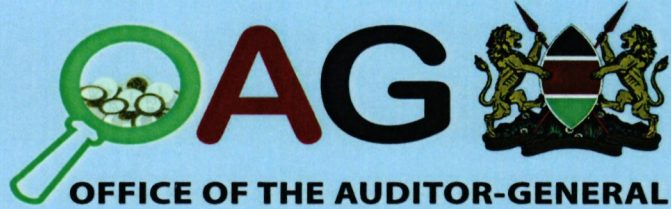


REPUBLIC OF KENYA



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**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 27 JUN 2023

DAY:

**OF**

TUESDAY

TABLED  
BY:

Hon. Anen Panga MP  
Deputy Leader, majority

CLERK-AT  
THE-TABLE:

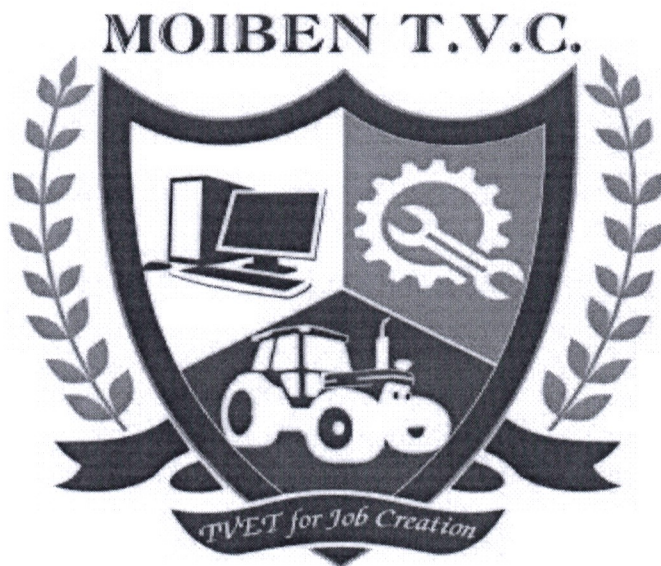
Inzogu Njoroge

**THE AUDITOR-GENERAL**

**ON**

**MOIBEN TECHNICAL AND VOCATIONAL  
COLLEGE**

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



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**MOIBEN TECHNICAL AND VOCATIONAL COLLEGE.**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2022.**

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OFFICE OF THE AUDITOR -GENERAL  
CENTRAL RIFT REGIONAL OFFICE

**24 MAR 2023**

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P. O. Box 2774 - 30100, ELDORET



**Moiben 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**

The Moiben Technical and Vocational College was incorporated/ established under the TVET Act on 21<sup>st</sup> December 2017 under Ministry of Education.

The institution is situated in Moiben Township, Moiben Sub-County of UasinGishu. The college is 20 km off Eldoret – Iten road to the north. Moiben TVC offers 25 courses both in Science Engineering and Technology and Business oriented areas. Courses are placed under Technical and Business training departments. Admission, Examination, industrial liaison offices have been established to complement training operations in college.

**(b) Principal Activities**

**Vision**

To be a centre of excellence in the provision of technical and vocational training

**Mission**

To provide quality Technical Vocational education and Training that meet the dynamic needs of Society and Industry.

- i. To provide Technical and Vocational and Education training to citizens of Kenya.
- ii. To contribute to industrial and technological development through innovations and technology transfer.
- iii. Collaborate with Curriculum developers, industry and other players to provide training in competency-based education(CBET).

**(c) Key Management**

The day-to-day management of Moiben Technical and Vocational College is under the following key organs:

- Board of Governors.
- Accounting Officer/ Principal.
- Heads of Department.



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

**(f) Entity Headquarters**

MOIBEN TECHNICAL AND VOCATIONAL COLLEGE  
P.O. BOX 10715- 30100  
ELDORET  
KENYA

**(g) Entity Contacts**

Telephone: (254) 728 172 771, (254) 782 110 715  
E-mail: [moibentvc@gmail.com](mailto:moibentvc@gmail.com).  
Website: [www.Moibentech.ac.ke](http://www.Moibentech.ac.ke)

**(h) Entity Bankers**

1. Kenya commercial Bank  
Eldoret Main Branch  
Account name – **Moiben Technical and Vocational College**  
Account number: **1216740445**
2. African Bank Corporation Ltd  
Eldoret Branch – Zul arcade  
Account number: **00521500 100 5226**

**(i) Independent Auditors**

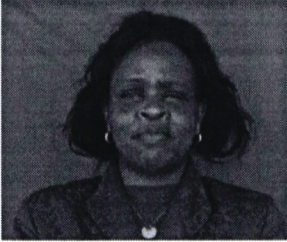


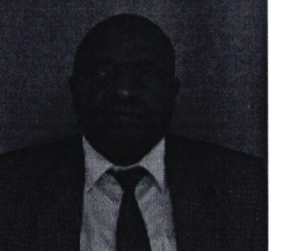

Auditor General  
Office of Auditor General  
Anniversary Towers, Institute Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**(j) Principal Legal Adviser**



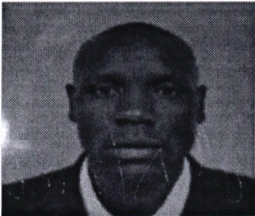
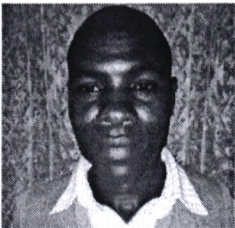

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**II. The Board of Governors**

 <p>Eng. Luke Kangogo, MBA DSM (Chairman)</p>	<p>Luke was Born on 14th September 1956. He is the current Chairman of Board of governors of Moiben technical and Vocational College.</p> <p>He has a wealth of experience in the aviation industry. He worked with the Kenya Air Force for 12 years, Kenya Airways- 10 years, Kenya Civil Aviation Authority- 7 years and the East African Community- 7 Years.</p> <p>He is a Licensed Aircraft Maintenance Engineer (LAME), Member of Board of Agricultural Finance corporation, Eldoret Dairy Farmers Association and a Member of Institute of Directors (Kenya).</p> <p>He has Masters in Business Administration (MBA) - Aviation option</p> <p>Luke is decorated with a Presidential award of Distinguished Service Order Medal. (DSM). He was appointed as a chairperson of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet secretary of Education for a 3 year term.</p>
 <p>Rev. David Ng'ang'a (Chairperson- Finance and HR committee)</p>	<p>Rev. Nga'nga was born in 1973.</p> <p>He is the Chairperson of the Finance and HR committee.</p> <p>He is a senior Pastor at AIC fellowship in Eldoret with a wealth of experience in pastoral duties; he has worked with the public in National cohesion peace initiatives in the Rift valley, and has served in the several high schools Boards as Chairman and member. He has a Masters in Counselling Psychology from Moi University and Bachelor of Theology from Kabarak university. He was appointed as member of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet Secretary of Education for a 3 year term.</p>
 <p>Eng. Nancy Tanui</p>	<p>Eng. Tanui was born on 25<sup>th</sup> February 1982. She is the Member of the Infrastructure, Education and Training committee. She has working experience as Consulting Engineer for over 8 years, member of Engineers Board of Kenya and corporate member of Institute of engineers of Kenya. She is a graduate with Msc. in Structural Engineering from Moi University.</p> <p>He was appointed as member of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet Secretary of Education for a 3 year term.</p>
 <p>Mr. Hillary Mebur</p>	<p>Hillary was born 1963.</p> <p>He is currently a member of the Audit and Risk committee.</p> <p>He holds Certified public accountancy certificate II, Diploma in co-operative management and administration.</p> <p>He has vast managerial experience having worked for several multinational companies in the following capacities:</p> <ul style="list-style-type: none"> <li>• Site Manager (Tristar Energy –South Sudan for 7 Years)</li> <li>• Accounts assistant – Esso (k) ltd -7Years</li> <li>• Accountant- national Housing corporation -3yrs</li> <li>• Assistant cooperative officer- GOK -3Years</li> </ul> <p>He was appointed as member of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet Secretary of Education for a 3 year term.</p>

