

REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY **REPORT**

DATE: 10 NOV 2022

Thursday

TABLED  
BY:

Hon Kimani Ichungwa **OF**  
Leader of majority

CLEARED  
BY:

Samuel Kalama

**THE AUDITOR-GENERAL**

**ON**

**KIENI TECHNICAL AND VOCATIONAL  
COLLEGE**

**FOR THE YEAR ENDED  
30 JUNE, 2021**





**INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)**

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**KIENI TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE, 2021**

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

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

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Table of Contents

I.	KEY COLLEGE INFORMATION AND MANAGEMENT.....	ii
	Our core values are; .....	ii
II.	THE BOARD OF GOVERNORS .....	vi
	MANAGEMENT TEAM.....	x
III.	CHAIRMAN'S STATEMENT .....	xiv
IV.	REPORT OF THE PRINCIPAL.....	xv
V.	STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES.....	xviii
VI.	CORPORATE GOVERNANCE STATEMENT .....	xxi
VII.	MANAGEMENT DISCUSSION AND ANALYSIS .....	xxvi
VIII.	ENVIRONMENTAL AND SUSTAINABILITY REPORTING.....	xxxiv
	REPORT OF THE BOARD OF GOVERNORS .....	xxxvii
	STATEMENT OF BOARD OF GOVERNORS MEMBERS' RESPONSIBILITIES.....	xxxviii
	REPORT OF THE INDEPENDENT AUDITORS ON THE COLLEGE .....	xxxix
IX.	STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2021	
	1	
X.	STATEMENT OF FINANCIAL POSITION AS AT 30 <sup>TH</sup> JUNE,2021.....	2
XI.	STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE,2021 ....	3
XII.	STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021.....	4
XIII.	STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021.....	5
XIV.	NOTES TO THE FINANCIAL STATEMENTS.....	6
	APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS .....	24
	APPENDIX II: PROJECTS IMPLEMENTED BY THE COLLEGE .....	25
	APPENDIX III: INTER-COLLEGE TRANSFERS .....	26
	APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES .....	27

## **I. KEY COLLEGE INFORMATION AND MANAGEMENT**

### **(a) Background information**

Kieni Technical & Vocational College is located at Karicheni Village in Nyeri County, Kieni Sub County. The construction of Kieni T.V.C started in 2014. It was a joint effort of the Kenya Government and the C.D.F. of Kieni Constituency. The Government contributed Kshs. 40 million whereas the C.D.F. of Kieni constituency contributed Kshs. 10 million towards the construction of the college. The college was mentored by Mathenge Technical Training Institute in Nyeri County. It was completed in March 2018 and the Public Service Commission posted the first principal in February 2020. The Government equipped the college with Building Technology Machines and training equipment making a centre of excellence in building & civil engineering and surveying.

The student population has continued to grow tremendously from 24 students at the beginning of quarter 1 to 62 by the end of quarter 2. The college has also diversified its training programme by introducing additional courses and also equipping various workshops.

### **(b) Principal Activities**

The Mandate of KIENI Technical & vocational college is to provide Technical, Vocational and Entrepreneurship Training (TVET) in a conducive environment using appropriate technology to empower her trainees for individual and national development.

It is the responsibility of Kieni TVC to provide the required leadership in designing suitable plans and strategies that will contribute to high and sustainable socio-economic development.

#### **Vision Statement**

To be a centre for globally competitive technological skills for sustainable livelihood.

#### **Mission Statement**

To provide trainees with quality technical skills for transforming lives through innovation and technology.

#### **Our core values are;**

1. Creativity and innovation
2. Accountability
3. Professionalism
4. Teamwork
5. Integrity
6. Patriotism

### **(c) Key Management**

The collegeday-to-day management is under the following key organs:

- Board of governors
- Accounting officer/ Principal
- Heads of Departments
- Heads of sections

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June, 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1	Principal	M/s Ruth Ruita
2	Deputy principal	Mr Peter MumoKaburia
3	Acting Finance office/ Secretary	Mary WangariGathima
4	Examination Officer	Mr James WaithakaNdungu
5	Registrar	M/s Rachael WairimuMuraguri
6	Industrial Liaisons Officer	M/S Grace WairimuMbatia
7	Sports officer	Mr Daniel MuriithiKarimi
8	Dean of students	Nancy Waruguru

**(e) Fiduciary Oversight Arrangements**

**Audit and risk committee activities**

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

**Finance and operations committee activities**

- To receive, consider and submit the proposed budget estimates from the various college department for approval by the Board;
- To receive and consider all requests for authorization of expenditure more than the approved annual estimates and make recommendations to the Board;
- To report to the Board all matters related to finance and development;
- To ensure that accurate records are kept on the establishments in the College;
- To consider and recommend to the Board the priority development projects and receive reports, and the recommendations of Management on the progress of the physical development of the College;
- To report to the Board on the progress of physical infrastructure development of the College;

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

- To prepare College Development plans for an approved period and submit to the Board; and
- To exercise such other powers as the Board may from time to time delegate to the Committee.

**Academic committee activities**

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

**(f) College Headquarters**

P.O. Box 316 - 10102 Kiganjo  
Nyeri County  
Kieni Sub County  
5 km from Chaka & Naromoro Road

**(g) College Contacts**

Telephone : (254)0791917471  
E-mail: [kienitech2020@gmail.com](mailto:kienitech2020@gmail.com)  
Website: [www.kienitvc.ac.ke](http://www.kienitvc.ac.ke)

**(h) College Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank  
Nyeri Branch  
PO Box  
Nyeri Kenya

**(i) Independent Auditors**

Auditor General  
Office of Auditor General  
Anniversary Towers, Institute Way

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

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**



Ruth W Ruita  
Principal/Secretary of the board

### **Academic & Professional Qualifications:**

2013- 2017 -Bachelor of Arts Counselling psychology  
2003 – 2004 - Higher Diploma technical education management  
1994 - Diploma Institutional Management

### **Work experience**

1991- 2003 Machakos Technical –Lecturer fashion design/ deputy HoD Clothing  
2003 – 2004 Higher Diploma KTTC (Education Management)  
2005- 2009 Nyeri Technical Training Institute (section head clothing)  
2009- 2014 Deputy Liaisons Officer  
2015 – 2016 head of complaints office  
2016 – 2020 Feb Dean of students  
2020 Feb to date Principal Kieni TVC



### **George Wachiuri**

Chair of the Board of Governor's  
Masters of Business Administration University of Nairobi  
Bachelor of Commerce (Marketing Option)  
Certified Public Accountant CPA (K).

He is an entrepreneur par excellence. He captains one of the most trailblazing organizations in the region, Optiven Group,

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

He is also a passionate philanthropist and the Chairman and Trustee of one of the most vibrant Foundations in the region, Optiven Foundation. He is also a motivational speaker, a lecturer and serves as a church elder



**DANIEL KANG'ANG'I**

Executive Board of Governor

He is seconded by the Governor Nyeri County is a proprietor of Snow View Kanga'ng'i Academy



**Dr. Hellen Wangechi Mwaura Kamiri (PHD)**

Independent Board of Governor

Research scientist and senior lecturer, School of Agriculture and Biotechnology



**Grace Wanjiru Nguru**

BSc. Electrical and Telecommunication Engineering

Customer Service Engineer working at Kenya Power and Lighting Co



**CPAREphahMumbuaKitavi**

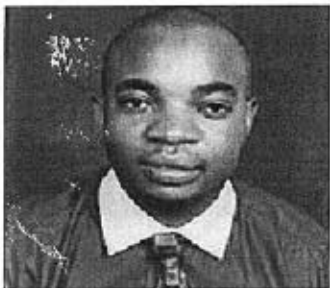
Masters of Science in Finance and Investment from Kenya Methodist University

Bachelor of Arts (Honors) from Kenyatta University.

Certified Public Accountants (CPA),

Certified Information Systems Auditor (CISA) ISO 9001:2015 internal auditor.

Over 10 years' experience in public financial management and accounting, risk management and internal auditing in both public and private sector.



**Sebastian ChitechiKweyu**

PhD in Business Administration candidate at the University of Nairobi,

Master in Business Administration degree from the University of Nairobi (2010)

BSc. Tourism degree from Moi University (1997).

**[2011 – Now] Lead Consultant,**

Spot-onBusinessConsultancy

(Business consulting firm), Nairobi, [www.spot-onconsultancy.com](http://www.spot-onconsultancy.com)

**[2014 – 2015] Commercial Manager,**

Revenue management,

Southeast Airlines (Aviation Industry), Nairobi. [www.southeastairlines.com](http://www.southeastairlines.com)

**[2012 – Now] Lecturer,**

School of Business, Kenyatta University (Academia), Nairobi. [www.ku.ac.ke](http://www.ku.ac.ke)

**[2011 – 2011] Revenue Manager, Revenue management,**

Arik Air (Aviation Industry), Lagos. [www.arikair.com](http://www.arikair.com)

**[2006 – 2011] Senior Demand Analyst, Revenue management,**

Kenya Airways (Aviation Industry), Nairobi. [www.kenya-airways.com](http://www.kenya-airways.com)

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**



**Carolyn KavuliMwasaa**

PHD in information technology ongoing

Masters of Science: Information Systems.

Bachelor of Education (Science) Mathematics and Physics

Feb 2020- to date: Umma University: Lecturer in the department of computer science

Jan 2013-Jan 2020: Presbyterian University of East Africa.

Lecturer in the department of computer science, my teaching subjects ICT and Mathematics.

I have also taught as an adjunct faculty in various universities including JKUAT, USIU, Kenya Institute of Highways and building Technology (KIHBIT), Railway Training Institute, RTI among others.

2003-2014. TSC commission. Teaching in high school and technical colleges



**Elizabeth Wanjohi**

Masters of Business Administration

**Academic & Professional Qualifications:**

- Masters Of Business Administration (Murdoch University Australia)
- Post Graduate Diploma In Electronic (Commerce Edith Cowan University Australia)
- Certified Professional Mediator (MTI East Africa)






**Work experience**

Over 25yrs Progressive Experience in both private & public sector.






