	(0)	-	(0)	0
At 30 th June 2022	20,000,000	14,870,000	3,967,062	333,194	227,566,373	45,468,750	10,000,000	322,205,379
Net Book Values								
At 30 th June 2022	20,000,000	14,870,000	3,967,062	333,194	227,566,373	45,468,750	10,000,000	322,205,379
At 30 th June 2021	20,000,000	2,400,000	4,194,357	499,766	228,934,266	60,625,000	10,000,000	326,653,388

The work In Progress is in respect to construction of a Building and civil engineering workshop which was laid to the slap level. The building is set to continue to its completion during the financial year 2022/2023

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

Notes to the Financial Statements (Continued)

Valuation

per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). These amounts were adopted in the financial statements on xxx.

(b) Property, Plant and Equipment at Cost

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

Land	20,000,000	0	20,000,000
Buildings	239,159,839	11,593,466	227,566,373
Plant And Machinery	77,500,000	32,031,250	45,468,750
Motor Vehicles including Motorcycles	15,950,000	1,080,000	14,870,000
Computers and Related Equipment	749,611	416,417	333,194
Office Equipment, Furniture, And Fittings	4,883,408	916,346	3,967,062
Work In Progress	10,000,000	0	10,000,000
Total	368,242,858	46,037,479	322,205,379

Intangible Assets

The intangible assets purchased is in respect to the Enterprise Resource Planning system purchased by the institution

At the beginning of the year	0	0
Acquisition	1,855,000	0
Disposal	0	0
Development	0	0
Amortisation	0	0
At the end of the year	0	0
At the beginning of the year	0	0
Acquisition	0	0
Disposal	0	0
Development	0	0
Amortisation	0	0
At the end of the year	1,855,000	0

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

33. Investment Property

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

34. Trade and Other Payables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	7,473,487	1,457,781
Fees paid in advance	0	28,490
Salary deductions	0	0
Third-Party Payments	0	0
Other Payables	0	0
Total Trade and Other Payables	7,473,487	1,486,271

35. Refundable Deposits from Customers/Students

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumer deposits	0	0
Caution money	0	0
Other refundable deposits	0	0
Total Deposits	0	0

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

36. Current Provisions

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

37. Finance Lease Obligation

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

Maturity Analysis

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

Kipkabus Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2022
Notes to the Financial Statements (Continued)

27. Receivables from Exchange transactions

27(a) Current Receivables from Exchange transactions

Description	2021-2022 Kshs	2020-2021 Kshs
Current Receivables		
Student Debtors	18,934,997	17,290,331
Rent Debtors	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	(0)	0
Total Current Receivables	18,934,997	17,290,331

27(b) Long- term Receivables from Exchange transactions

Description	2021-2022 Kshs	2020-2021 Kshs
Non-Current Receivables		
Refundable Deposits	10,620,000	0
Advance Payments	0	0
Public Organizations	0	0
Less: Impairment Allowance	0	0
Total	0	0
Current Portion Transferred To Current Receivables	(0)	0
Total Non-Current Receivables	0	17,261,841
Total Receivables	10,620,000	17,261,841

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

Description	2021-2022 Kshs	2020-2021 Kshs
At the beginning of the year	17,290,331	0
Provisions during the year	0	0
Recovered during the year	(6,670,331)	0
Write offs during the year	(0)	0
At the end of the year	10,620,000	0

Kipkabus Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2022
Notes to the Financial Statements (Continued)

28. Receivables from Non-Exchange transactions

Description	2021-2022 KShs	2020-2021 KShs
Current Receivables		
Capitation Grants*	6,915,000	11,182,500
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	0
Less: Impairment Allowance	(0)	(0)
Total Current Receivables	6,915,000	11,182,500

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

Description	2021-2022 KShs	2020-2021 KShs
At the beginning of the year	11,182,500	3,840,000
Additional provisions during the year	0	0
Recovered during the year	(0)	3,840,000
Transferred to student debtors	(5,430,000)	(0)
At the end of the year	5,752,500	0

After the close of the financial year, the government gave a directive that the capitation not paid to be transferred to student debtors.

29. Inventories

Description	2021-2022 KShs	2020-2021 KShs
Consumable stores	0	0
Maintenance stores	0	0
Health Unit stores	0	0
Electrical stores	0	0
Cleaning Materials stores	0	0
Catering stores	0	0
Total Inventories at lower of Cost and Net Realizable Value	0	0

Kipkabus Technical and Vocational College
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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). These amounts were adopted in the financial statements on xxx.