 <p>Hon. Peris Chepchumba Simam          (Chairperson Audit and Risk committee)</p>	<p>Hon. Peris C. Simam was born in 1968. She is the Chairperson of the Audit and risk committee.          She was Member of National assembly from 2007-2013, member of Pan African Parliament and executive member of Kenya women parliamentarian Association during the same period.          She has wealth of experience in Education having worked as a teacher for 15 years.          She holds a PHD in Leadership (Honoraria causa), Bachelor's degree in Education, Diploma in Science Education and currently the Director of Persim consultancy. He was appointed as member of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet Secretary of Education for a 3 year term.</p>
 <p>Ms. Gladys Nyakweba</p>	<p>Gladys was born on 24<sup>th</sup> August 1981          She is a member of the Human Resource and Finance Committee.          She was a lecturer at Kisii university for 2yrs up to 2017. Has a Bachelor of business management (Accounting option) from Moi University, MBA – finance option and a holder of CPAK. He was appointed as member of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet Secretary of Education for a 3 year term.</p>
 <p>Mr. Eliakim Khaemba          (Chairperson of the Infrastructure, Education and Training).</p>	<p>Eliakim was born on 17/12/1981          He is the Chairperson of the Infrastructure, Training and Education Committee          He is a holder of PHD and MSc. Information Technology and a private consultant on ICT solutions.          Lecturer at MMUST, USIU, Moi University (7yrs)          Member of ICT board Kenya.          Diploma in Project management – ICM.          He was appointed as member of the Board on <b>14<sup>th</sup> October 2020</b> by Cabinet Secretary of Education for a 3 year term.</p>
 <p>Mr. Gichuru Mutulili</p>	<p>Mr. Gichuru Mutulili was born on 3<sup>rd</sup> September, 1966 he is the current TVET County Director Uasin Gishu, Nandi and Elgeyo Marakwet Region. He is the PS representative of the Ministry in the Board and provide advice and guidelines on Ministry's strategic goals, mandate and policy direction. He holds Master's in Business Administration (Management Information Systems) and B.Ed. (Arts) Mathematics &amp; Business Studies. Further, he has wealth experience in public service particularly in educational management particularly ISQ Training, Performance management, project management financial management, procurement management and monitoring and evaluation of programmers and projects having served as a teacher, education officer in various positions and Counties.</p>
 <p>Oroni Barasa  <b>Principal/ Board Secretary</b></p>	<p>Mr. Oroni Barasa was born in the year 1970. He is a Holder of M.Phil. In Education Management, Bachelor of Education (Technology) and Works as Trainer. He is in charge of Implementation of approved education curriculum, Management, control of finances and resources, supervise training activities and programmes in the institution and to serve as Secretary to the Board of Governors.</p>

**III. MANAGEMENT TEAM.**

<b>S.NO</b>	<b>KEY MANAGERS</b>	<b>KEY PROFESSIONAL/ACADEMIC QUALIFICATION</b>	<b>AREA OF RESPONSIBILITY</b>
1.	 <b>Oroni Barasa</b>	<ul style="list-style-type: none"> <li>- D.O.B: 1970</li> <li>- <b>Key Qualification:</b> Holder of M.Phil. In Education Management.</li> <li>- B. Ed (Technology),</li> <li>- Work experience: Works as a teacher/trainer and Principal.</li> </ul>	<ul style="list-style-type: none"> <li>- Principal/ BOG Secretary</li> </ul>
2.	 <b>Dr. Sheila Kandie</b>	<ul style="list-style-type: none"> <li>- D. Phil – education and administration</li> <li>- Master of education and administration</li> <li>- Senior management course (school of government).</li> </ul>	<ul style="list-style-type: none"> <li>- Deputy Principal</li> </ul>
3.	 <b>Mr. Elisha Sugut.</b>	<ul style="list-style-type: none"> <li>- Diploma in General Agriculture</li> <li>- Bachelor of science (Agriculture)</li> </ul>	<ul style="list-style-type: none"> <li>- Registrar.</li> </ul>
4.	 <b>Mr. Stephen Chemanga</b>	<ul style="list-style-type: none"> <li>- Certificate in leadership</li> <li>- Bachelor's Degree in Civil and structural Engineering.</li> </ul>	<ul style="list-style-type: none"> <li>- Dean of Students.</li> </ul>
5.	 <b>Mr. Nelson Kemboi</b>	<ul style="list-style-type: none"> <li>- Bachelor of Commerce (Accounting Option)</li> <li>- CPA (K)</li> </ul>	<ul style="list-style-type: none"> <li>- Accountant</li> </ul>

#### **IV. Chairman's Statement**

It is my pleasure to present the Moiben Technical and Vocational College's Annual report and financial statement for the year ended 30<sup>th</sup> June 2022.

During the year under review the College registered significant growth in enrolment of students. The Board employed more staff both trainers and support staff to provide required manpower. The Board committed resources towards the provision of training materials, tools and equipment to ensure quality in training.

Capacity building and training of Staff were conducted during the period. This will go a long way in transforming the approaches in management of college activities and service delivery to trainers.

I wish to thank the Government of Kenya for supporting TVET and making it attractive through capitation, HELB facilities and provision of state of art training equipment.

Due to increased enrolment, the capacity of tuition facilities is currently strained. I therefore appeal to the Government to consider providing more finances for expansion of infrastructure to accommodate rising number of students and enhance access to training.

Finally, I thank all stakeholders for their continued support and we endeavour to make even greater strides in the coming years to achieve our vision.

Signature .....



Date .....

20<sup>th</sup> March 2023

**ENG. LUKE KANGOGO MBA, DSM.**

**CHAIRMAN – BOARD OF GOVERNORS.**

**V. Report of thePrincipal.**

I'm pleased to present the 5<sup>th</sup> Annual report and financial statements for the year ending 30<sup>th</sup> June 2022. The college made great strides during the year which saw increase in enrolment of students. The college has improved on its service capacity through recruitment of more trainers and support staff employed by the Board of Governors.

During the year under review, the college received **Ksh 19,428,530** from the following sources Students' fees (A in A) **Ksh 8,893,530** and **Ksh 10,535,000** from GOK student capitation and Operational grants.

During the year in review the management facilitated Students to conduct election of the student's council. I therefore wish to extent my appreciation to students for exhibiting good behaviour and discipline.

I also appreciate the Board of Governors for providing the strategic leadership as well as staff for their commitment to providing service. In conclusion I wish to thank all stake holders for their support during the period.

Signature .....



**ORONI BARASA.**

**PRINCIPAL.**

**VI. Statement of Performance against Predetermined Objectives**

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.

- Moiben TVC has Six(6) strategic pillars and objectives within its Strategic Plan for the FY 2019/2020 - 2022/2023. These strategic pillars are as follows:

Pillar 1: Education and Training

Pillar 2: Development and maintenance of Infrastructure

Pillar 3:Governance and leadership

Pillar 4:Build Institutional ICT Capacity

Pillar 5:Financial Capacity

Pillar 6: Human resource Management

Moiben TVC develops its annual work plans based on the above Six(6) pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets set for the FY 2021/2022 period for its Six (6) strategic pillars, as indicated in the table below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
1. Education and Training	To provide practical career oriented technical training to our trainees	100% class attendance by both trainers and trainees and maximize the use of training equipment's in college. 25% increase in trainees' enrolment	Marking class attendance registers for both trainers and trainees Awarding mark for class attendance Marketing of college programmes	100% class attendance of trainees and trainers Peer teaching and more class practical's and field trips. Increase in trainees' enrolment due to marketing of college programmes
2. Development and maintenance of	Development of college site plan Maintenance of college infrastructures	Site plan completed Development of inventory management plan	Institution site plan development Development of inventory	Construction of gate.

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

Infrastructure	and equipment's construction Expansion of teaching facilities		management plan facilities	
3. Governance and leadership	To provide quality leadership and governance Maximize effectiveness of human resource facilities and finance resources Establishment of student government and council.	Revenue growth  Reputation of college stakeholders' satisfaction	Continually review of programmes and services to ensure provision of values and meeting college mandates and set strategic goals	Implementation of Board resolutions on time. Establishment of students' council.
4. Build Institutional ICT Capacity	To build ICT capacity in curriculum delivery, service delivery and institutional management. Establishment of MIS system Develop and maintain a fully functional network system and internet facilities	-Use of ICT in training Adequate computers and workshop -A functional MIS systems and website -Extend internet to all the departments.	Improving and increasing ICT infrastructure for staff and student training.	Use of ICT in Curriculum delivery. Purchase of managementsystems (MIS) Development of college website. Fully functional networking and internet.
5. Financial Capacity	Sound financial management and policies Increased GOK funding Diversify source of	-income generating activities Realization of budgeted revenues Increased savings Develop proposals	Reducing fees defaults Cost reduction measures. Income generating activities	Preparation of annual budgets and procurement plans Advertisement of tenders and pre-qualification of

	income		Developing funding proposals to donors.	suppliers as per public procurement and Disposal Act 2015. Diversification of income generating activities
6. Human resource Management	Development and implementation of human resource policy Support and strengthen staff welfare Ensure employees satisfaction Provide teaching and learning materials for staff.	Staff Welfare Satisfied staff Adequate teaching and learning materials for staff Human resource policy	Generate and support welfare programmes Carry out of competency needs assessments, performance appraisal, training and staff development.	Creation and support the welfare support program Carrying out of competency needs assessments, performance appraisal, training and staff development. Adequate training materials for trainers

## **VII. Corporate Governance Statement.**

### **APPOINTMENT OF BOARD**

The Chairman and Members of the Board were appointed by the Cabinet Secretary of Education on **14<sup>th</sup> October 2020** for a 3-year term.