- Kenya Tea Development Agency (KTDA)
- Director help self help centre (HSHC) National NGO
- CEO Best Buy Traders Ltd

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**






**MANAGEMENT TEAM**

Photo	Name Responsibility & qualifications
	<p><b>Name</b> M/s Ruth Ruita  <b>designation</b> Principal /sec BoG  <b>Qualifications</b> Bachelor of Arts Counselling psychology Higher Diploma technical education management</p>
	<p><b>Name</b> <b>Mr Peter MumoKaburia</b>  <b>designation</b> Deputy Principal/Quality Assurance Officer  <b>Qualifications</b> Diploma in building &amp; civil engineering</p>
	<p><b>Name</b> M/S Grace wambuikangangi  <b>designation</b> Ag Head of Department building  <b>Qualifications</b> Higher diploma in building &amp; civil engineering</p>
	<p><b>Name</b> <b>Mr Patrick MachariaKivuti</b>  <b>designation</b> HoD Building &amp; civil  <b>Qualifications</b> Diploma in building &amp; civil engineering</p>
	<p><b>Name</b> Mr Joseph Muraguri  <b>designation</b> HOD ICT  <b>Qualifications</b> Degree in ICT</p>

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

	<p><b>Name</b> Cyprian Mbau <b>designation</b> Ag HOD electrical Engineering <b>Qualifications</b> Degree in electrical engineering</p>
	<p><b>Name</b> Nancy Waruguru Waigwa <b>Designation</b> Ag Dean of students <b>Qualifications</b> Degree in hospitality</p>
	<p><b>Name</b> M/S Grace Wairimu Mbatia <b>designation</b> Ag Liaison Officer <b>Qualifications</b> Degree in building &amp; civil engineering</p>
	<p><b>Name</b> Mary Wangare Gathima <b>designation</b> Administrative secretary <b>Qualifications</b> Degree in business management/CPA4</p>
	<p><b>Name</b> <b>Mr Daniel Muriithi Karimi</b> <b>designation</b> Ag Sports officer <b>Qualifications</b> Diploma in building &amp; civil engineering</p>
	<p><b>Name</b> <b>Mr Patrick Mwangi Wachira</b> <b>designation</b> Ag assistant registrar <b>Qualifications</b> Degree in building &amp; civil engineering</p>
	<p><b>Name</b> <b>M/s Rachel Wairimu Muraguri</b> <b>designation</b> Ag registrar <b>Qualifications</b> Degree in ICT</p>

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

	<p>Name  <b>M/s Susan Wangare Karangu</b>  <b>designation</b>  Ag assistant guidance &amp; counselling  <u><b>Qualifications</b></u>  Degree in building &amp; civil engineering</p>
	<p>Name  <b>Mr James Waithaka Ndungu</b>  <b>designation</b>  Ag Exam Officer  <u><b>Qualifications</b></u>  Degree in building &amp; civil engineering</p>
	<p>Name  <b>Mr Paul Maina Wanjiru</b>  <b>designation</b>  Ag Guidance &amp; counselling Officer  <u><b>Qualifications</b></u>  Degree in building &amp; civil engineering</p>
	<p>Name  <b>Mr Alex Maina Irungu</b>  <b>designation</b>  Ag Deputy Liason Officer  <u><b>Qualifications</b></u>  Higher Diploma in Electrical Engineering</p>
	<p>Name  <b>Mr Charles Munyi Wandeto</b>  <b>designation</b>  Ag HOD Welding  <u><b>Qualifications</b></u>  Degree in welding</p>

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**



**Name**

Mr Marvin NdirituWahome

**designation**

Ag Ass. Exam Officer

**Qualifications**

Degree in building & civil engineering



## **CHAIRMAN'S STATEMENT**

It is my pleasure to present Kieni Technical & Vocational College Annual Financial Statements for the financial year ended 30<sup>th</sup> June, 2021. The College Board notes with appreciation the continued support of the Government and other stakeholders in running the institution. The College continues to offer quality programmes that are market-driven and meet the demands of the market. The Board endeavours to work with the industry and other strategic partners and stakeholders in order to provide facilities to meet the challenges the College is facing.



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


During the financial year 2020/2021, the College embarked on various projects among them;

- a) Initiated the process of acquiring the ownership of the land where the college is built.
- b) Construction of modern ablution block for trainees and visitors
- c) Partnered with TANA Water in drilling of 160mtrs borehole which will provide clean and reliable water supply when complete.
- d) Partnered with National Housing Corporation in construction of Demonstration Modern Affordable Workshop built using local affordable building materials.
- e) Acquired hair dressing and clothing/technology training materials
- f) Equipped the welding workshop
- g) Levelled the college car park and upgraded the access path from the gate to the administration block with hard-core and marram.

The College introduced the CDAAC programmes, which is geared towards support the government's push for the competence-based curriculum.

College has faced numerous challenges attributed to:

- a) Covid 19 pandemic has disrupted the normal academic yearly calendar. This created uncertain business environment and stagnated trainee population growth due to postponement of the major admission seasons.
- b) The GoK delayed the release of quarterly grants, which were already factored in the 2020/21 financial year budget. This resulted to underfunding of the college budget and downsizing of the core mandate budgets.
- c) The capitation the received didn't match with the number of the trainees in the college and the list submitted to KUCCPS. We continued with the measures of setting up management and governance structures that reflect the College status. During the year, the College held 8 BOG meetings both online and physical meetings. I thank the government for its financial support so far that has made it possible to implement the KTVC functions and programmes. I finally, wish to thank all stake holders for their continued support and dedication, even as we together strive to achieve greater heights of excellence.

  
**George Wachiuri**  
Chair of the Board of Governors.



**KIENI TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**



**111REPORT OF THE PRINCIPAL**

I am pleased to present the Annual report and Financial Statements of Kieni Technical & Vocational College for the financial year ended 30th June, 2021. Kieni Technical & Vocational College is an academic institution committed in generating and transmitting knowledge, skills and right attitudes through Technical, Innovation and vocational for self-reliance of our trainees and bridge the skill gap in the market.

**Academic and Student affairs**

During the financial year under review, the College has remained on course. The main focus which has been quality, relevance, access and sustainability intended to consolidate and reshape the College with a view to living up to its vision and mission.

The College had her admissions for the 2020/2021 in January 2021 in the following academic programmes.

S/No.	Programme	January, 2021
1	Clothing /technology /	11
2	electrical	12
3	ICT	05
4	Hair dressing & beauty	16
5	Building /civil engineering	21
6	Business courses	10
7	Agribusiness	05
8	Plumbing & welding	14
9	carpentry	02
	<b>Totals</b>	<b>96</b>

The College had only one NITA examination sitting within the financial year due to Covid 19 pandemic that destabilised the normal academic calendar. Our trainees performed exceptionally well as per the data below.

S/No.	Programme	Passed	Failed
1	Plumbing	9	0
2	Hairdressing	15	0
3	Beauty therapy	14	0
	<b>Totals</b>	<b>38</b>	<b>0</b>

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

At the start of 2020/2021 academic year which fell in 2020/2021 financial year, the College introduced the CDAAC programmes, which was geared to support the government's push for the competence-based curriculum and 'Big 4 Agenda'. This will see the College supplement her internally generated incomes in future. Special appreciation goes to all the students who have chosen Kieni Technical & Vocational College as their place of study and it will continue offering market-driven academic programmes for industrial and socio-economic growth.

**Students Welfare**

Kieni Technical & Vocational College continued to support the welfare of her main stakeholders (students) to enhance their academic environment in the spirit of producing holistic graduates. One of the greatest challenges in the management of students' welfare is the large number of brilliant students from very humble backgrounds. In order to reduce incidences of dropping out due to lack of fees, the College facilitated the disbursement of HELB Loan/ bursaries and NG CDF to students. The college supported the trainees to participate in KATTI regional athletics and ball games emerging one of the best teams in the Mt Kenya KATTI region.

**Collaborations and linkages**

During the period the College developed memoranda of understanding (MoUs) manual which will be used as a guiding document as it enters into collaborations with different organizations in future. Kieni Technical & Vocational College also engaged in linkages with several public and private organizations to enable linking industry with academics for the benefit of the trainees and the industries.

**College Infrastructure**

Kieni Technical & Vocational College initiated various projects geared towards achieving its objectives. These include but not limited to;

- a) Initiated the process of acquiring the ownership of the land where the college is built.
- b) Construction of modern ablution block for trainees and visitors
- c) Partnered with Kieni NG CDF in drilling of 100 mtrs borehole which will provide clean and reliable water supply when complete.
- d) Partnered with National Housing Corporation in construction of Demonstration Modern Affordable Workshop built using local affordable building materials.
- e) Acquired hair dressing and clothing/technology training materials
- f) Levelled the college car park and upgraded the access path from the gate to the administration block with hard-core and murrum.

**Administration and Staffing**

I am humbled to convey my appreciation and gratitude to the Board of Governors and all the members of staff for their support, commitment and dedication to their work and their efforts that have seen Kieni College move towards attaining its vision.

During the financial year, Kieni TVC received additional staffs from Public Service Commission based on the skill gaps and needs identified. The remaining deficit has been filled by recruiting additional trainers under the BOG terms.

To remain on course and continue executing the core mandate of the College, more thematic leaders were appointed from the pool of its competent staffs. The College also ensured continued implementation of the 2020-2024 strategic plan.

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**Financial Sustainability**

During the financial year, the College put in place the necessary financial, procurement and internal control measures on resource utilization to ensure that it meets the targets of revenue collection and cost control measures.

I express my sincere gratitude to the Government of Kenya and in particular the State Department of Technical & Vocational Training for funding the College through trainees' capitation and operational grants of Kshs. 2,460,000.00 And Kshs. 2, 000, 000.00 respectively.

Despite the many challenges the College has faced, I am glad to report that the College has managed to stay afloat financially.

**Service Delivery and Vision 2030**

To continue providing quality education and services, the Quality Assurance Department was introduced and officers appointed and have come up with various evaluation tools. Kieni TVC has cascaded service charter to the departmental levels and placed it in strategies to monitor its implementation. This has enhanced quality and efficient service delivery.

Finally, I thank the Government of Kenya, the local community, donor agencies, our bankers, suppliers and service providers for their support and cooperation

Ruth W Ruita

**Principal/Secretary of the board**

28 SEP 2021

**V. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES**

Kieni TVC has eight strategic pillars and objectives within its Strategic Plan for the FY 2020/2021-2022/2024. These strategic pillars are as follows:

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

Kieni TVC developed its annual work plans based on the above eight 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 2020/2021 period for its eight strategic pillars, as indicated in the diagram below:

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

<b>Pillar no</b>	<b>Strategic issues</b>	<b>Strategic Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
1:	access and equity	to diversify training programmes	No. of students enrolled No. of programmes launched	Introduced 7 new learning programmes and applied for registration list the programmes 1.	Increased enrolment of trainees from 124 in year 2020 to 239 in June 2021
2:	Institutional, Corporate Governance /Management	Improve corporate governance/Management	Organisational structure, HIV/Aids, Drug and substance Abuse, Safety measures, Gender mainstreaming, Disability Mainstreaming Affirmation policies	Established institutional policies, strategies and programmes that are responsive to effective governance and management of TVET	Established 4 policies in the year: -gender main streaming -disability mainstreaming policy -human resource manual -academic policy
3:	ICT	Promote effective application of ICT	Acquire more computers for learning and offices	specification of the computers and printers identified quotations raised from the list of the prequalified supplies computer/printers ordered, delivered and in use	Acquired 1 computer and 2 printers
4:	Research and Innovation	establish forums for sensitization of staff and students	Originality of research document/ideas Award/recognition for innovation	Participate in TVET Fairs Develop innovations	The trade fair was cancelled due to the COVID 19
5:	Financial Resources	Enhance fees collection	fees collection & debts Control systems established and implemented	fees collection policy developed debt management policy developed and	increased fees collection within the year from kshs,3,630,630.00 in

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.

				operationalized	the year ended on 30 <sup>th</sup> June, 2020 Kshs.7,315,127.00 in the year ended on 30 <sup>th</sup> June, 2021
6:	Human Resource	Enhance the staff adequacy and competent.	increased number of the PSC /BoG staff	- Liaise with the PSC/BoG for meeting gaps in teaching as per the skills gap analysis done.	19PSC trainers posted to college within the year and the college BoG recruited (08) trainers
7:	Collaboration and linkages	Enhance Collaborations and Linkages	Collaboration and linkages frameworks established and strengthened	Participated in KATTI and CAPA activities to strengthen linkages with other TVET institutions.	capacity building on establishing collaboration and linkages to the TVET institutions managers on December 2020 at naivasha and at Meru National Poly in June, 2021
8:	Infrastructure improvement	Upgrade infrastructure	Facilities and equipment renovated and rehabilitated	construct modern ablation block and masonry workshop	gents and ladies ablutions constructed construction of the masonry workshop on-going