31 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	20,000,000	0	20,000,000
Buildings	239,159,839	11,593,466	227,566,373
Plant And Machinery	77,500,000	32,031,250	45,468,750
Motor Vehicles including Motorcycles	15,950,000	1,080,000	14,870,000
Computers and Related Equipment	749,611	416,417	333,194
Office Equipment, Furniture, And Fittings	4,883,408	916,346	3,967,062
Work In Progress	10,000,000	0	10,000,000
Total	368,242,858	46,037,479	322,205,379

32. Intangible Assets

The intangible assets purchased is in respect to the Enterprise Resource Planning system purchased by the institution

Description	2021-2022	2020-2021
	Kshs	Kshs
Cost		
At beginning of the year	0	0
Additions	1,855,000	0
At end of the year	0	0
Additions—internal development	0	0
At end of the year	0	0
Amortization and impairment		
At beginning of the year	0	0
Amortization	0	0
At end of the year	0	0
NBV	1,855,000	0

Kipkabus Technical and Vocational College
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Cost	Plant and Equipment	Motor Vehicles	Furniture, and Fittings	Computer Equipment	Other Assets (Balloons)	Plant and Equipment	Capital Work in Progress	Total
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Transfer/Adjustment	0	(0)	(0)	0	(0)	-	(0)	0
At 30 th June 2022	20,000,000	14,870,000	3,967,062	333,194	227,566,373	45,468,750	10,000,000	322,205,379
Net Book Values								
At 30 th June 2022	20,000,000	14,870,000	3,967,062	333,194	227,566,373	45,468,750	10,000,000	322,205,379
At 30 th June 2021	20,000,000	2,400,000	4,194,357	499,766	228,934,266	60,625,000	10,000,000	326,653,388

The work In Progress is in respect to construction of a Building and civil engineering workshop which was laid to the slap level. The building is set to continue to its completion during the financial year 2022/2023

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

33. Investment Property

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

34. Trade and Other Payables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	7,473,487	1,457,781
Fees paid in advance	0	28,490
Salary deductions	0	0
Third-Party Payments	0	0
Other Payables	0	0
Total Trade and Other Payables	7,473,487	1,486,271

35. Refundable Deposits from Customers/Students

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumer deposits	0	0
Caution money	0	0
Other refundable deposits	0	0
Total Deposits	0	0

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

Notes to the Financial Statements (Continued)

36. Current Provisions

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

37. Finance Lease Obligation

At the start of the year	0	0
Discount interest on Lease Liability	0	0
Paid during the year	(0)	(0)
At end of the year	0	0

Maturity Analysis

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

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

Analysed as:

Description	Amount
	Kshs
Current	0
Non- Current	0
Total	0

38. Deferred Income

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

The deferred income movement is as follows:

Description	National government	International funders/ donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	0	0	0	0
Additions during the year	0	0	0	0
Transfers to capital fund	(0)	(0)	(0)	(0)
Transfers to income statement	(0)	(0)	(0)	(0)
Other transfers	(0)	(0)	(0)	(0)
Balance carried forward	0	0	0	0

Analysed as:

Description	Amount
	Kshs
Current	0
Non- Current	0
Total	0

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

39. Employee Benefit Obligations

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

Retirement benefit Asset/ Liability

The entity does not operate a defined benefit scheme for all full-time employees from July 1, 2021. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial valuers on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

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

Kipkabus Technical and Vocational College
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Notes to the Financial Statements (Continued)

Recognition of Retirement Benefit Asset/ Liability

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

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

b) Amounts recognised in the Statement of Financial Position

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

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. XXX per employee per month. Other than NSSF the entity also has a defined contribution scheme operated by XXX Pension Fund. Employees contribute xx% while employers contribute xx% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

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

Notes To The Financial Statements (Continued)

40. Non-Current Provisions

Description	Long Service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	0	0	0	0	0
Additional Provisions	0	0	0	0	0
Provision utilised	(0)	(0)	(0)	(0)	(0)
Change due to discount and time value for money	0	0	0	0	0
Less: Current portion	(0)	(0)	(0)	(0)	(0)
Total deferred income	0	0	0	0	0

41. Borrowings

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

41 a) Analysis of External and Domestic Borrowings

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

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

Notes to the Financial Statements (Continued)

41 b) Breakdown of Long and Short-Term Borrowings

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

42. Service Concession Arrangements

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

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Notes to the Financial Statements (Continued)

43. Cash generated from operations

	2021-2022	2020-2021
	KShs	KShs
Adjusted for:		
Depreciation	22,050,473	31,825,632
Non-Cash grants received	(0)	(2,300,000)
Contributed assets	(0)	(0)
Impairment	0	0
Gains and Losses on Disposal of Assets	(0)	(0)
Contribution to provisions	0	0
Contribution to impairment allowance	0	0
Finance Income	(0)	(0)
Finance Cost	0	0
Working Capital Adjustments		
Increase in Inventory	(17,602,464)	(0)
Decrease in Receivables from Exchange transactions	9,100,473	(12,545,751)
Increase in Deferred Income	0	0
Increase in Payables	6,144,900	0
Increase in Payments received in advance	2,719,602	0
Net Cash Flow from Operating Activities	17,964,975	15,979,881