### **INDUCTION AND TRAINING OF THE BOARD**

During the year in review, the Board attended three-day training on leadership and governance conducted by the State Department of Vocational and Technical Training from **14<sup>th</sup> to 17<sup>th</sup> July 2021**.

### **CORPORATE GOVERNANCE**

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

The Board of Moiben Technical and Vocational College consists of **9** members.

<b>SNO</b>	<b>NAME</b>	<b>TITLE</b>
1.	Eng. Luke Kangogo	Chairman
2.	Rev. David Ng'ang'a	Member
3.	Eng. Nancy Tanui	Member
4.	Ms. PerisSimam	Member
5.	Mr. Hillary Mebur	Member
6.	Ms. Gladys Nyakweba	Member
7.	Mr. EliakimKhaemba	Member
8.	Mr. OroniBarasa	BoardSecretary
9.	Mr. GichuruMutulili	County Director TVET.

## **ROLE AND FUNCTIONS OF THE BOARD OF GOVERNORS.**

During the year in review the Board held a total of 4 meetings. The meetings consisted one scheduled meeting every quarter. Each Board subcommittee held 4 meetings (one each quarter) and attendance was very good in all meetings.

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

### Section 29

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

- p) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in institution
- q) Discharging all functions conferred upon it by the Act or any other written Law.

## **VIII. Management Discussion and Analysis**

### **Financial performance**

The college closed the year with a surplus of **Ksh213,840** compared to previous financial year **FY 2021/2022** which college had a surplus of **Ksh 6,801,835**.

### **Compliance with statutory requirements.**

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

### **Major risk facing the college.**

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

- i. Late disbursement of MOE capitation leading to delayed service delivery and meeting the financial obligation
- ii. Due to the increasing number of Students College facilities are overstretched in capacity and hence Government is requested to support in funding construction of more facilities.
- iii. Delayed disbursement of student's loans has impacted negatively on fees collections and therefore huge arrears. This led to college closing the financial year with sundry debtors from students' fees of **Ksh 4,406,086**.

**IX. Environmental And Sustainability Reporting Statement.**

**1. Sustainability strategy and profile**

The Board of Governors intends to undertake other income generating activities such as farming in order to generate more income and also put in place strategies to minimize the costs of college operations.

**2. Environmental performance**

During the year under review, the College in collaboration with the office of Kenya forestry organised a successful tree planting activity. The aim was to educate the community on importance of environmental conservation.

**3. Employee welfare**

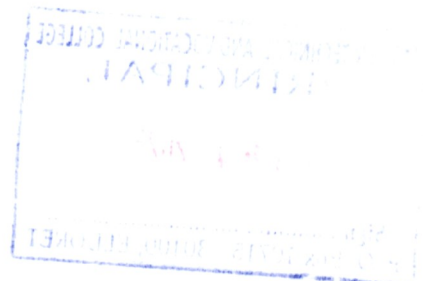
The institution has set up staff welfare to be able to support staff members and also by monthly payments of staff NHIF deductions to the relevant body. The college also intends to carry out occupational health and safety Audit of college workplace to ensure staff safety in workplace.

**4. Market place practices**

The college always meets its financial obligations on time by timely payment of suppliers and honouring contracts, practicing good competitions in terms of marketing of college programmes with its competitors.

**5. Community Engagements**

The College conducted training of Youth, Women and Persons with Disability. The aim was to build capacity and train them on access to Government procurement opportunities.



## **X. Report of the Board of Governors**

The Board members submit their reports for the year ended June 30, 2022 which show the state of the college affairs.

### **Principal activities**

The principal activities of the Moiben Technical and Vocational College are:

- i. To provide Technical and vocational and Education training to citizens of Kenya
- ii. To contribute to industrial and technological development through innovations and technology transfer
- iii. Collaborate with Curriculum developers, industry and other players to provide training in competency-based education (CBET).
- iv. To foster general welfare of staff and students

### **Results**

The results of the entity for the year ended June 30 are set out on page 1 to 58 of this report.

### **Board of Governors**

The members of the Board who served during the year are shown on page V. During the year FY 2021/2022, **Mr Mark Kitongo** was transferred and **Mr. Oroni Barasawa** was appointed as the new Accounting Officer/Principal with effect from **11<sup>th</sup> January 2022**.

### **Auditors**

The Auditor General is responsible for the statutory audit of the Moiben TVC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act Public 2015 or XYZ Certified Accountants were nominated by the Auditor General to carry out the audit of the Moiben TVC for the period ended June 30, 2022, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

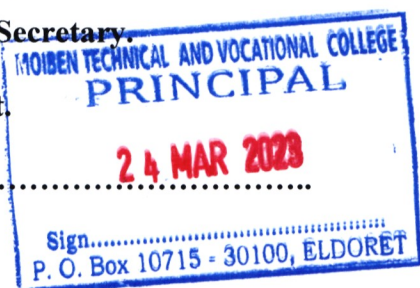
By Order of the Board

.....  


Board Secretary

Eldoret

Date:.....



**XI. Statement of Board of Governors Responsibilities**

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

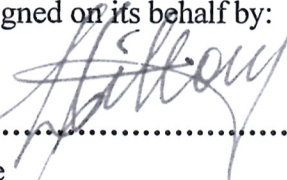
The Board members are responsible for the preparation and presentation of the Moiben TVC, financial statements, which give a true and fair view of the state of affairs of the Moiben TVC, for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining 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 the Moiben TVC, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

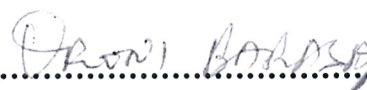
The Board members accept responsibility for the Moiben TVC financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, and the TVET Act. The board members are of the opinion that the Moiben TVC, financial statements give a true and fair view of the state of Moiben TVC, transactions during the financial year ended June 30, 2022, and of the Moiben TVC, financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Moiben TVC. Which have been relied upon in the preparation of the Moiben TVC, financial statements as well as the adequacy of the systems of internal financial control.

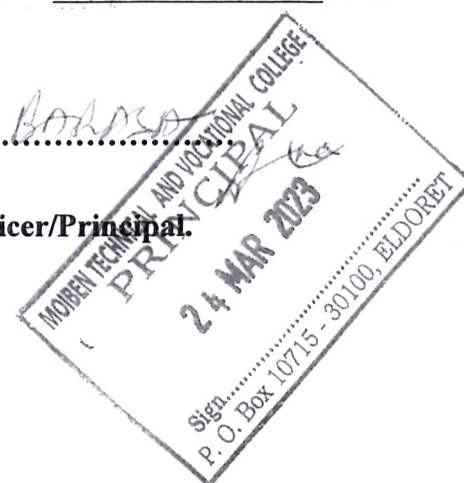
Nothing has come to the attention of the Board members to indicate that the Moiben TVC will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The Moiben TVC financial statements were approved by the Board on 29-9-2022 2022 and signed on its behalf by:

.....  
  
Name  
Chairperson of the Board.

.....  
  
Name  
Accounting Officer/Principal.



# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

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

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### 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 overall 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 Moiben Technical and Vocational College set out on pages 1 to 53, which comprise 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 statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting

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*Report of the Auditor-General on Moiben Technical and Vocational College for the year ended 30 June, 2022*

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Moiben 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 International Public Sector Accounting Standards ( Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013, and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment amounting to Kshs.56,597,127. However, the amount does not include the value of land and various assets donated by Ministry of Education, State Department of Vocational and Technical Training which have not been valued. Further, the title deed for the land was not provided for audit verification.

In the circumstances, the accuracy, completeness and valuation of property, plant and equipment balance of Kshs.56,597,127 could not be confirmed.