**KIENI TECHNICAL & VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**VI. CORPORATE GOVERNANCE STATEMENT**

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

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

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

**1. College Board**

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

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

The Board is actively involved and brings strong independent judgment on its deliberations and discussions. The College Board members have diverse skill set, a wide range of knowledge and experience of College setting that is applied to the formulation of strategic objectives and decision-making. The Board meets regularly and retains full and effective control over the College in all strategic, financial, operational and compliance areas. The College Board held the following full Board meetings during the 2020/2021 financial year:

Meetings held by the Board members

Name	Designation	Meeting Attended				Total Meeting
		7/7/2020	10/8/2020	19/03/2021	19/4/2021	
George Wachiuri	Chairman of Board	√	√	√	√	4
Carolyn Mwasaa	Board Member	√	√	√	√	4
RephahKitavi	Board Member	√	√	√	√	4
Elizabeth Wanjohi	Board Member	√	√	√	√	4
Grace Nguru	Board Member	√	X	√	√	3



**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

Daniel Kangangi	Board Member	√	X	√	√	3
Sebastian Kweyu	Board Member	√	√	√	√	4
DrHellenKamiri	Board Member	X	√	√	√	3
Charles Nyota	county director TVET	√	√	√	√	4
Ruth Ruita	Secretary of Board/principal	√	√	√	√	4
	attendance	<b>9</b>	<b>8</b>	<b>10</b>	<b>10</b>	

**BOARD COMMITTEES**

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

**I. FINANCE, HR, PLANNING AND DEVELOPMENT COMMITTEE**

**Membership**

- (1) Ms .RephahKitavi - Chairperson
- (2) Ms. Grace Nguru - Board Member
- (3) Mr Daniel Kangangi – Board Member
- (4) Ms. Ruth Ruita – Secretary

**Responsibilities:**

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

Meetings held by the Board committee:

Name	Designation	No. of Meetings	Meetings attended
Ms .RephahKitavi	Chairperson	2	ALL
Ms. Grace Nguru	Board Member	2	ALL
Mr Daniel Kangangi	Board Member	2	ALL
Ms. Ruth Ruita	Secretary of Board	2	ALL

**KIENI TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**2. AUDIT AND RISK COMMITTEE**

**Membership**

- (1) Sebastian Kweyu- Chairman
- (2) Elizabeth Munene- Board Member
- (3) DrHellenKamiri- Board Member
- (4) Ms. Ruth Ruita – Secretary

**Responsibilities:**

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

Meetings held by the Boardcommittee

<b>Name</b>	<b>Designation</b>	<b>No. of Meetings</b>	<b>Meetings attended</b>
Sebastian Kweyu	Chairperson	2	ALL
Elizabeth Munene	Board Member	2	ALL
DrHellenKamiri	Board Member	2	ALL
Ms. Ruth Ruita	Secretary of Board	2	ALL

**3. ACADEMIC COMMITTEE**

**Membership**

- (5) DrHellenKamiri- Chairman
- (6) Carolyn Mwasaa- Board Member
- (7) Elizabeth Munene- Board Member
- (8) Ms. Ruth Ruita – Secretary

**Responsibilities:**

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

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

Meetings held by the Board committee

<b>Name</b>	<b>Designation</b>	<b>No. of Meetings</b>	<b>Meetings attended</b>
DrHellenKamiri	Chairperson	2	ALL
Elizabeth Munene	Board Member	2	ALL
Carolyn Mwasaa	Board Member	2	ALL
Ms. Ruth Ruita	Secretary of Board	2	ALL

**2. Board Members' Remuneration**

Sitting allowance for Board members and Chairman Honorarium are guided by circular No. OP/CAB.9/21/2A/LII/43 dated 23rd November, 2004. The remuneration for Board members consists of sitting and subsistence allowances in connection with Board & Board committee and Chairman's honorarium the financial year ended 30<sup>th</sup> June, 2021 are outlined under Note 11 on page 14 of these Financial Report and Financial Statements (Board expenses).

**3. Succession Plan**

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

**4. Board Charter**

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

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

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

**6. Induction and Training**

Kieni TVC Board of governors are inducted on periodical bases however, in the 2021/2022 financial only one training was done due to inconveniences created by the COVID 19 pandemics.

**7. Board and Board Members' Performance**

The Board performance evaluation exercise was done in July, 2021.

**8. Conflict of interest**

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

**9. Ethics and Conduct**

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

**10. Governance Audit**

The Board has put in place a combination of processes and structures to inform, direct, manage and monitor the activities of the College towards the achievement of its objectives. There is an independent audit and risk committee that reports to the Board on a regular basis. The audit and risk committee

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**



plays a key role in assisting the Board to fulfill its oversight responsibilities in areas such as financial reporting, internal control systems, risk management systems and the external audit functions.

**11. Internal Controls**

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

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

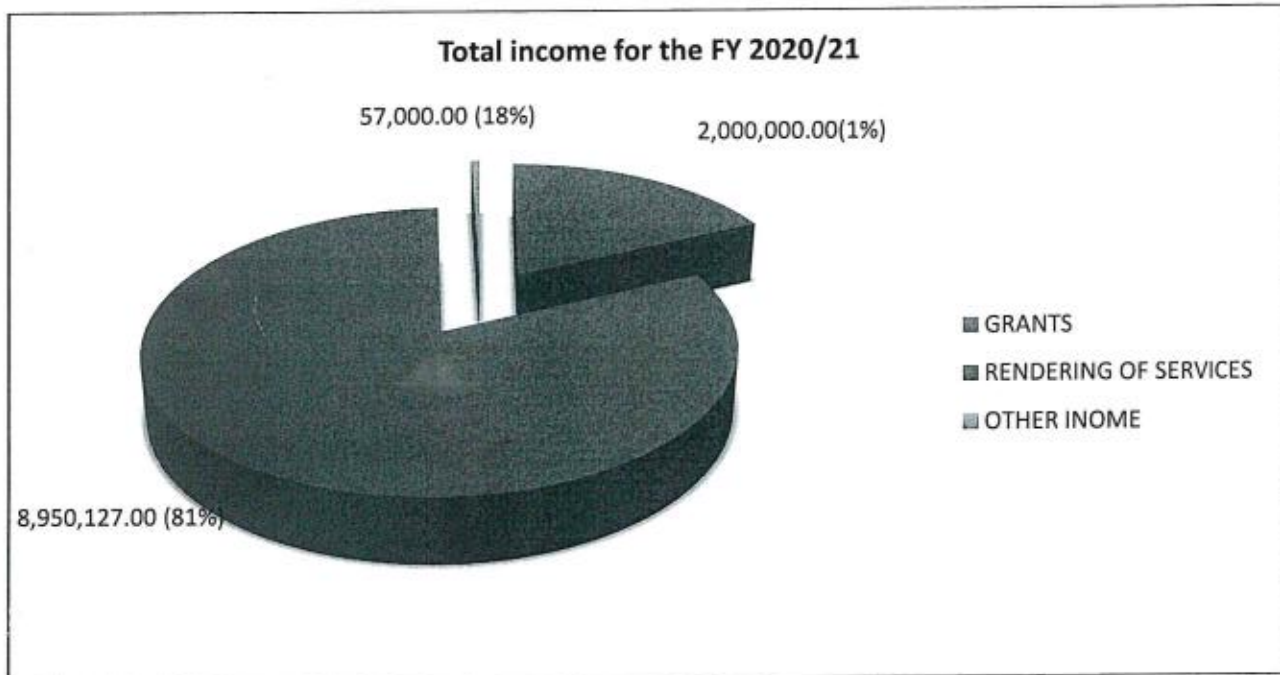
**12. Going Concern**

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

**VII. MANAGEMENT DISCUSSION AND ANALYSIS**

**OPERATIONAL AND FINANCIAL PERFORMANCE**

**A) INCOME ANALYSIS:**

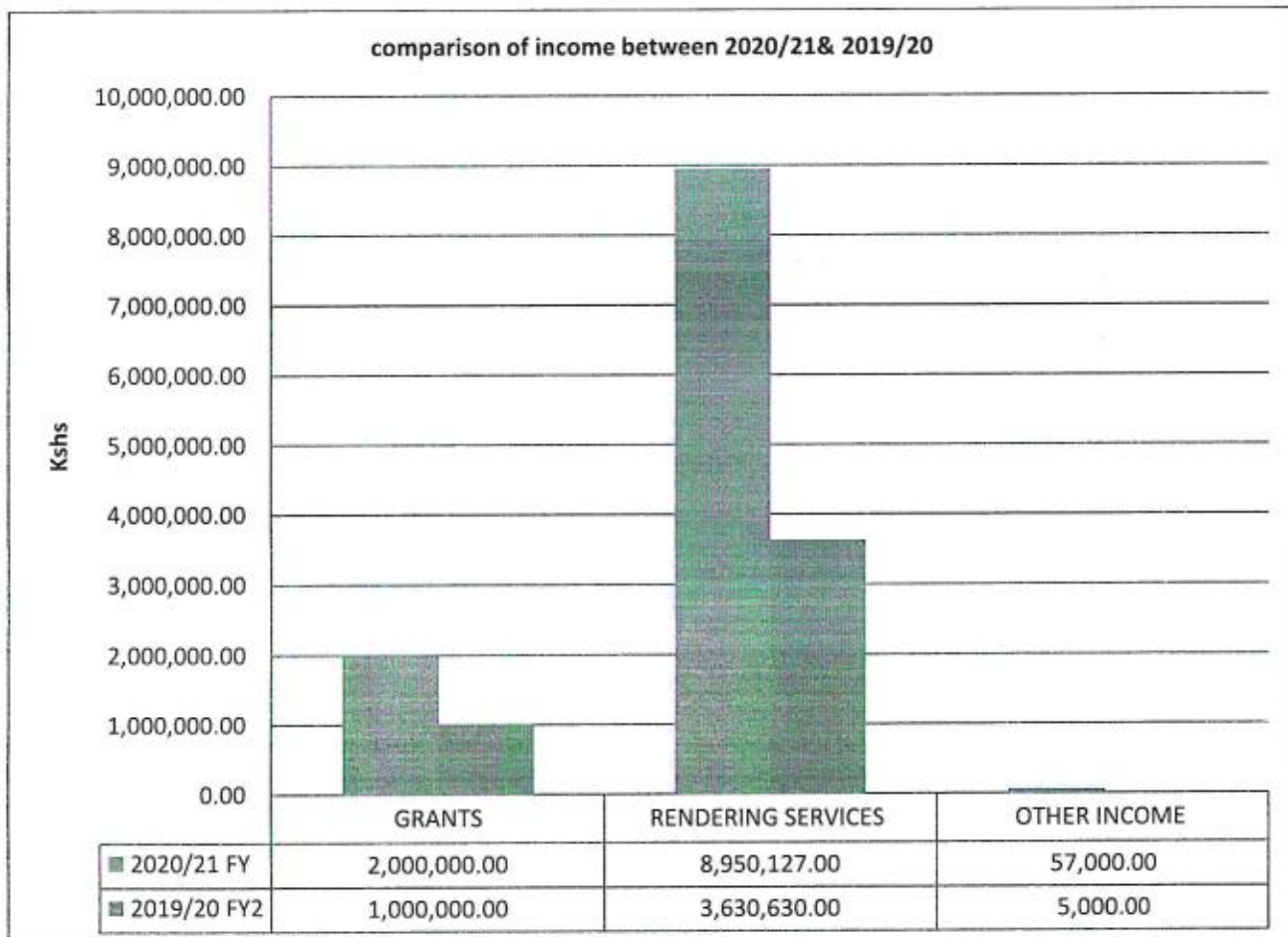


During the 2020/2021 financial year, Government grants contributed to 18% of the total recurrent incomes while tuition and its related incomes contributed to 81%. Income generating activities contributed to 1% respectively. The College mostly depended on fees and Grants to execute its operations.