44. Financial Risk Management

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

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

(i) Credit risk

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

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

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Notes to the Financial Statements (Continued)

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2021				
Receivables from exchange transactions	10,818,000	10,818,000	0	0
Receivables from non-exchange transactions	5,430,000	5,430,000	0	0
Bank balances	16,993,522	16,993,522	0	0
Total	16,265,515	16,265,515	0	0
At 30 June 2022				
Receivables from exchange transactions	18,934,997	18,934,997	0	0
Receivables from non-exchange transactions	6,915,000	6,915,000	0	0
Bank balances	21,808,658	21,808,658	0	0
Total	47,658,655	47,658,655	0	0

44. Financial Risk Management (Continued)

(i) Credit risk (continued)

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

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

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

(ii) Liquidity risk management

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

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Notes to the Financial Statements (Continued)

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

Description	Less than 1 month Kshs	Between 1-3 months Kshs	Over 5 months Kshs	Total Kshs
At 30 June 2021				
Trade Payables	885,927	1,771,854	2,657,781	2,657,781
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	885,927	1,771,854	2,657,781	2,657,781
At 30 June 2022				
Trade Payables	1,868,372	3,736,744	5,605,116	7,473,487
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	1,868,372	3,736,744	5,605,116	7,473,487

44. Financial Risk Management (Continued)

(iii) Market risk

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

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

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

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

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Notes to the Financial Statements (Continued)

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

44. Financial Risk Management (Continued)

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

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

a) Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

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Notes to the Financial Statements (Continued)

2021			
Euro	10%	0	0
Usd	10%	0	0
2022			
Euro	10%	0	0
Usd	10%	0	0

b) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

44 Financial Risk Management (Continued)

(iii) Market risk (Continued)

b) Interest rate risk(continued)

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (2022: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2022 – Kshs xxx)

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Notes To The Financial Statements (Continued)

iv) Capital Risk Management

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	0	- 10,228,920
Capital Reserve	405,284,718	0
Total Funds	405,284,718	-10,228,920
Total Borrowings	0	0
Less: Cash and Bank Balances	(21,808,658)	(16,993,522)
Net Debt/(Excess Cash and Cash Equivalent)	0	0
Gearing	0%	0%

45. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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Notes to the Financial Statements (Continued)

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

Description	2021-2022	2020-2021
	KShs	KShs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	0	0
Rent income from govt. agencies	0	0
Water sales to govt. agencies	0	0
Others (<i>specify</i>)	0	0
Total	0	0
B) Purchases from related parties		
Purchases of electricity from KPLC	1,220,012	680,733
Purchase of water from govt service providers	243,400	
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. agencies		145,604
Others (<i>specify</i>)	0	
Total		826,337
b) Grants /Transfers from the Government		
Grants from National Govt	20,640,000	15,345,000
Grants from County Government	0	0
Donations in Kind	0	0
Total	20,640,000	15,345,000
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for Employees	56,000	0
Payments for Goods and Services for XX	62,000	0
Total	118,000	0
d) Key Management Compensation		
Directors' emoluments	1,089,270	671,000
Compensation to Key Management	0	0
Total	1,089,270	671,000

46. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)

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Notes to the Financial Statements (Continued)

47. Contingent Assets and Contingent Liabilities

Contingent Assets

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

Contingent Liabilities

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

(Give details)

48. Capital Commitments

Capital Commitments	2021-2022	2020-2021
	Kshs	Kshs
Authorised for	20,000,000	12,950,000
Authorised and Contracted for	0	0
Total	20,000,000	12,950,000

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Notes to the Financial Statements (Continued)

49. Deferred Tax Liability

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

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

[In ordinary circumstances public sector entities under IPSAS are not expected to pay taxes. However, in specific cases where this is applicable an organisation is supposed to seek guidance on accounting for income taxes from IAS 12]

50. Events After The Reporting Period

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

51. Ultimate And Holding Entity

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

52. Currency

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

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

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

Reference No. on the external Auditor's Report	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
1.0	Presentations, Accuracy and disclosure of financial statements	The financial statements were amended and corrected	Resolved	
2.1	Unsupported Additions to Property, plant & Equipment	Items allocated and delivered by MOE through Rift Valley Technical Training Institute were delivered without price tags hence estimated cost	Resolved	
2.2	Fixed Asset Register	Valuation of assets	Not resolved	Second Quarter of Financial Year 2022/2023
3.0	Current Receivables.	The college has prepared a debtor's policy and aging analysis document	Not resolved	Second Quarter of Financial Year 2022/2023
1.0	Budgetary Control and Performance	The financial statements were amended and corrected	Resolved	
2.0	Stalled Engineering Tuition Block Building	The institution shall commit some funds and request MOE for financing of the stalled project.	Not resolved	Fourth Quarter of Financial Year 2022/2023
1.0	Lack of Occupational Safety and Health Policy.	The financial statements were amended and corrected	Not resolved	Third Quarter of Financial Year 2022/2023