#### **2. Current Portion of Receivables from Exchange Transactions**

The statement of financial position reflects current portion of receivables from exchange transactions amounting to Kshs.4,406,086. The amount includes fee arrears of Kshs.984,370 due from former students. However, Management has not made any effort to collect the debts. Further, no provisions for bad and doubtful debts has been made.

In the circumstances, the accuracy, completeness and recoverability of current portion of receivables from exchange transactions amounting to Kshs.4,406,086 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Moiben 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.

# 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. Unresolved Prior Year Matters**

There were issues raised in the audit report for 2020/2021 financial year. However, report on implementation of the audit recommendations and oversight bodies recommendations were provided for review. This is contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated for National Government entities to try to resolve any issues resulting from an audit that remain outstanding.

In the circumstances, Management was in breach of the Public Finance Management Act, 2012.

### **2. Employee Costs**

The statement of financial performance reflects employee costs amounting to Kshs.2,923,030. Review of records revealed that the College has nine (9) Board Members out of which four (4) or 44% were from the dominant community. Further, the College has forty (40) employees out of which thirty-eight (38) or 95 % belong to the dominant community. This is contrary to Section 7 of the National Cohesion and Integration Act, 2008 which requires all public establishments to seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

In the circumstances, the Management was in breach of the National Cohesion and Integration Act, 2008.

### **3. Lack of Occupational Safety and Health Policy**

Review of the institution's records revealed that the College does not have an Occupational Safety and Health Committee at the workplace. This is contrary to Section 9(1) of the Occupational Safety and Health Act, 2007 which requires every occupier to establish a Safety Committee at the workplace. Further, the College did not prepare and approve an Occupational Safety and Health Policy. This is contrary to Section 11(1) of the Occupational Safety and Health Act, 2007 which requires the occupier of a workplace to cause a thorough safety and health audit of his workplace to be carried out at least once in every period of twelve months by a safety and health advisor.

In the circumstances, the Management was in breach of the Occupational Safety and Health Act, 2007.

#### **4. Board Expenses**

During the year under review, the College had nine Board Members consisting one (1) Executive Member and eight (8) Non-executive Members. Review of records revealed the following unsatisfactory matters:

- i. The appointing gazette notice was not provided for audit verification to confirm the appointments.
- ii. The College's Board operated without a charter contrary to Mwongozo Regulations on Code of Governance for State Corporations which requires that the Board of Directors to develop and adopt a Board Charter which defines the roles, responsibilities and functions of the Board which should be reviewed periodically.
- iii. The Board did not conduct an evaluation of its performance for the financial year 2021/2022. This is contrary to Paragraph 1.12 of Chapter 1 of Mwongozo Code of Governance for State Corporations issued in January, 2015 which stipulates that the Board shall determine the Board performance criteria and undertake an annual evaluation of its performance.
- iv. Sitting allowance amounting to Kshs.139,000 was paid to the County Director of Technical and Vocational Education and Training for Uasin Gishu Region. However, the officer is not a Board Member.
- v. Examination of Board payment vouchers provided for audit revealed that the Chairman of the Board was receiving a sitting allowance of Kshs.18,000 while other seven (7) Board Members received sitting allowance on a flat rate of Kshs.15,000. However, approval by the Cabinet Secretary of the sitting allowances paid to the Board Members during the year was not provided for review. This is contrary to Section 17 third schedule of the Technical and Vocation Education and Training Act, 2013.

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

#### **5. Failure to Establish Audit Committee and Internal Audit Function**

During the financial year under review, the College did not have an established Audit Committee of the Board and an internal audit function. This is contrary to Regulation 174(1) of Public Finance Management (National Government) Regulations, 2015 which requires that each National Government entity shall establish an Audit Committee.

In the circumstance, the Management was in breach of the Public Finance Management, 2012.

#### **6. Lack of Risk Management Policy**

During the financial year under review, the institution did not have a Risk Management Policy in place contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which requires each National Government entity to develop risk management strategies and a system of risk management.

In the circumstances, the Management was in breach of the Public Finance Management Act, 2012.

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

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

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

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

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

Those charged with governance are responsible for overseeing the College's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 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**

**24 May, 2023**

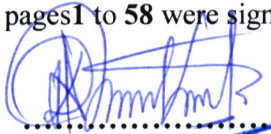
**Moiben Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**


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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	10,535,000	10,545,000
Grants from donors and development partners	7	-	-
Transfers from other levels of government	8	-	-
Public contributions and donations	9	-	-
		-	-
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	10	8,665,770	6,391,700
Sale of goods	11	227,760	-
Rental revenue from facilities and equipment	12	-	-
Finance income	13	-	-
Other income	14	-	151,740
<b>Revenue from Exchange transactions</b>		<b>8,893,530</b>	<b>6,543,440</b>
<b>Total Revenue</b>		<b>19,428,530</b>	<b>17,088,440</b>
<b>Expenses</b>			
Use of goods and services	15	11,145,881	5,076,111
Employee costs	16	2,923,030	2,547,412
Board Expenses	17	1,838,390	625,000
Depreciation and amortization expense	18	1,905,199	1,448,707
Repairs and maintenance	19	1,402,190	589,375
Contracted services	20	-	-
Grants and subsidies	21	-	-
Finance costs	22	-	-
<b>Total Expenses</b>		<b>19,214,690</b>	<b>10,286,605</b>
<b>Other Gains/(Losses)</b>			
Gain on sale of assets	23	-	-
Unrealized gain on fair value of investments	24	-	-
Impairment loss	25	(-)	(-)
<b>Total Other Gains/(Losses)</b>		<b>-</b>	<b>-</b>
<b>Net surplus for the year</b>		<b>213,840</b>	<b>6,801,835</b>
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	(-)
Surplus attributable to owners of the controlling entity		-	-
		-	-

The notes set out on pages 8 to 58 form an integral part of the Annual Financial Statements.  
 The Financial Statements set out on pages 1 to 58 were signed by:

  
 .....  
**Chairman of Board**

  
 .....  
**Finance Officer**

  
 .....  
**Principal**

**Date**

**MOIBEN TECHNICAL AND VOCATIONAL COLLEGE**  
 IGM/MAK No: ASSOC/2583.  
**Date 23 MAR 2023**  
**FINANCE OFFICER**  
 P.O. Box 10715-30100, ELDORET

**MOIBEN TECHNICAL AND VOCATIONAL COLLEGE**  
**PRINCIPAL**  
**24 MAR 2023**  
**Date**  
 Sign.....  
 P.O. Box 10715 - 30100, ELDORET

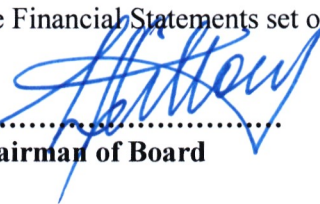
XIV. Statement of Financial Position as at 30th June 2022

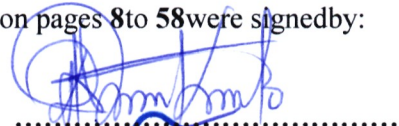
Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	8,566,969	5,353,461
Current portion of receivables from exchange transactions	27(a)	4,406,086	5,194,060
Receivables from non-exchange transactions	28	-	-
Inventories	29	-	-
Investments	30	-	-
		-	-
<b>Non-Current Assets</b>			
Long term receivables from exchange transactions	27(b)	-	-
Investments	30	-	-
Property, plant, and equipment	31	56,597,127	54,959,770
Intangible assets	32	-	-
Investment property	33	-	-
<b>Total Assets</b>		<b>69,570,182</b>	<b>65,507,291</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	34	5,775,657	6,206,171
Refundable deposits from customers	35	349,780	269,780
Current provisions	36	-	-
Finance lease obligation	37	-	-
Current portion of borrowings	41	-	-
Deferred income	38	-	-
Employee benefit obligation	39	-	-
Payments received in advance		-	-
		-	-
<b>Non-Current Liabilities</b>			
Finance lease obligation	37	-	-
Deferred income	38	-	-
Non-Current Employee Benefit Obligation	39	-	-
Non-Current Provisions	40	-	-
Borrowings	41	-	-
Service Concession Liability	42	-	-
Deferred Tax Liabilities	49	-	-
<b>Total Liabilities</b>		<b>6,125,437</b>	<b>6,475,951</b>
<b>Net Assets</b>		<b>63,444,745</b>	<b>59,031,340</b>