**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

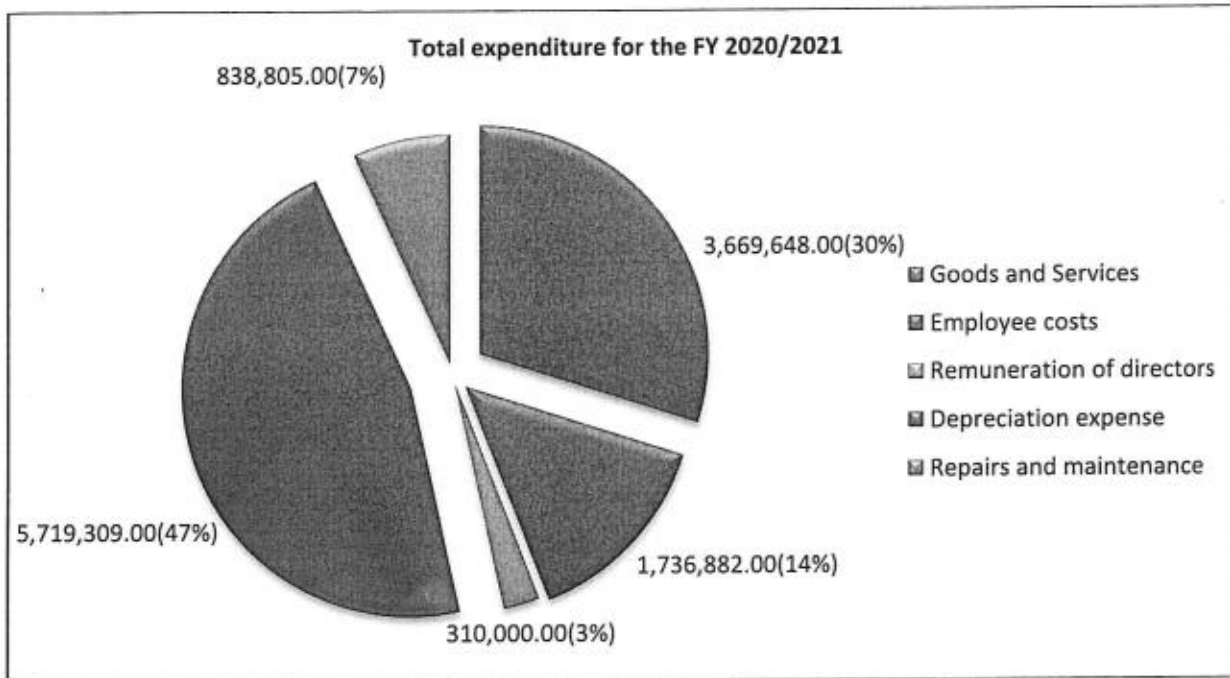
**Comparison of Income between 2020/21 and 2019/2020**



There was a substantial improvement of incomes in 2020/2021 financial year compared to 2019/2020 financial year in rendering of services and in grants disbursements. The college other income generating activity in the year under review included sale of tender documents and computer packages.

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

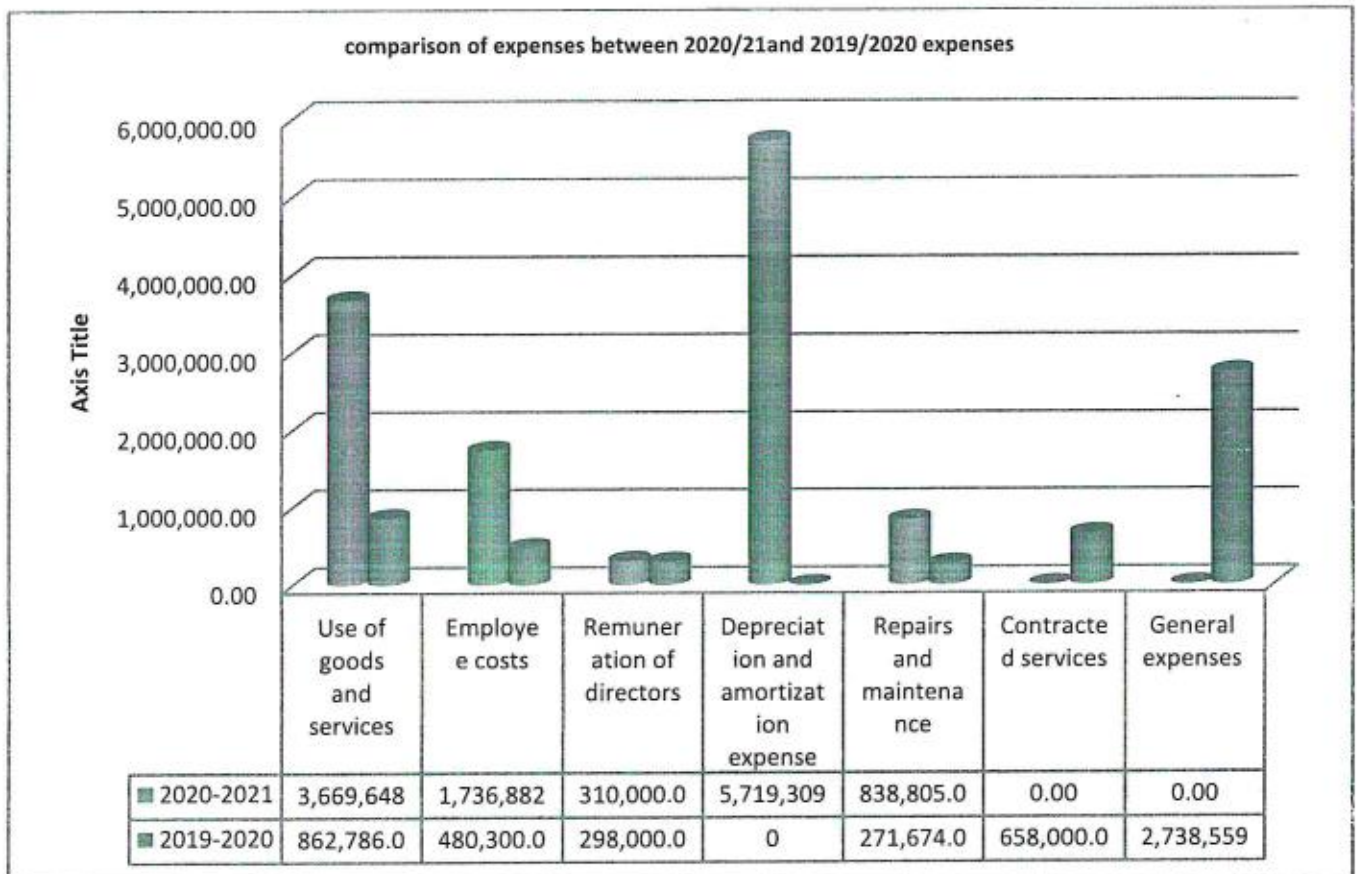
**B) EXPENDITURE ANALYSIS**



During the 2020/2021 financial year, depreciation expense which is non cash expenditure item of kshs5,719,309.00 took the highest amount of recurrent expenditure with 47%. Use of goods and services which include college core mandate operations formed 30 % with the employees cost (personal emoluments), college repairs / improvements and directors allowances taking 14% ,7% and 3% respectively of the total recurrent expenses of Kshs. 12,274,644.00.

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**1. Comparison of Expenses between 2020/2021 and 2019/2020**



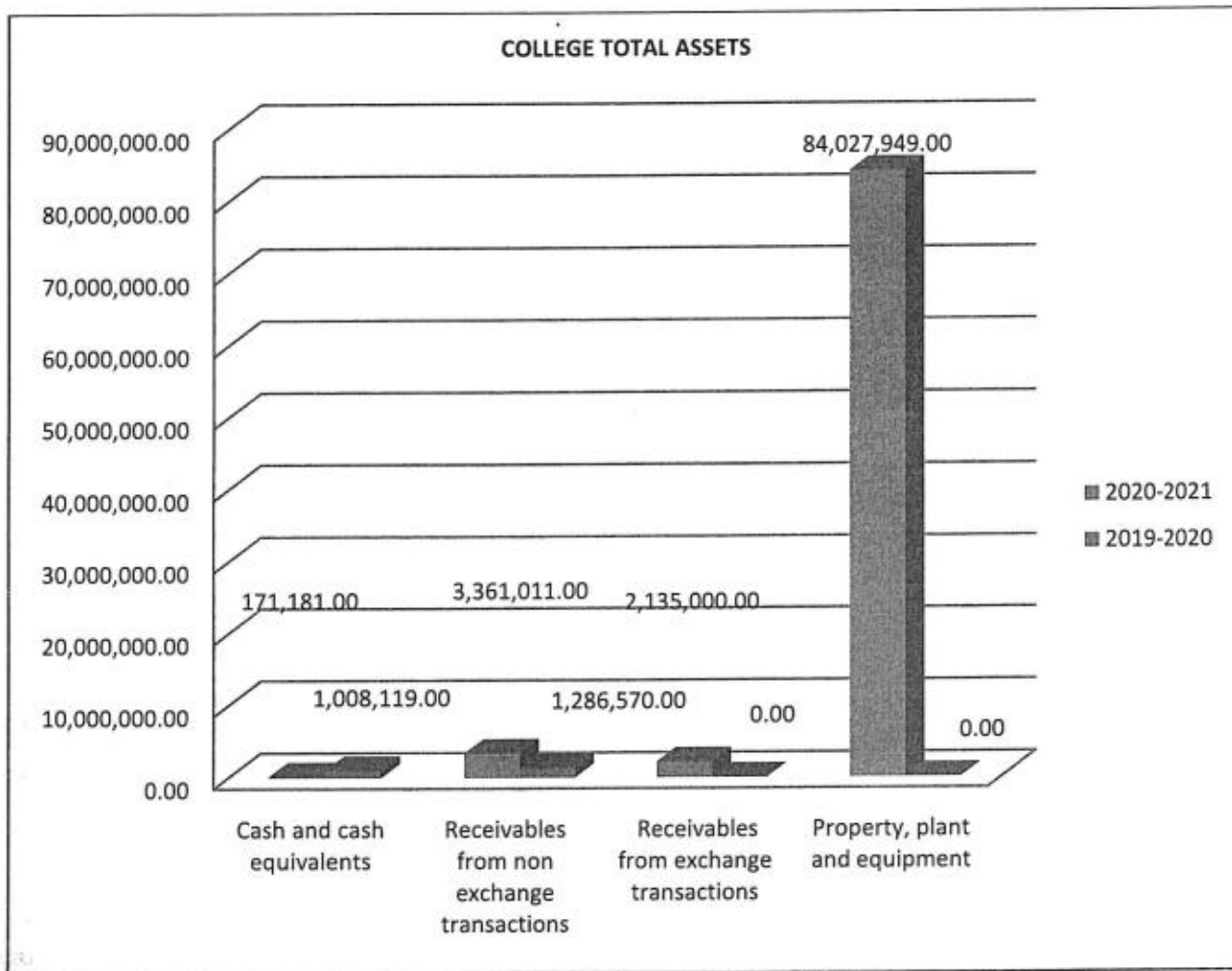
The financial year had a substantial increase in almost all the expenses with use of goods & services, employees cost and repair /improvements increasing by kshs 2,806,862.00, kshs 1,256,582.00 and kshs 12,000.00 respectively.