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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)
2.1	Lack of an approved Human Resource Policy Manual and Staff Establishment	The college is in process of preparing a human resource policy manual and approved staff establishment	Not resolved	Second Quarter of Financial Year 2022/2023
2.2	Failure to comply with the provision on inclusivity on Ethnic Diversity	The financial statements were amended and corrected	Not resolved	Fourth Quarter of Financial Year 2022/2023 2023/2024
3.0	Un-Procedural awarding of capititation	The financial statements were amended and corrected	Resolved	Second Quarter of Financial Year 2022/2023
4.0	Unresolved Prior Year Matters	The financial statements were amended and corrected and others shall be resolved	Resolved	

.....
08 MAY 2023
 Name Joseph Kemei
 Accounting Officer
 (Kipkabus Technical & Vocational College)
 Date

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Appendix II: Projects Implemented by (The Entity)

Projects

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

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

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

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

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Appendix III- Inter-Entity Confirmation Letter

KIPKABUS TECHNICAL AND VOCATIONAL COLLEGE

Email: info@ktvc.ac.ke
Website: www.ktvc.ac.ke
TEL NO: +254717130180
P.O BOX 10882-30100 ELDORET

[Insert name of beneficiary Entity]
[Insert Address]

The [insert SC/SAGA/Fund name here] wishes to confirm the amounts disbursed to you as at 30th June 2022 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 Kipkabus Technical and Vocational college as at 30th June 2022

Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June 2022			Amount Received (KShs) as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)		
		6,862,500	0	0	6,862,500	
		6,862,500	0	0	6,862,500	
		6,915,000	0	0	6,915,000	
Total		20,640,000	0	0	20,640,000	

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

Head of Accountants department of beneficiary Entity:

NameCPA Elijah. K. Chirchir..... Sign  Date



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Appendix IV: Reporting of Climate Relevant Expenditures

Name of the Organization
 Telephone Number
 Email Address
 Name of CEO/MD/Head

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

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

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Appendix V: Disaster Expenditure Reporting Template

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

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Notes to the Financial Statements (Continued)

30. Investments

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

d) Shareholding in other entities

For investments in equity share listed under note 30 (c) above, list down the equity investments under the following categories:

Name of entity where investment is held	No of shares			Nominal value of shares	Fair value of shares Current year	Fair value of shares Prior year
	Direct shareholding	Indirect shareholding	Effective shareholding			
	%	%	%	Shs	Shs	Shs
Entity A	0	0	0	0	0	0
Entity B	0	0	0	0	0	0
Entity C	0	0	0	0	0	0
Entity D	0	0	0	0	0	0
	0	0	0	0	0	0

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Notes to the Financial Statements (Continued)

31. Property, Plant and Equipment

	Land and Buildings	Motor Vehicles	Furniture and fittings	Complete Fixtures	Other Assets (Buildings)	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2020	20,000,000	3,000,000	3,136,408	749,611	234,804,375	67,500,000	10,000,000	339,190,394
Additions	0	0	1,450,000	0	0	10,000,000	0	11,450,000
Disposals	(0)	(0)	-	-	(0)	-	(0)	(0)
Transfers/Adjustments	0	(0)	0	(0)	(0)	-	0	(0)
At 30th June 2021	20,000,000	3,000,000	4,586,408	749,611	234,804,375	77,500,000	10,000,000	350,640,394
Additions	0	12,950,000	297,000	-	4,355,464	0	0	17,602,464
Disposals	(0)	-	-	-	(0)	-	(0)	(0)
Transfer/Adjustments	(0)	0	0	(0)	(0)	-	0	(0)
At 30th June 2022	20,000,000	15,950,000	4,883,408	749,611	239,159,839	77,500,000	10,000,000	368,242,858
Depreciation And Impairment								
At 1 July 2021	(0)	(0)	(0)	(0)	(0)	-	(0)	(0)
Depreciation	(0)	(600,000)	(392,051)	(249,845)	(5,870,109)	16,875,000	(0)	(23,987,006)
Impairment	(0)	-	-	-	(0)	-	-	(0)
At 30 June 2021	20,000,000	2,400,000	4,194,357	499,766	228,934,266	60,625,000	10,000,000	326,653,388
Depreciation	(0)	(480,000)	(524,295)	166,572	(5,723,357)	(15,156,250)	(0)	(22,050,473)
Disposals	0	-	-	-	0	-	0	0
Impairment	(0)	(0)	-	-	(0)	-	-	(0)