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

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Reserves		-	-
Accumulated Surplus		3,587,144	3,373,304
Donated assets - Building		52,755,812	52,755,812
Capital Fund		7,101,787	2,902,225
<b>Total Net Assets and Liabilities</b>		<b>63,444,745</b>	<b>59,031,340</b>

The Financial Statements set out on pages 8 to 58 were signed by:

  
 .....  
**Chairman of Board**

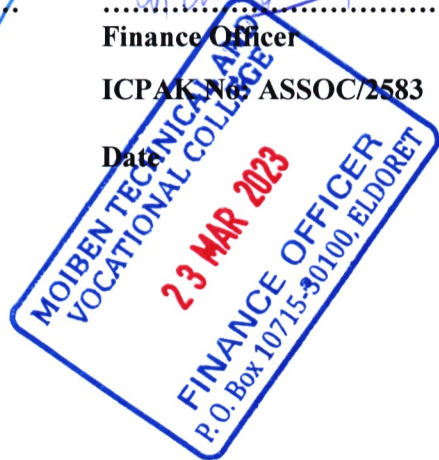
  
 .....  
**Finance Officer**  
 ICPAK No. ASSOC/2583

  
 .....  
**Principal**

**Date**

**Date**

**Date**



**Moiben 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**

	Capital/Development Grants	Donated Assets - Building	Revenue Reserves	Revaluation Reserves	Total
<b>Balance b/f as at July 1, 2020</b>	<b>2,902,225</b>	<b>52,755,812</b>	<b>- 3,428,531</b>	<b>-</b>	<b>52,229,506</b>
Revaluation gain					-
Fair value adjustment on quoted investments surplus for the period					-
Capital/Development grants received during the year			6,801,835		6,801,835
Transfer of depreciation/amortisation from capital fund to retained earnings					-
<b>Balance c/d as at June 30, 2021</b>	<b>2,902,225</b>	<b>52,755,812</b>	<b>3,373,304</b>	<b>-</b>	<b>59,031,340</b>
<b>Balance b/f as at July 1, 2021</b>	<b>2,902,225</b>	<b>52,755,812</b>	<b>3,373,304</b>	<b>-</b>	<b>59,031,340</b>
Revaluation gain					-
Fair value adjustment on quoted investments surplus for the period					-
Capital/Development grants received during the year			213,840		213,840
Transfer of depreciation/Amortization from capital fund to retained earnings	4,199,562				4,199,562
<b>Balance c/d as at June 30, 2022</b>	<b>7,101,787</b>	<b>52,755,812</b>	<b>3,587,144</b>	<b>-</b>	<b>63,444,745</b>

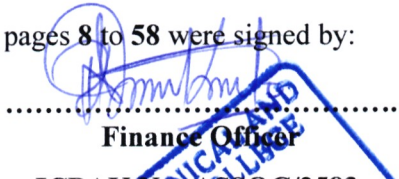
**Moiben Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

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

	Note	2021/2022 Ksh	2020/2021 Ksh
<b>Cashflows from operating activities</b>			
<b>Receipts</b>			
Transfers from other Government entities/Govt. grants		10,535,000	10,545,000
Public contributions and donations			
Rendering of services- Fees from students		11,841,650	4,705,910
Sale of goods		215,160	
HELB refund.		19,039	
Other income, rentals and agency fees		2,720,801	
<b>Total Receipts</b>		<b>25,331,650</b>	<b>15,250,910</b>
<b>Payments</b>			
Compensation of employees		2,923,030	2,550,412
Use of goods and services		11,145,881	4,729,976
remuneration of directors		1,838,390	625,000
repair and maintenance		1,402,190	589,375
Taxation paid			
Other payments		3,332,636	1,896,575
Grants and subsidies paid			
<b>Total Payments</b>		<b>20,642,127</b>	<b>10,391,338</b>
<b>Net cash flows from operating activities</b>	45	<b>4,689,523</b>	<b>4,859,572</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		- 3,676,014	- 3,246,590
Proceeds from sale of property, plant and Equipment			
Decrease in non-current receivables			
<b>Net cash flows used in investing activities</b>		<b>- 3,676,014</b>	<b>- 3,246,590</b>
<b>Cash flows from financing activities</b>			
Development funds Moiben NG -CDF		2,200,000	
Repayment of borrowings			
Increase in deposits			
<b>Net cash flows used in financing activities</b>		<b>2,200,000</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,213,509</b>	<b>1,612,982</b>
Cash and cash equivalents at 1 July 2021.		5,353,461	3,740,478
<b>Cash and cash equivalents at 30 June 2022.</b>	28	<b>8,566,970</b>	<b>5,353,460</b>

The Financial Statements set out on pages 8 to 58 were signed by:

  
 .....  
 Chairman of Board

  
 .....  
 Finance Officer

  
 .....  
 Principal

ICPAK No: ASSOC/2583.

Date

Date

Date



**Moiben 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**

	Original Annual Budget	Adjustments	Final Annual Budget	Actual Cumulative to date	% of Utilization
	a	b	c=a+b	d	e=d/c %
<b>Revenue</b>	<b>Ksh</b>	<b>Ksh</b>	<b>Ksh</b>	<b>Ksh</b>	<b>%</b>
Transfers from other Gov't entities Gov't grants	8,100,000	2,435,000	10,535,000	10,535,000	100
Public contributions and donations	-	-	-	-	-
Rending of services- Fees from students	7,133,400	-	7,133,400	8,665,770	121
Sale of goods	-	-	-	-	-
Finance Income	-	-	-	-	-
Other Income	-	-	-	227,760	-
Gains on disposal, rental income and agency fees	-	-	-	-	-
<b>Total income</b>	<b>15,233,400</b>	<b>2,435,000</b>	<b>17,668,400</b>	<b>19,428,530</b>	<b>110</b>
<b>Expenses</b>					
Compensation of employees	3,783,080	- 812,050	2,971,030	2,923,030	98
Use of Goods and services	9,625,320	3,268,772	12,894,092	12,548,071	97
Finance costs	-	-	-	-	-
Rent paid	-	-	-	-	-
Remuneration of directors	1,825,000	- 21,722	1,803,278	1,838,390	102
Depreciation and amortization	-	-	-	1,905,199	-
<b>Total expenditure</b>	<b>15,233,400</b>	<b>2,435,000</b>	<b>17,668,400</b>	<b>19,214,690</b>	<b>109</b>
<b>Surplus for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213,840</b>	<b>0</b>

**Budget notes.**

1. The difference between the Original Budget and Final budget is due to the Re allocation of budget vote heads.

**XVIII. Notes to the Financial Statements**

**1. General Information**

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

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

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

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

The financial statements have been prepared in accordance with the PFM Act 2015, the State Corporations Act, the TVET Act 2013 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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

**3. Adoption of New and Revised Standards**

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

IPSASB deferred the application date of standards from 1st January 2022 owing to COVID19. 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.**

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41:</b> Financial Instruments	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></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"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<b>IPSAS 42:</b> Social	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful</p>

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Standard	Effective date and impact:
Benefits	<p>representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <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>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p><b>Applicable: 1st January 2023:</b></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 classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued</p>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>
IPSAS 43	<b>Applicable 1<sup>st</sup> January 2025</b>

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Standard	Effective date and impact:
	<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>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

**iii. Early adoption of standards**

Moiben TVC 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 FY 2021/2022 was approved by the Board on 30<sup>th</sup> June 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 of **fkshs2,435,000** on the **FY 2021/2022** budget following the 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 I of these financial statements.

c) Taxes

**Current income tax**

The college is exempted from paying taxes as stipulated in the first schedule of income tax CAP 470.

**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.

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

**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 -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 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 Moiben Technical and Vocational College recognizes such parts as individual assets with specific useful lives and depreciates them accordingly using the **Reducing Balance Depreciation method**.

The table below shows the depreciation rate:

<b>S.No</b>	<b>Details</b>	<b>Depreciation Rate%</b>
1.	Building	2.5%
2.	Motor vehicle	25%
3.	Furniture and fittings	12.5%
4.	Computer and accessories	33.3%
5.	Reference books	25%
6.	Property plant and equipment's	12.5%

**Assumptions:**

- a. **40Acres land:** The College was allocated 40 acres piece of land by the County Government of UasinGishu the cost of the land is yet to be determined through valuation.
- b. The college also received the following assets from the ministry of education the costs are yet to be determined through the Valuation. After the valuation exercise the costs of these assets will be incorporated in the financial statements.
  - i. Furniture staff and students' furniture
  - ii. Automotive training equipment's

- iii. 20 Computers and 3 laptops
- iv. 2 projectors
- v. Three printers.
- vi. Car (Toyota Rush)

#### **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.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as 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.