Contracted services and general expenses have been reported in use of goods services as per the 2020/21 reporting template.



**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

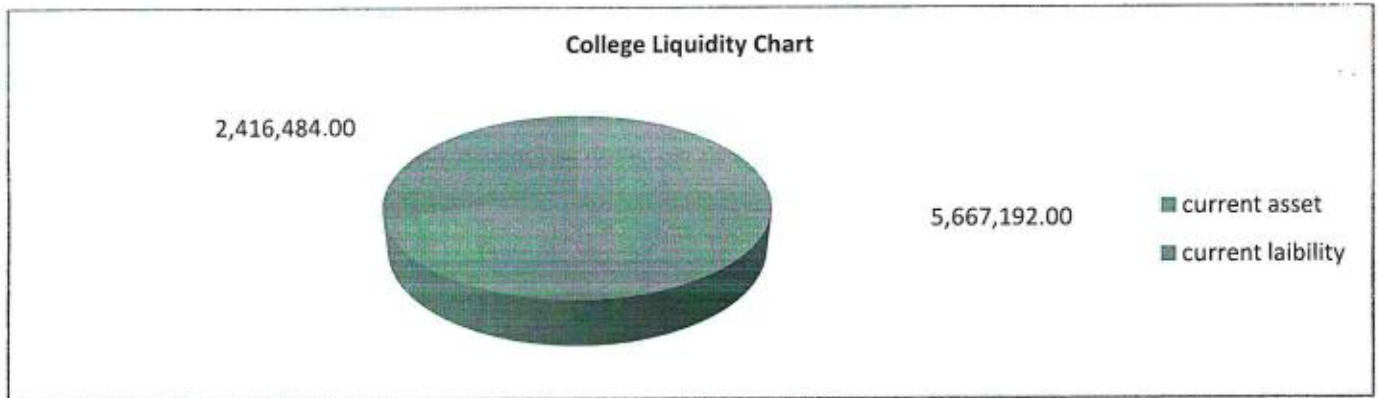
**C) STATEMENT OF THE FINANCIAL POSITION**



The college statement of financial position included Net book value of the fixed assets kshs84,027,949.00 which were acquired within the year plus donation from the ministry, AVIC which were not accounted for as assets in previous. The increase in receivable from revenue from exchange transaction is a result of population growth of trainees and unpredicted academic calendar. decrease in the cash & cash equivalent is a result of absorption of allocated fund by projected operation.

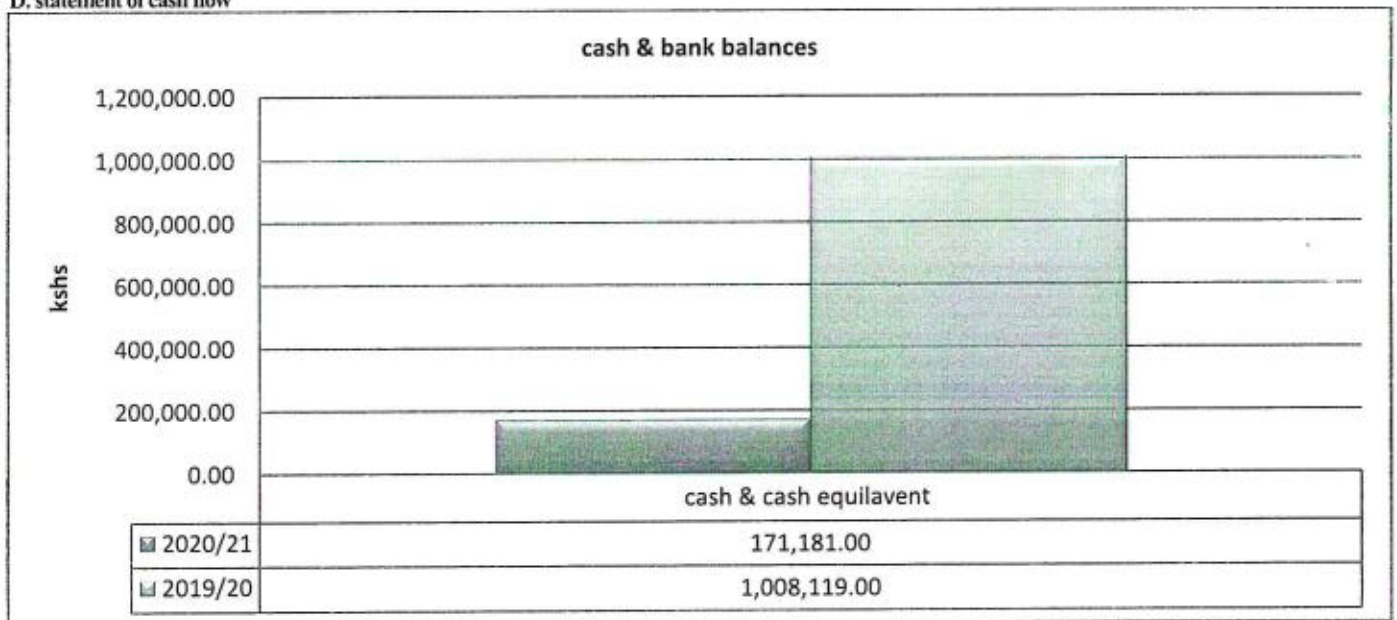
**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**Current assets Vs current liabilities**



The College closed the financial year with current assets of Kshs. 5,667,192.00 which are able to cater for the current liabilities of Kshs. 2,416,484.00. This implies that the liquidity of the College is favorable as at the end of the 2020/2021 financial year.

**D. statement of cash flow**



The College closed the financial year with cash and cash equivalent of Kshs. 171,181.00 compared to the Kshs. 1,008,119.00 in the 2020/2021 financial year. This decrease in cash and bank balance can be attributed to:

- a) Purchase of property, plant, equipment and intangible assets of kshs1,401,526.00(see note: 22)
- b) Decrease in Cash generated from operations activities kshs564,588.00 (see note: 21)

**KEY PROJECTS AND INVESTMENT DECISIONS PLANNED AND IMPLEMENTED**

Within the financial year ended 30<sup>th</sup> June 2021, the College has been implementing the following projects in order of priority;

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

S/No	Project	% of Completion	Financing of the project	Remarks
1	construction of the ablution block	100	A.I.A	Complete
2	leveling of the car park & gravelling the path from the gate to administration block	100	A.I.A	Complete
3	fabricating of new office furnishers	100	A.I.A	Complete
4	drilling of water borehole	50	Kieni NG CDF	on going in phases
5	construction of the building workshop	75	National Housing corporation	On-going and as scheduled
6	construction of the building & civil workshop	75	A.I.A	On-going and as scheduled
7	powering of the block making machines	20	A.I.A	On-going and as scheduled

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

**COMPLIANCE WITH STATUTORY REQUIREMENTS**

During the 2020/2021 financial year, the College complied with all statutory requirements. The Institution does not have any non-compliance that may result to any potential litigation issues or exposure to contingent liabilities.

**MAJOR RISKS**

**OPERATIONAL RISKS**

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

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

**Risk Mitigation Strategies**

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

**MARKET RISKS**

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

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

**Risk Mitigation strategies:**

- 1) Aggressive marketing of programmes

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

- 2) Enhance the diversity and quality of the College programmes
- 3) Enhancing the staff working environment and improving staff welfare

**CAPITAL RISKS**

The College is not exposed to any capital risks.

**LIQUIDITY RISK**

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

**Risk Mitigation strategies:**

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

**MATERIAL ARREARS IN STATUTORY AND OTHER FINANCIAL OBLIGATIONS**

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

**FINANCIAL PROBITY AND SERIOUS GOVERNANCE ISSUES**

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

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

## **VIII. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

### **Sustainability strategy and profile**

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

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

**Knowledge management** – the college have planned, developed, organized, maintained, transferred, applied and measured specific knowledge and to improve the organizational knowledge base.  
**Processes**- Clear processes and roles are defineso that college activities are efficiently conducted and that every employee knows what the college management expects from him or her.  
**Purchase**- the college had a good Relationship with suppliers focusing also on sustainability.

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

### **Environmental performance**

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

### **Ecological Dimension of Corporate Sustainability**

This dimension deals with environmental impacts due to corporate activities. There exist several publications about the most relevant ecological aspects (GRI, 2006; Labuschagne et al., 2005; DJSI, 2007; FTSE, 2006). These environmental impacts are caused by resource use, and emissions into air, into water or into ground, as well as waste and hazardous waste. Additionally, the impact on biodiversity and environmental issues of the product over the life cycle are of importance. This dimension is mainly measured by impacts, but within corporate sustainability strategies the focus has to be laid on the effects causing these impacts, e.g., the higher the maturity levels are the more it has to be concentrated on causes rather than on effects.

### **Corporate Sustainability Strategies**

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

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

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

### **Employee welfare**

**Corporate governance**- Transparency in all its activities in order to ameliorate relationship towards its stakeholders. During the financial year, the college recruited staff using the laid down recruitment

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

procedures. This was done through the guidance of public service commission who Give insight into all relevant data; following rules of on recruitment of the corporate governance and defining responsibilities and behavior of the board.

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

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

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

**Market place practices-**

**a) Responsible competition practice.**

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

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

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

**c) Responsible marketing and advertisement**

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

**d) Product stewardship.**

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

**Corporate Social Responsibility / Community Engagements**

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

**(a) Charitable Activities**

The College trainees have been offering material & spiritual support to needy children in various children homes within Kieni region through donation of foodstuffs and cloths.

**(b) Communities outreach activities**

Kieni TVC in conjunction with Kiganjo health centre organised for a COVID 19 awareness sensitization programmes at Chaka shopping centre. . This was a sign that the College is moving towards fulfilling its core mandate of community service. A college worth its name must benefit the community and not only improve its economic activities but also uplift the health and the well-being of people around it to attain

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

the country's Universal Health. Universal Health Coverage (UHC) concept is firmly based on WHO constitution of 1948 declaring health a fundamental Human right. This is equally in line with the Constitution of Kenya 2010 that confers on every Citizen Highest attainable standards of Health Including Reproductive Health. H.E President Uhuru Kenyatta reaffirmed the objective of Kenyan constitution through the Big Four Agenda where Affordable Health Care is a pillar. UHC should be every body's business and a multi-sectoral approach is the way to go in the realization of this concept of Health care delivery.

The College has also been offering both social and economic support to the external community through provision of casual labor opportunities and supplies wherever such opportunities arise.

**(c) Environmental Improvement activities**

Introduction of communal periodical cleaning day at Chaka Shopping Center has been one of the environmental activities of the Institution.

**(d) Academic Mentorship**

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

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

**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**REPORT OF THE BOARD OF GOVERNORS**

The Board members submit their report together with the audited financial statements for the year ended June 30, 2021 which show the state of the college affairs.