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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 taking into account 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) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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

***Contingent liabilities***

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

***Contingent assets***

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

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

**4 Summary of Significant Accounting Policies (Continued)**

**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 sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

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

**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 into in determining the appropriate accounting treatment and disclosure requirements. In particular, 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 at bank as at **30<sup>th</sup> June 2022** the college operates two accounts which all funds were channelled through **(KCB Bank Account Number 1216740445 and ABC Bank Account No:00521500 100 5226)**.

**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 subsequent to 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 -.

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	2020-2021
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	10,035,000	9,045,000
Operational Grant	500,000	1,500,000
Other Grants	-	-
	-	-
<b>Conditional Grants</b>		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
<b>Total Government Grants and Subsidies</b>	<b>10,535,000</b>	<b>10,545,000</b>

**(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 (TVET)	10,535,000	-	-	-	10,545,000
- Ministry	-	-	-	-	-
<b>Total</b>	<b>10,535,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,545,000</b>

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

**7. Grants from Donors and Development Partners**

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

**Reconciliations of grants from donors and development partners**

Description	2021-2022 Kshs	2020-2021 Kshs
<b>Balance unspent at beginning of year</b>	<b>-</b>	<b>-</b>
Current year receipts	-	-
Conditions Met - Transferred to Revenue	-	-
<b>Conditions Yet to Be Met - Remain Liabilities</b>	<b>-</b>	<b>-</b>

**8. Transfers from Other Levels of Government**

Description	2021-2022 Kshs	2020-2021 Kshs
	-	-
Transfer from County -		
Transfer from -University	-	-
Transfer from - Institute	-	-
<b>Total Transfers</b>	<b>-</b>	<b>-</b>

**9. Public Contributions and Donations**

Description	2021-2022 Kshs	2020-2021 Kshs
Public Donations	-	-
Donations from Local Leadership	-	-
Donations from Religious Institutions	-	-
Donations from Alumni	-	-
Other Donations	-	-
<b>Total Donations and Contributions</b>	<b>-</b>	<b>-</b>

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

**10. Rendering of Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition	3,520,800	2,581,200
Personal emoluments	2,611,260	1,914,390
Electricity and water conservancy	221,730	163,340
Local transport and travel	391,200	286,800
Repair and maintenance	312,960	229,440
Contingencies	831,300	609,450
Activity	449,880	329,820
Student Union	88,020	64,530
Medical Fees	97,800	71,700
Admission fees - students ID Charges	52,800	76,500
Industrial attachment	88,020	64,530
<b>Total Revenue from The Rendering of Services</b>	<b>8,665,770</b>	<b>6,391,700</b>

**11. Sale of Goods**

Description	2021-2022	2020-2021
	Kshs	Kshs
Sale of Books	-	-
Sale of Publications	-	-
Sale of Farm Produce	227,760	-
Cafeteria sales	-	-
Other	-	-
<b>Total Revenue from Sale of Goods</b>	<b>227,760</b>	<b>-</b>

**12. Rental revenue from facilities and equipment**

Description	2021-2022	2020-2021
	Kshs	Kshs
Hire of Facilities and Equipment		
Contingent Rental	-	-
Operating Lease Revenue		
<b>Total</b>	<b>-</b>	<b>-</b>

**Moiben Technical and Vocational College**  
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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	-	-
Interest income from treasury bills	-	-
Interest income from treasury bonds	-	-
Interest from outstanding debtors	-	-
<b>Total finance income</b>	<b>-</b>	<b>-</b>

**14. Other Income**

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance recoveries	-	-
Consultancy fees	-	-
Income from sale of tender	-	-
Services concession income	-	-
Reimbursements and refunds	-	-
Graduation fees	-	-
Miscellaneous ( <i>KUCCPS</i> )	-	151,740
<b>Total other income</b>	<b>-</b>	<b>151,740</b>

**Notes To The Financial Statements (Continued)**

**15. Use Of Goods And Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Purchase of stationeries	480,765	319,192
Purchase of cleaning materials	55,640	177,600
Printing services	339,460	187,380
Advertising and publicity	154,995	184,671
Internet services	493,692	81,645
Airtime and postages	88,670	72,970
Administration costs	1,026,320	479,400
Bank charges	9,582	8,153
Purchase of staff uniforms	121,550	168,650
Staff training and capacity building	1,035,235	269,290
Purchase of training materials	1,908,319	973,300
Purchase of kitchen materials and items	292,915	271,575
KATTI TVET fairs expenses	733,675	30,000
Electricity and water conservancy	338,669	322,275
Water expenses	54,400	116,500
Audit services and expenses	108,935	60,000
Website maintenance expenses	-	20,000
Performance contract expenses	518,830	105,325
Local travel and subsistence	1,385,895	574,350
Sports expenses	766,010	23,630
Fuel and oil	465,400	238,000
Insurance	219,886	14,705
Medical expenses	10,900	12,350
Student union expenses	124,370	150,550
Farming expenses	411,768	214,600
<b>Total goods and services</b>	<b>11,145,881</b>	<b>5,076,111</b>

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

**16. Employee Costs**

Description	2021-2022 Kshs	2020-2021 Kshs
Salaries and wages	2,793,310	2,547,412
Employee related costs - contribution to pensions and medical aids	126,720	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Performance and other bonuses	-	-
Social contributions	-	-
<b>Employee Costs</b>	<b>2,923,030</b>	<b>2,547,412</b>

**17. Board/Council Expenses**

Description	2021-2022 Kshs	2020-2021 Kshs
Chairman's Honoraria	-	-
Directors Emoluments	-	-
Other Allowances	-	-
Other Board/Council Expenses	1,838,390	625,000
<b>Total</b>	<b>1,838,390</b>	<b>625,000</b>

**18. Depreciation and Amortization expense**

Description	2021-2022 Kshs	2020-2021 Kshs
Property, plant and equipment	1,905,199	1,448,707
Intangible assets	-	-
Investment property carried at cost	-	-
<b>Total depreciation and amortization</b>	<b>1,905,199</b>	<b>1,448,707</b>

**19. Repairs and Maintenance**

Description	2021-2022 Kshs	2020-2021 Kshs
Wages services	118,550	-
Building and grounds maintenance	1,122,695	-
Equipment's repairs	160,945	-
Vehicles	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
<b>Total Repairs and Maintenance</b>	<b>1,402,190</b>	<b>-</b>

**20. Contracted Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Actuarialvaluations	-	-
Investmentvaluations	-	-
Propertyvaluations	-	-
<b>Totalcontractedservices</b>	-	-

**21. Grants and Subsidies**

Description	2021-2022	2020-2021
	Kshs	Kshs
CommunityDevelopment	-	-
EducationInitiativesandPrograms	-	-
SocialDevelopment	-	-
CommunityTrust	-	-
SportingBodies	-	-
<b>TotalGrantsandSubsidies</b>	-	-

**22. Finance Costs**

Description	2021-2022	2020-2021
	Kshs	Kshs
Borrowings(AmortizedCost)*	-	-
FinanceLeases(AmortizedCost)	-	-
UnwindingofDiscount	-	-
Interest on BankOverdrafts	-	-
Interest on Loans from Commercial Banks	-	-
<b>TotalFinanceCosts</b>	-	-

**23. Gain On Sale of Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
Property,PlantandEquipment	-	-
Intangible Assets	-	-
OtherAssets not capitalised	-	-
<b>TotalGainOnSaleofAssets</b>	-	-

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

**24. Unrealized Gain on Fair Value Investments**

Description	2021-2022	2020-2021
	Kshs	Kshs
Investments at Fair Value	-	-
<b>Total Gain</b>	<b>-</b>	<b>-</b>

**25. Impairment Loss**

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total Impairment Loss</b>	<b>-</b>	<b>-</b>

**26. Cash and Cash Equivalents**

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	8,566,969	5,353,461
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Specify)	-	-
<b>Total Cash and Cash Equivalents</b>	<b>8,566,969</b>	<b>5,353,461</b>

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**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
<b>a) Current Account</b>			
Kenya Commercial Bank	1216740445	6,285,569	4,846,463
ABC Bank	00521500 100 5226	2,251,844	149,204
<b>Sub- Total</b>		-	-
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		-	-
<b>d) Staff Car Loan/ Mortgage</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		-	-
<b>e) Others(<i>Specify</i>)</b>			
Cash in Transit		-	-
Cash in Hand		29,556	357,794
Mobile Money account		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>8,566,969</b>	<b>5,353,461</b>

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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	2020-2021
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	4,391,586	5,191,060
Rent Debtors	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	14,500	3,000
Less: Impairment Allowance	(-)	(-)
<b>Total Current Receivables</b>	<b>4,406,086</b>	<b>5,194,060</b>

**27(b) Long- term Receivables from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Non-Current Receivables</b>		
Refundable Deposits	-	-
Advance Payments	-	-
Public Organizations	-	-
Less: Impairment Allowance	(-)	(-)
<b>Total</b>	<b>-</b>	<b>-</b>
Current Portion Transferred To Current Receivables	(-)	(-)
<b>Total Non-Current Receivables</b>	<b>-</b>	<b>-</b>
<b>Total Receivables</b>	<b>-</b>	<b>-</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
At the beginning of the year	-	-
Provisions during the year	-	-
Recovered during the year	(-)	(-)
Write offs during the year	(-)	(-)
At the end of the year	-	-

Notes to the Financial Statements (Continued)

28. Receivables from Non-Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Current Receivables</b>		
Capitation Grants*	-	-
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	(-)	(-)
<b>Total Current Receivables</b>	-	-

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

Description	2021-2022	2020-2021
	Kshs	Kshs
At the beginning of the year	-	-
Additional provisions during the year	-	-
Recovered during the year	(-)	(-)
Written off during the year	(-)	(-)
At the end of the year	-	-

29. Inventories

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable stores	-	-
Maintenance stores	-	-
Health Unit stores	-	-
Electrical stores	-	-
Cleaning Materials stores	-	-
Catering stores	-	-
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	-	-

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

**30. Investments**

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

**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	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding			
	%	%	%	Kshs	Current Year Kshs	Prior Year Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
	-	-	-	-	-	-

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

**31. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Reference books (specify)	Plant and Equipment	Capital Work in progress	Capital Work in progress - staff house	Total
Depreciation rate		0.025	0.25	0.125	0.533	0.25	0.125			
As at 1 July 2021		53,283,576	-	1,475,340	148,000	403,505	453,592	3,080,040	1,849,830	3,121,697
Additions										
Transfers/adjustments										
At 30 <sup>th</sup> June 2021	-	53,283,576	-	1,475,340	148,000	403,505	453,592	2,946,582	1,849,830	60,560,425
Additions				43,000	681,200			2,854,454	97,360	3,676,014
Disposals										
Transfer/adjustments		7,748,226								
At 30 <sup>th</sup> June 2022	-	61,031,802	-	1,518,340	829,200	403,505	453,592	- 5,801,036	-1,947,190	64,236,439
Depreciation and impairment										
At 1 July 2021		5,104,467	-	331,942	82,156	165,450	50,098			5,734,113
Depreciation										
Impairment										
At 30 June 2021	-	5,104,467	-	331,942	82,156	165,450	50,098	-	-	5,734,113
Depreciation	-	1,398,183.39	-	148,299.75	248,765.51	59,513.67	50,436.80	-	-	1,905,199
Disposals										
Impairment										
Transfer/adjustment										
At 30 <sup>th</sup> June 2022	-	6,502,650	-	480,242	330,922	224,964	100,534	-	-	7,639,312
Net book values	-	54,529,152	-	1,038,098	498,278	178,541	353,058	-	-	56,597,127
At 30 <sup>th</sup> June 2021	-	48,179,109	-	1,143,398	65,844	238,055	403,494	3,080,040	1,849,830	54,959,770
At 30 <sup>th</sup> June 2022	-	54,529,152	-	1,038,098	498,278	178,541	353,058	-	-	56,597,127

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

**Valuation**

The institution has not conducted Valuation of college equipment's received from the Ministry of Education in FY 2017/2018. The management is in progress of conducting valuation of the assets by end of the Financial Year FY 2022/2023.

**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	-	-	-
Buildings	61,031,802	6,502,650	54,529,152
Plant And Machinery	453,592	100,534	353,058
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	829,200	330,922	498,278
Office Equipment, Furniture, And Fittings	-	-	-
<b>Total</b>	<b>62,314,594</b>	<b>6,934,106</b>	<b>55,380,488</b>

**32. Intangible Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Cost</b>		
<b>At beginning of the year</b>	-	-
Additions	-	-
<b>At end of the year</b>	-	-
Additions—internal development	-	-
<b>At end of the year</b>	-	-
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	-	-
Amortization	-	-
<b>At end of the year</b>	-	-
Impairment loss	-	-
<b>At end of the year</b>	-	-
<b>NBV</b>	-	-

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

**33. Investment Property**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>At beginning of the year</b>	-	-
Additions	-	-
Disposal during the year	(-)	(-)
Depreciation	(-)	(-)
Impairment	(-)	(-)
<b>At end of the year</b>	-	-

**34. Trade and Other Payables from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	11,249	1,040,904
Fees paid in advance	4,738,152	2,817,870
Employee advances	-	-
Third-party payments (KNEC)	806,972	347,835
Other Payables (KUCCPS)	219,284	-
Development Funds (Moiben NG - CDF)	-	1,999,562
<b>Total Trade and Other Payables</b>	<b>5,775,657</b>	<b>6,206,171</b>

**35. Refundable Deposits from Customers/Students**

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumer deposits	-	-
Caution money	349,780	269,780
Other refundable deposits	-	-
<b>Total Deposits</b>	<b>349,780</b>	<b>269,780</b>

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

**36. Current Provisions**

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

**37. Finance Lease Obligation**

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

**Maturity Analysis**

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

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

**Analysed as:**

Description	Amount
	<b>Kshs</b>
Current	-
Non- Current	-
<b>Total</b>	<b>-</b>

**38. Deferred Income**

Description	2021-2022	2020-2021
	<b>Kshs</b>	<b>Kshs</b>
National Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
<b>Total Deferred Income</b>	<b>-</b>	<b>-</b>

**The deferred income movement is as follows:**

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

**Analysed as:**

Description	Amount
	<b>Kshs</b>
Current	-
Non- Current	-
<b>Total</b>	<b>-</b>

**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	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total Employee Benefits Obligation</b>	-	-	-	-	-

**Retirement benefit Asset/ Liability**

The entity operates a defined benefit scheme for all full-time employees from July 1, 20-. The scheme is administered by - while - are the custodians of the scheme. The scheme is based on - 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 - June - by - 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	%	x%
Future Salary Increases	x%	x%
Future Pension Increases	x%	x%
Mortality (Pre- Retirement)	x%	x%
Mortality (Post- Retirement)	x%	x%
Withdrawals	-	-
Ill Health	-	-
Retirement	- years	- years

**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	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others ( <i>specify</i> )	-	-
Adjustments for restrictions on the defined benefit asset	-	-
<b>Re-measurement of the net defined benefit liability (asset)</b>	-	-

**b) Amounts recognised in the Statement of Financial Position**

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

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. 360** per employee per month. Other than NSSF the entity has no defined contribution scheme operated by Pension Fund.

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**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	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision utilised	(-)	(-)	(-)	(-)	(-)
Change due to discount and time value for money	-	-	-	-	-
Less: Current portion	(-)	(-)	(-)	(-)	(-)
<b>Total deferred income</b>	-	-	-	-	-

**41. Borrowings**

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

**41 a) Analysis of External and Domestic Borrowings**

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

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

**41 b) Breakdown of Long and Short-Term Borrowings**

Description	2021-2022	2020-2021
	Kshs	Kshs
Short Term Borrowings(Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-

**42. Service Concession Arrangements**

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

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

**43. Cash generated from operations**

		2021/2022	2020/2021
	Note	Kshs	Kshs
<b>Surplus for the year before tax</b>		213,840	6,801,835
<b>Adjusted for non cash activities</b>			
Depreciation		1,905,199	1,448,707
<b>Adjustment for Working Capital adjustments</b>			
Increase in inventory			
Increase in receivables		787,974	-
Increase in payables		1,782,506	-
Increase in payments received in advance			409,793
<b>Net cash flow from operating activities</b>		<b>4,689,519</b>	<b>4,734,679</b>

**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 unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

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

**(i) Credit risk**

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

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

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2021</b>				
Receivables from exchange transactions	5,194,060	5,194,060	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	5,353,461	5,353,461	-	-
<b>Total</b>	<b>10,547,521</b>	<b>10,547,521</b>	-	-
<b>At 30 June 2022</b>				
Receivables from exchange transactions	4,406,086	4,406,086	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	8,566,969	8,566,969	-	-
<b>Total</b>	<b>12,973,055</b>	<b>12,973,055</b>	-	-

**44. Financial Risk Management (Continued)**

**(i) Credit risk (continued)**

The customers under the fully performing category are paying their debts as they continue studying. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the institution 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 students.