**Principal activities**

The principal activity of the college is to offer technical & vocational training.

**Results**

The results of the college for the year ended June 30, 2021 are set out on page 1 - 5

**Board of Governors**

The members of the Board who served during the year are shown on page v - xi.

**Auditors**

The Auditor General is responsible for the statutory audit of the college in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board



Ruth W Ruita  
Principal/ BoG Secretary  
Kieni Technical & Vocational College

Date: 25/9/2021



**KIENI TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

**STATEMENT OF BOARD OF GOVERNORS MEMBERS' RESPONSIBILITIES**

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

The board members are responsible for the preparation and presentation of the college financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the college; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the college; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The board members accept responsibility for the college 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 TVET Act. The board members are of the opinion that the college financial statements give a true and fair view of the state of college transactions during the financial year ended June 30, 2020, and of the college financial position as at that date. The board members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The college financial statements were approved by the Board on 28/9/2021 and signed on its behalf by:



Chairperson of the Board



Accounting officer/Principal

**KIENI TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON KIENI TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2021

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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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Kieni Technical and Vocational College set out on pages 1 to 28, which comprise of the statement of financial position as

at 30 June, 2021, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Kieni Technical and Vocational College as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Training Act, 2013 and the Public Finance management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Cash and Cash Equivalents**

As disclosed in Note 16 to the financial statements, the statement of financial position reflects a cash and cash equivalents balance of Kshs.171,181 as at 30 June, 2021. Review of the bank statements revealed that an amount of Kshs.3,853,585 was withdrawn from the bank during the year under review. However, the withdrawals were not supported with the corresponding expenditure. In addition, the Note reflects cash in hand totaling to Kshs.168,262 as at 30 June, 2021 which was not supported with the board of survey report.

In the circumstances, the validity, accuracy and completeness of the cash and cash equivalents balance of Kshs.171,181 as at 30 June, 2021 could not be confirmed.

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

The statement of financial position and the corresponding Note 19 to the financial statements reflects property, plant and equipment balance of Kshs.84,027,949. However, the basis of the values indicated and ownership records were not provided for audit. Further, the Management did not maintain an assets register. In addition, assets worth Kshs.1,401,526 procured in the year under audit were not supported with the respective procurement records.

In the circumstances, the accuracy, validity and completeness of property, plant and equipment balance of Kshs.84,027,949 reflected in the statement of financial position could not be confirmed.

#### **3. Receivables from Exchange Transactions**

The statement of financial position and the corresponding Note 17 to the financial statements reflects a balance of Kshs.3,361,011 in respect of receivables from exchange transactions, which includes fee arrears totalling to Kshs.3,349,011. However, the

debtor's ageing analysis was not provided for audit. In addition, the movement of receivables from the previous year's balance of Kshs.1,286,570 to Kshs.3,361,011 in the year under audit review was not supported.

In the circumstances, the accuracy and validity of the receivables from exchange transactions balance of Kshs.3,361,011 as at 30 June, 2021 could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.17,235,050 and Kshs.11,007,127 respectively, resulting to an under-funding of Kshs.6,227,923 or 36% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.16,420,416 and Kshs.12,274,644 respectively, resulting to an under-absorption of Kshs.4,145,772 representing 25% of the budget.

The underfunding and under absorption may have negatively impacted on service delivery to the public.

#### **2. Unresolved Prior Year Matters**

Various prior year audit issues remained unresolved as at 30 June, 2021. Management has not provided reasons for the delay in resolving the prior year audit issues. Further, the unresolved prior year issues are not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board reporting template.

## **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. Hiring of Interns as Trainers**

The College hired a total of seven (7) staff members in May and April, 2021 as temporary trainer's contrary to Section 23 of the Technical and Vocational Education and Training Act, 2013 and Regulation 16(1) of the Technical and Vocational Education and Training Regulations, 2015 that requires all trainers to be registered by the Technical and Vocational Education and Training Authority.

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

### **2. Ethnic Staff Diversity**

Examination of records provided revealed that the College had more than 90% of its workforce of 11 employees from one dominant community as at 30 June, 2021 contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which states that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain 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 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 control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control 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 control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Kieni Technical and Vocational College 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control 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

27 July, 2022



**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**IX. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2021**

	Notes	2020-2021	2019-2020
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
GOK Grants	6	2,000,000.00	1,000,000.00
<b>Total Revenue from non-exchange transactions</b>		<b>2,000,000.00</b>	<b>1,000,000.00</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Fees from students	7	8,950,127.00	3,630,630.00
Other Income	8	57,000.00	5,000.00
<b>Total Revenue from exchange transactions</b>		<b>9,007,127.00</b>	<b>3,635,630.00</b>
<b>Total revenue</b>		<b>11,007,127.00</b>	<b>4,635,630.00</b>
<b>Expenses</b>			
Goods and Services	9	3,669,648.00	862,786.00
Employee costs	10	1,736,882.00	480,300.00
Remuneration of directors	11	310,000.00	298,000.00
Depreciation expense	12	5,719,309.00	0.00
Repairs and maintenance	13	838,805.00	271,674.00
Contracted services	14	0.00	658,000.00
General expenses	15	0.00	2,738,559.00
<b>Total expenses</b>		<b>12,274,644.00</b>	<b>5,309,319.00</b>
<b>Net deficit for the year</b>		<b>(1,267,517.00)</b>	<b>(673,689.00)</b>

The notes set out on pages 6 to 27 form an integral part of the Annual Financial Statements.

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**X. STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE, 2021**

	Notes	2020-2021	2019-2020
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	171,181.00	1,008,119.00
Receivables from exchange transactions	17	1,983,925.00	1,286,570.00
Receivables from non-exchange transactions	18	2,135,000.00	
<b>Total current assets</b>		<b>4,290,106.00</b>	<b>2,294,689.00</b>
<b>Total Non-current assets</b>			
Property, plant and equipment	19	84,027,949.00	0.00
<b>Total Non-current assets</b>		<b>84,027,949.00</b>	<b>0.00</b>
<b>Total assets</b>		<b>88,318,055.00</b>	<b>2,294,689.00</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
payables from exchange transactions	20	2,416,484.00	2,094,247.00
<b>Total liabilities</b>		<b>2,416,484.00</b>	<b>2,094,247.00</b>
<b>Net assets</b>		<b>85,901,571.00</b>	
Accumulated gain/ loss		(1,067,075.00)	200,442.00
Capital Fund		86,968,646.00	0.00
			<b>200,442.00</b>
<b>Total net assets and liabilities</b>		<b>85,901,571.00</b>	<b>2,294,689.00</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Institute Board/ Board of Governors by:



Chairman of Board of Governors

Date.....

28 SEP 2021

*Boce*  
**Finance Officer**  
 ICPAK No 28970  
 Date... 28/09/21



Principal

Date... 28/9/2021

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED ON 30TH JUNE, 2021

**XI. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE, 2021**

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/Development Grants/Fund	Total
<b>Balance b/f at July 1, 2019</b>			874,131.00		874,131.00
Revaluation of assets					
Fair value adjustment on quoted investments					
Total comprehensive gain/Loss			(673,689.00)		(673,689.00)
Capital/Development grants received during the year					
Transfer of depreciation/amortization from capital fund to retained earnings					
<b>Balance c/d as at June 30, 2020</b>			200,442.00		200,442.00
<b>Balance b/f as at July 1, 2020</b>	-	-	200,442.00		200,442.00
Revaluation gain					
Fair value adjustment on quoted investments					
Total comprehensive gain/loss			(1,267,517.00)		(1,267,517.00)
Capital/Development grants received during the year				88,345,732.00	88,345,732.00
Transfer of depreciation/amortisation from capital fund to retained earnings					
<b>At June 30, 2021</b>			(1,067,075.00)	88,345,732.00	87,278,657.00

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**XII. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Cashflowsfromoperatingactivities</b>			
<b>Receipts</b>			
GOK Grants	6	2,000,000.00	1,000,000.00
Renderingofservices- Fees from students	7	8,950,127.00	3,630,630.00
Other Income	8	57,000.00	5,000.00
<b>Total receipts</b>		<b><u>11,007,127.00</u></b>	<b><u>4,635,630.00</u></b>
<b>Payments</b>			
Goods and Services	9	3,669,648.00	862,786.00
Employee costs	10	1,736,882.00	480,300.00
Remuneration of directors	11	310,000.00	298,000.00
Depreciation expense	12	5,719,309.00	0.00
Repairs and maintenance	13	838,805.00	271,674.00
Contractedservices	14	0.00	658,000.00
General expenses	15	0.00	2,738,559.00
<b>Totalexpenditures</b>		<b><u>12,274,644.00</u></b>	<b><u>5,309,319.00</u></b>
<b>Net deficit for the year</b>		<b><u>(1,267,517.00)</u></b>	<b><u>(673,689.00)</u></b>
<b>Netcashflowsfromoperatingactivities</b>	21	564,588.00	219,225.00
<b>Cash flows from investing activities</b>			
(less)Purchase of property, plant, equipment and intangibleassets	22	(1,401,526.00)	
<b>Netcashflowsusedininvestingactivities</b>			
<b>Netcashflowsusedinfinancingactivities</b>			
<b>Netincrease/decrease incashandcash equivalents</b>		(836,938.00)	
Cashandcashequivalentsat1JULY 2020		1,008,119.00	788,894.00
<b>Cashandcashequivalentsat30 JUNE 2021</b>	16	<b><u>171,181.00</u></b>	<b><u>1,008,119.00</u></b>

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED ON 30TH JUNE, 2021

XIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Originalbudget	Adjustments	Finalbudget	Actualon	Performance	%	Note No
	2020-2021	2020-2021	2020-2021	comparable basis	difference	variance	
	Kshs	Kshs	Kshs	Kshs	Kshs		
<b>Revenue</b>							
Government grants and subsidies	2,000,000.00	0.00	2,000,000.00	2,000,000.00	0.00	0	
Rendering of services	15,235,050.00	0.00	15,235,050.00	8,950,127.00	6,284,923.00	41	1
Other income	0.00	0.00	0.00	57,000.00	-57,000.00	100	2
<b>Payments</b>	<b>17,235,050.00</b>	<b>0.00</b>	<b>17,235,050.00</b>	<b>11,007,127.00</b>			
Goods and Services	11,33,281.00	0.00	11,33,281.00	3,669,648.00	7,665,633.00	68	3
Employee costs	2,273,635.00	0.00	2,273,635.00	1,736,882.00	536,753.00	24	4
Remuneration of directors	514,000.00	0.00	514,000.00	310,000.00	204,000.00	40	5
Depreciation and amortization expense	1,947,500.00	0.00	1,947,500.00	5,719,309.00	-3,771,809.00	-194	6
Repairs and maintenance	350,000.00	0.00	350,000.00	838,805.00	-488,805.00	-140	7
<b>Total expenses</b>	<b>16,420,416.00</b>	<b>0.00</b>	<b>16,420,416.00</b>	<b>12,274,644.00</b>			
<b>Surplus /deficit fortheperiod</b>	814,634.00		814,634.00	(1,267,517.00)			

Note 1: The low fees collection was attributed to closure of all learning institution due to the effect of the COVID 19 in the month of March 2020

Note 2: the College sold tender documents for 2020/21 financial year which was part of college other incomes

Note 3, the under spending is due to the underfunding in those respective votehead attributed to the closure of the college due to COVID 19

Note 4. Academic programme was suspended from the month of July to Mid October and later in the month of March and April. Within this period, the college temporary suspended the services of the BoG staffs

Note 5. The directors meeting were held online and few physical meeting due to covid 19 impact.

Note 6. The College had provided for depreciation in the previous years hence underestimation in the budget.

Note 7. The college embarked on major upgrading of its facilities in the year.

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

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**XIV. NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

Kieni Technical & Vocational College is established by and derives its authority and accountability from TVET Act of 2013. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The college principal activity is technical & vocational.

**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 land and property at fair value 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 college's accounting policies.

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

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



**3. ADOPTION OF NEW AND REVISED STANDARDS**

**i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2021.**

Standard	Impact
Other Improvements to IPSAS	<p><b>Applicable: 1<sup>st</sup> January 2021:</b></p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment.                      Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets.                      Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs).                      Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</p>

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2021.**

<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 college'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 college'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 Benefits	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting college provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the college;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the college's financial performance, financial position and cash flows.</li> </ul>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> <li>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</li> </ul>

**iii. Early adoption of standards**

The college did not early – adopt any new or amended standards in year 2021.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the college and can be measured reliably. 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 college recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to the courses offered and the length of the academic programme.

**b) Budget information**

The original budget for FY 2020/2021 was approved by the Board or Board in May, 2020. There was no subsequent revisions or additional appropriations made to the approved budget

The college budget is prepared on the same basis to the actual income and expenditure. 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 actual as per the statement of financial performance has been presented under section v of these financial statements.

**c) Taxes**

**Current income tax**

The college is exempt from paying taxes as per income tax Act.

**d) Investment property**

College does not have any investments on properties.

**e) Property, plant and equipment**

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

**f) Leases**

The College does not hold any asset under lease.

**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) 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

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

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

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

**i) Nature and purpose of reserves**

The College does not maintained reserves

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

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

**k) Employee benefits**

The college does not have any Retirement benefit plans for its employees and directors

**l) Related parties**

The College 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 College, or vice versa. Members of key management are regarded as related parties and comprise the principal, the Board of governor and senior management team.

**m) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at various commercial banks at the end of the financial year.

**n) Comparative figures**

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

**o) 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, 2021.

**5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION  
UNCERTAINTY**

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

**Estimates and assumptions**

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

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

circumstances arising beyond the control of the College. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual values**

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

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

**Provisions**

Provisions were raised and management determined an estimate based on the information available.

**6. (a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES – GRANTS**

Description	2020-2021 KShs	2019-2020 KShs
<b>Unconditional grants</b>		
Operational grant	2,000,000.00	1,000,000.00
<b>Total government grants and subsidies</b>	<b>2,000,000.00</b>	<b>1,000,000.00</b>

**(b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES**

Name of the ministry / agencies sending the grant	Amount recognized to Statement of Comprehensive Income KShs	Total grant income during the year 2020-2021 KShs	Total grant income during the year 2019-2020 KShs
MoE (Operation grants)	2,000,000.00	2,000,000.00	1,000,000.00
<b>Total</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>1,000,000.00</b>

**7. RENDERING OF SERVICES**

Description	2020-2021 KShs	2019-2020 KShs
S.E.S/Tuition	6,184,296.00	1,571,340.00
Administration	340,365.00	643,013.00
P.Emolument	279,991.00	265,632.00
L. T & T	80,344.00	81,149.00
E.W.C	88,383.00	89,940.00
R M I	125,610.00	129,701.00
Activity	71,327.00	125,257.00
Student Welfare	38,457.00	46,786.00

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

Insurance	58,804.00	55,657.00
Material Fees/Practical	154,329.00	211,810.00
Registration	7,360.00	65,860.00
Exam	345,410.00	179,130.00
NITA	0.00	142,445.00
Caution	0.00	22,910.00
College I D	2,040.00	0.00
Teaching Materials	17,590.00	0.00
Insurance	5,070.00	0.00
HELB	216,200.00	0.00
Fees Arrears	458,970.00	0.00
Prepaid	475,581.00	0.00
<b>Total revenue from the rendering of services</b>	<b>8,950,127.00</b>	<b>3,630,630.00</b>

**8. OTHER INCOME**

Description	2020-2021 KShs	2019-2020 KShs
Sale of tender documents	57,000.00	0.00
Computer packages	0.00	5,000.00
<b>Total revenue from the other sources of income</b>	<b>57,000.00</b>	<b>5,000.00</b>

**9. USE OF GOODS AND SERVICES**

Description	2020-2021 KShs	2019-2020 KShs
S.E.S/Tuition	0.00	862,786.00
Training Equipments	378,548.00	0.00
Training Materials	767,561.00	0.00
NITA Exam	90,567.00	0.00
KNEC Exam	325,115.00	0.00
Administration	552,736.00	0.00
COVID 19	111,139.00	0.00
Hospitality	190,137.00	0.00
Hygiene	85,019.00	0.00
Subsistence Allowance	130,700.00	0.00
Internet	123,798.00	0.00
Stationery/Photocopies	185,488.00	0.00
Transport	285,280.00	0.00
E W C	175,400.00	0.00
Marketing	68,775.00	0.00
KATTI	150,000.00	0.00
Students ID	14,820.00	0.00
Bank Charges	3,115.00	0.00
Attachment	31,450.00	0.00
<b>Total use of goods &amp; services</b>	<b>3,669,648.00</b>	<b>862,786.00</b>

**10. EMPLOYEE COSTS**

Description	2020-2021 KShs	2019-2020 KShs
Personal Emoluments	1,141,362.00	480,300.00

**KIENI TECHNICAL & VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED ON 30TH JUNE, 2021**

NHIF	32,000.00	0.00
NSSF	25,600.00	0.00
Casuals	527,570.00	0.00
SACCO Deductions	10,350.00	0.00
<b>Total Employees Costs</b>	<b>1,736,882.00</b>	<b>480,300.00</b>

**11. REMUNERATION OF DIRECTORS**

Description	2020-2021	2019-2020
	KShs	KShs
Directors Emoluments	286,000.00	238,000.00
other allowances	24,000.00	60,000.00
<b>Total Director Emoluments</b>	<b>310,000.00</b>	<b>298,000.00</b>

**12. DEPRECIATION AND AMORTIZATION EXPENSE**

Description	2020-2021	2019-2020
	KShs	KShs
Buildings	1,068,878.00	0.00
Plant and machinery	2,699,537.00	0.00
Computers and related equipment	493,200.00	0.00
Office equipment, furniture, and fittings	1,457,694.00	0.00
<b>Total depreciation and amortization</b>	<b>5,719,309.00</b>	<b>0.00</b>

**13. REPAIRS AND MAINTENANCE**

Description	2020-2021	2019-2020
	KShs	KShs
General repairs	838,805.00	271,674.00
<b>Total repairs and maintenance</b>	<b>838,805.00</b>	<b>271,674.00</b>

**14. CONTRACTED SERVICES**

Description	2020-2021	2019-2020
	KShs	KShs
Security Services	0.00	658,000.00
<b>Total contracted services</b>	<b>0.00</b>	<b>658,000.00</b>

**15. GENERAL EXPENSES**

Description	2020-2021	2019-2020
	KShs	KShs
Administration	0.00	1,937,500.00
L. T & T	0.00	327,020.00
E.W.C	0.00	139,000.00
Activity	0.00	72,700.00
Material Fees/Practical	0.00	26,669.00
NITA	0.00	95,000.00
Exam	0.00	9,650.00
Marketing	0.00	48,790.00
Bank Charges	0.00	2,230.00
KUCCPS	0.00	80,000.00
<b>Total grants and subsidies</b>	<b>0.00</b>	<b>2,738,559.00</b>



**16. CASH AND CASH EQUIVALENTS**

Description	2020-2021	2019-2020
	KShs	KShs
Cash at hand	168,262.00	92,192.00
Current account	2,919.00	915,927.00
<b>Total cash and cash equivalents</b>	<b>171,181.00</b>	<b>1,008,119.00</b>

**16 (b). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS**

Financial institution	Account number		2019-2020
			KShs
<b>a) Current account</b>			
Kenya Commercial bank	1256958972	2,919.00	915,927.00
<b>Sub- total</b>		<b>2,919.00</b>	<b>915,927.00</b>
<b>b) Others (specify)</b>			
cash in hand		168,262.00	92,192.00
<b>Sub- total</b>		<b>168,262.00</b>	<b>92,192.00</b>
<b>Grand total</b>		<b>171,181.00</b>	<b>1,008,119.00</b>

**17. RECEIVABLES FROM EXCHANGE TRANSACTIONS**

**14(a) Current Receivables from Exchange Transactions**

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Current receivables		
Fees arrears	1,971,925.00	1,286,570.00
salary advance	12,000.00	0.00
<b>Total receivables</b>	<b>1,983,925.00</b>	<b>1,286,570.00</b>

**18. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS**

Description	2020 - 2021	2019-2020
	KShs	KShs
<b>Current receivables</b>		
Grants	500,000.00	0.00
capitation	1,635,000.00	
<b>Total current receivables</b>	<b>2,135,000.00</b>	<b>0.00</b>

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

Description	2020 - 2021	2019-2020
	KShs	KShs
At the beginning of the year	0.00	0.00
Additional provisions during the year	2,135,000.00	0.00
Recovered during the year	0.00	0.00
Written off during the year	0.00	0.00
At the end of the year	<b>2,135,000.00</b>	<b>0.00</b>

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**19. PROPERTY, PLANT AND EQUIPMENT**

	Land		Building		Motor vehicles		Furniture and fittings		Computers & Electronics		Plant and equipment		Work In Progress		Total	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Cost																
At 1 July 2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Additions																
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers/adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30 <sup>th</sup> June 2020																
Additions(GoK/AVIC donations)	0.00	53,443,882.00	0.00	0.00	0.00	0.00	11,661,550.00	0.00	1,644,000.00	0.00	21,596,300.00	0.00	0.00	0.00	88,345,732.00	
Additions(Acquisitions within the year )							3,000.00	0.00	148,350.00	0.00	0.00	364,124.00	0.00	0.00	1,401,526.00	
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer/adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30 <sup>th</sup> June 2021	0.00	54,329,934.00	0.00	0.00	0.00	0.00	11,664,550.00	0.00	1,792,350.00	0.00	21,596,300.00	364,124.00	0.00	0.00	89,747,258.00	
Depreciation and impairment																
At 1 July 2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30 June 2020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
depreciation rate	0	0.02	0.125	0.125	0.125	0.125	0.125	0.125	0.3	0.125	0.125	0.0	0.0	0.0	0.0	0.0
Depreciation		1,068,878.00	0.00	0.00	0.00	0.00	1,457,694.00	0.00	493,200.00	0.00	2,699,537.00	0.00	0.00	0.00	5,719,309.00	
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer/adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30 <sup>th</sup> June 2021	0.00	1,068,878.00	0.00	0.00	0.00	0.00	1,457,694.00	0.00	493,200.00	0.00	2,699,537.00	0.00	0.00	0.00	5,719,309.00	
Net book values																
At 30th June 2020	0.00	0.00	0.00	0.00	0.00	0.00	10,206,856.00	0.00	1,299,150.00	0.00	18,896,763.00	364,124.00	0.00	0.00	84,027,949.00	
At 30 <sup>th</sup> June 2021	0.00	53,261,056.00	0.00	0.00	0.00	10,206,856.00	0.00	18,896,763.00	1,299,150.00	0.00	18,896,763.00	364,124.00	0.00	0.00	84,027,949.00	

Work in progress: this is the total cost as at 30<sup>th</sup> June, 2021 for the construction of the building/plumbing workshop

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**19. (b) Work in progress**

Work in progress is in respect to the ongoing construction of the building/masonry workshop

**19(c) land**

Land has not been valued

**19 (d) Property, Plant and Equipment at Cost**

The freehold land, buildings and other assets are stated on the historical cost basis as follows however; assets supplied by the Gok/AVIC donations are valued as per the shipment records provided to college by the Ministry of education.