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
<b>At 30 June 2021</b>				
Trade Payables	-	-	6,475,951	6,475,951
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	<b>6,475,951</b>	<b>6,475,951</b>
<b>At 30 June 2022</b>				
Trade Payables	-	-	6,125,437	6,125,437
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	<b>6,125,437</b>	<b>6,125,437</b>

**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.

**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	Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30 June 2022</b>			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	6,125,437	-	6,125,437
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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	Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30<sup>th</sup> June 2022</b>			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	6,125,437	-	6,125,437
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

**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)**

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
<b>20-</b>			
Euro	10%	-	-
Usd	10%	-	-
<b>20-</b>			
Euro	10%	-	-
Usd	10%	-	-

**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- (2022: Kshs-). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs- (2022 – Kshs-)

**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	-	-
Retained Earnings	3,587,144	3,373,304
Capital Reserve	-	-
<b>Total Funds</b>	<b>3,587,144</b>	<b>3,373,304</b>
Total Borrowings	-	-
Less: Cash and Bank Balances	(8,566,969)	(5,353,461)
Net Debt/(Excess Cash and Cash Equivalents)	-	-
<b>Gearing</b>	<b>-%</b>	<b>-%</b>

**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 the Moiben TVC, holding 100% of the Moiben TVC 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) Ministry of Education
- iii) County government of UasinGishu
- iv) Moiben NG- CDF
- v) Board of governors
- vi) Key management;

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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
<b>Transactions with Related Parties</b>		
<b>a) Sales to related parties</b>		
Sales of electricity to gov't agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	-	-
<b>B) Purchases from related parties</b>		
Purchases of electricity from KPLC	338,669	322,275
Purchase of water from gov't service providers	-	-
Rent expenses paid to gov't agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	-	-
<b>b) Grants /Transfers from the Government</b>		
Grants from National Gov't	10,535,000	10,545,000
Grants from County Government	-	-
Donations in Kind	-	-
<b>Total</b>	-	-
<b>c) Expenses incurred on behalf of related parties</b>		
Payments of Salaries and Wages for - Employees	2,923,030	2,547,412
Payments for Goods and Services for -	-	-
<b>Total</b>		
<b>d) Key Management Compensation</b>		
Directors' emoluments	1,838,390	625,000
Compensation to Key Management	-	-
<b>Total</b>	<b>15,635,089</b>	<b>14,039,687</b>

**46. Segment Information**

The college operates one office.

**47. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

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

**Contingent Liabilities**

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

(Give details)

**48. Capital Commitments**

Capital Commitments	2021-2022	2020-2021
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
<b>Total</b>	-	-

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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	-	-
Unrealised Exchange Gains/(Losses)	-	-
Revaluation Surplus	-	-
Tax Losses carried forward	(-)	(-)
Provisions for Liabilities and Charges	(-)	(-)
<b>Net Deferred Tax Liability/(Asset)</b>	<b>-</b>	<b>-</b>
The movement on the deferred tax account is as follows:		
Balance at beginning of the year	-	-
Credit to revaluation reserve	(-)	(-)
Under provision in prior year	-	-
Income statement charge/(credit)	-	-
Balance at end of the year	-	-

*[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 Education. Its ultimate parent is the Government of Kenya.

**52. Currency**

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

**Moiben Technical and Vocational College  
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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 audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	Timeline (Put a date when you expect the issue to be resolved)
1.	Presentation of Financial Statements- Incomplete Heading	The Financial statement were amended to include the omitted statement as provided for in the Revised financial reporting template.	Resolved	
2.	Variance between statement of Cash flows and Notes to financial statements	The management commits to make amendments to the financial statement to reconcile the variance in the Statement of the cash flow in the Financial statements of FY 2021/2022.	Resolved	
3.	Differences between figures in the statement of financial performance and statement of cash flows	we used the actual cash received and actual expenditure (Cash basis) compared to figures Presented in the financial Performance which are the Invoiced student's fees and accrued expenditure (Accrual Basis)	Resolved	
4.	Un-supported Capitation	The list will be presented to the Board for approval and submitted to the Auditor for verification	Resolved	
5.	Budgetary Control and Performance-Non adherence	The management commits to ensure that the planned activities are implemented as budgeted. However due to the delay in disbursement of student's capitation and grants by MOE, students' loans by HELB it was impossible to implement some of the activities as planned in the Budget. The management commits that whenever the student's capitation are disbursed on time the college will absorb its budget within the financial year as recommended by the	Resolved	

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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)
		auditor		
6.	Lack of an approved Human Resource Policy Manual and Staff Establishment	The management commits to establish the human resource policy manual and submit to the Board for approval before	Not Resolved	30 <sup>th</sup> June 2023
7.	Failure to Comply with the Provisions on Inclusivity on Ethnic Diversity	The management commits to use any prevailing opportunity during subsequent recruitment	Not Resolved	30 <sup>th</sup> June 2023
8.	Lack of Occupational Safety and Health Policy	Management commits to undertake the occupational safety and health audit as directed in Occupational Safety and Health Act 2007	Not Resolved	30 <sup>th</sup> June 2023
9.	Property, Plant & Equipment (Failure to Maintain an Updated Fixed Assets Register)	Management commits to update its fixed asset register after the valuation exercise in order to update on the costs of assets donated by the Ministry of Education or a qualified valuer.	Not Resolved	30 <sup>th</sup> June 2023
10.				

  
 .....  
**Oroni Barasa**  
 Principal.  
**Appendix II: Projects Implemented by Moiben Technical and Vocational college.**



**Moiben Technical and Vocational College  
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**Projects**

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

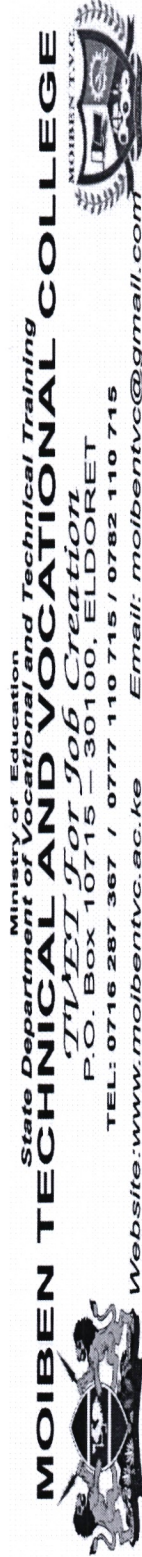
Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1	N/A					
2	N/A					

**Status of Projects completion**

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

**Moiben Technical and Vocational College  
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**Appendix III- Inter-Entity Confirmation Letter**



The Moiben TVC wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> 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.

Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022				Amount Received by [beneficiary Entity] (KShs) as at 30 <sup>th</sup> June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	5/7/2021	500,000	-	-	500,000	500,000	-
	18/11/2021	3,255,000	-	-	3,255,000	3,255,000	-
	31/1/2022	3,255,000	-	-	3,255,000	3,255,000	-
	3/6/2022	3,525,000	-	-	3,525,000	3,525,000	-
<b>Total</b>		<b>10,535,000</b>	-	-	<b>10,535,000</b>	<b>10,535,000</b>	-

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

Head of Accountants department of beneficiary Entity:

Name ..... *[Signature]* ..... Sign ..... *[Signature]* ..... Date **24 MAR 2023** .....

**MOIBEN TECHNICAL AND VOCATIONAL COLLEGE  
PRINCIPAL**

Sign.....  
P. O. Box 10715 - 30100, ELDORET

**Moiben Technical and Vocational College  
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**Appendix IV: Reporting of Climate Relevant Expenditures**

**MOIBEN TECHNICAL AND VOCATIONAL COLLEGE**

Telephone Number: 0728 172 771  
 Email Address: P O BOX 10715-30104  
 Name of Principal: ORONI BARASA.

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

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**Appendix V: Disaster Expenditure Reporting Template**

Date:						
Entity:						
Period to which this report refers (FY)	Year FY 2021/2022	Quarter:				
Name of Reporting Officer						
Contact details of the reporting officer:	Telephone: 0728 172 771					
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
	N/A		N/A		N/A	