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	0.00	0.00	0.00
Buildings	54,329,934.00	1,068,878.00	53,261,056.00
Plant and machinery	21,596,300.00	2,699,537.00	18,896,763.00
Motor vehicles, including motorcycles	0.00	0.00	0.00
Computers and related equipment	1,792,350.00	493,200.00	1,299,150.00
Office equipment, furniture, and fittings	11,664,550.00	1,457,694.00	10,206,856.00
work in progress	364,124.00	0.00	364,124.00
<b>Total</b>	<b><u>89,747,258.00</u></b>	<b><u>5,719,309.00</u></b>	<b><u>84,027,949.00</u></b>

**20. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS**

Description	2020-2021	2019-2020
	KShs	KShs
Fees paid in advance	356,630.00	34,393.00
funding by mentor institute	2,059,854.00	2,059,854.00
<b>Total trade and other payables</b>	<b><u>2,416,484.00</u></b>	<b><u>2,094,247.00</u></b>

**21. CASH GENERATED FROM OPERATIONS**

	2020-2021	2019-2020
	KShs	KShs
<b>Surplus/deficit for the year before tax</b>	<b><u>(1,267,517.00)</u></b>	<b><u>(673,689.00)</u></b>
<b>Adjusted for:</b>		
Depreciation	5,719,309.00	0.00
<b>Working Capital adjustments</b>		
Increase/decrease in receivables	(4,209,441.00)	130,250.00
Increase/decrease in payables	322,237.00	1,023,164.00
<b>Net cash flow from operating activities</b>	<b><u>564,588.00</u></b>	<b><u>479,725.00</u></b>

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**22. PURCHASE OF PLANT, PROPERTY & EQUIPMENTS**

	2020-2021	2019-2020
	KShs	KShs
Computers & Printer	148,350.00	0.00
Ablution Block	886,052.00	0.00
Furniture	3,000.00	0.00
Workshop	364,124.00	0.00
<b>Total</b>	<b>1,401,526.00</b>	<b>0.00</b>

**23. DEPRECIATING RATES OF PLANT PROPERTIES & EQUIPMENT**

	2020-2021	2019-2020
	KShs	KShs
Land	0%	0.00
Building	2%	0.00
Plant & equipment((part of automotive training facilities)	12.5%	0.00
Furniture & fittings	12.5%	0.00
Computers	30%	0.00

The college also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The college's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. 400 per employee per month. The college does not have other defined contribution scheme other than NSSF.

For NSSF, Employees contribute 50% while employers contribute 50% of the total NSSF contribution. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**1. FINANCIAL RISK MANAGEMENT**

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

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

**(i) Credit risk**

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

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 board of governor. The amounts presented in the statement of financial position have not been subjected into provision of doubtful receivables as most its customers are continuing trainees

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

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

	<b>Total amount Kshs</b>	<b>Fully performing Kshs</b>	<b>Past due Kshs</b>	<b>Impaired Kshs</b>
<b>At 30 June 2020</b>				
Receivables from exchange transactions	1,286,570.00	0.00	1,286,570.00	0.00
Receivables from non exchange transactions	0.00	0.00	0.00	0.00
Bank balances	1,008,119.00	1,008,119.00		
<b>Total</b>	<b><u>2,294,689.00</u></b>	<b><u>1,008,119.00</u></b>	<b><u>1,286,570.00</u></b>	<b><u>0.00</u></b>
<b>At 30 June 2021</b>				
Receivables from exchange transactions	3,361,011.00	2,074,441.00	1,286,570.00	0.00
Receivables from non exchange transactions	2,135,000.00	2,135,000.00	0.00	0.00
Bank balances	171,181.00	171,181.00		
<b>Total</b>	<b><u>5,667,192.00</u></b>	<b><u>4,380,622.00</u></b>	<b><u>1,286,570.00</u></b>	<b><u>0.00</u></b>

**(i) Credit risk.**

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

The college has significant concentration of credit risk on amounts due from 60 days.

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

**(ii) Liquidity risk management**

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

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

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2020</b>	34,393.00			34,393.00
Trade payables			2,059,854.00	2,059,854.00
Other payables				
<b>Total</b>	<b>34,393.00</b>		<b>2,059,854.00</b>	<b>2,094,247.00</b>
<b>At 30 June 2021</b>		356,630.00		356,630.00
Trade payables			2,059,854.00	2,059,854.00
Other payables				
<b>Total</b>		<b>356,630.00</b>	<b>2,059,854.00</b>	<b>2,416,484.00</b>

**(iii) Market risk**

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

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

The college's Finance Department is responsible for the development of detailed risk management policies and for the day to day implementation of those policies.

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

**a) Foreign currency risk**

The college has no transactional currency exposures as it has not been purchasing goods and services in currencies other than the local currency.

**b) Interest rate risk**

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

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

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**Sensitivity analysis**

The college 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.

**iv) Capital Risk Management**

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

	2020-2021	2019-2020
	KShs	KShs
Accumulated loss	(2,702,075.00)	200,442.00
Capital reserve	88,345,732.00	0.00
<b>Total funds</b>	<b>85,643,657.00</b>	<b>200,442.00</b>
Total borrowings		0.00
Less: cash and bank balances	171,181.00	1,008,119.00
Net debt/(excess cash and cash equivalents)	171,181.00	1,008,119.00
<b>Gearing</b>	<b>0.00%</b>	<b>0.00%</b>

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**2. RELATED PARTY BALANCES**

**Nature of related party relationships**

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

**Government of Kenya**

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

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

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

	2020-2021	2019-2020
	KShs	KShs
<b>Transactions with related parties</b>		
<b>a) Grants from the Government</b>		
Grants from National Govt	2,000,000.00	1,000,000.00
Capitation	4,095,000.00	
HELB Loan/Bursary	1,135,200.00	
Bursary from KIENI CDF	192,500.00	
<b>Total</b>	<b>7,422,700.00</b>	<b>1,000,000.00</b>
<b>b) Expenses incurred on behalf of related party</b>		
Payments of salaries and wages for BoG employees	1,736,882.00	480,300.00
<b>Total</b>	<b>1,736,882.00</b>	<b>480,300.00</b>
<b>c) Key management compensation</b>		
Directors' emoluments	310,000.00	298,000.00
<b>Total</b>	<b>310,000.00</b>	<b>298,000.00</b>
<b>Total</b>	<b>9,469,582.00</b>	<b>1,778,300.00</b>

**3. EVENTS AFTER THE REPORTING PERIOD**



**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

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

**4. ULTIMATE AND HOLDING COLLEGE**

The college is a under the Ministry of education. Its ultimate parent is the Government of Kenya.

**5. CURRENCY**

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

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**


**APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

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

**Guidance Notes:**

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

  
 Ruth W Ruita  
 Principal/sec BoG

Date 28/9/2021

28 SEP 2021

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**APPENDIX II: PROJECTS IMPLEMENTED BY THE COLLEGE**

**Projects**

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

**Status of Projects completion**

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Computers & Printer	148,350.00	148,350.00	100%		148,350.00	A I A
2	Ablution Block	886,052.00	886,052.00	100%		886,052.00	A I A
3	Workshop	500,000.00	364,124.00	73%		364,124.00	A I A
		<u>1,534,402.00</u>	<u>1,398,526.00</u>				

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**APPENDIX III: INTER-COLLEGE TRANSFERS**

ENTITY NAME:		Kieni Technical & Vocational College		
Break down of Transfers from the State Department of Technical Education				
FY 2020/2021				
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		19/11/2020	500,000.00	2020/2021 FY
		9/3/2021	500,000.00	2020/2021 FY
		13/4/2021	500,000.00	2020/2021 FY
		30/7/2021	500,000.00	2020/2021 FY
		<b>Total</b>	<b>2,000,000.00</b>	
b.	Capitation			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		17/7/2020	157,500.00	2020/2021 FY
		19/11/2020	900,000.00	2020/2021 FY
		9/3/2021	600,000.00	2020/2021 FY
		13/4/2021	802,500.00	2020/2021 FY
		9/7/2021	1,335,000.00	2020/2021 FY
		26/07/2021	300,000.00	
		<b>Total</b>	<b>4,095,000.00</b>	
c.	Direct Payments			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		<b>Total</b>	<b>6,095,000.00</b>	

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

Principal /sec BoG  
 Kieni Technical & vocational college

Head of Accounting Unit  
 Ministry of education

Sign 

Sign-----

**KIENI TECHNICAL & VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30TH JUNE, 2021**

**APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent /Development/ Others	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Education	19/11/2020	grants	500,000.00	500,000.00					500,000.00
Ministry of Education	9/3/2021	grants	500,000.00	500,000.00					500,000.00
Ministry of Education	13/4/2021	grants	500,000.00	500,000.00					500,000.00
Ministry of Education	30/7/2021	grants	500,000.00	500,000.00			500,000.00		500,000.00
<b>TOTAL</b>			<b>2,000,000.00</b>	<b>2,000,000.00</b>			<b>500,000.00</b>		<b>2,000,000.00</b>
Ministry of Education	17/7/2020	capitation	157,500.00	157,500.00					157,500.00
Ministry of Education	19/11/2020	capitation	900,000.00	900,000.00					900,000.00
Ministry of Education	9/3/2021	capitation	600,000.00	600,000.00					600,000.00
Ministry of Education	13/4/2021	capitation	802,500.00	802,500.00					802,500.00
Ministry of Education	9/7/2021	Capitation	1,335,000.00	1,335,000.00			1,335,000.00		1,335,000.00
Ministry of Education	26/7/2021	capitation	300,000.00	300,000.00			300,000.00		300,000.00
<b>TOTAL</b>			<b>4,095,000.00</b>	<b>4,095,000.00</b>			<b>1,635,000.00</b>		<b>4,095,000.00</b>





MINISTRY OF EDUCATION  
(State Department of Technical & Vocational Training)  
**KIENI TECHNICAL AND VOCATIONAL COLLEGE**  
P.O BOX 316 – 10102, KIGANJO, Tel: 0791-917 471; 0720-838 417  
E-mail: kienitech2019@gmail.com; info@kienitvc.ac.ke  
Website: www.kienitvc.ac.ke



Date: 28-06-2022

Auditor-General  
Anniversary Towers  
P. O. Box 30084-00100  
NAIROBI

Dear Sir/Madam,

**RE: Draft report of Auditor- General on Kieni Technical and Vocational college for the year ended 30<sup>th</sup> June 2021 response**

We are in receipt of your letter dated 24<sup>th</sup> June 2022 and are purposing to respond as genuinely as possible.

Kieni was two years old by the time of audit and was trying to put up structures including employing basic staff. Unfortunately covid 19 came and disrupted the smooth flow of operations. We endeavor to improve on any shortcomings and put up any structures that can support the smooth flow of operations.

On finances we still rely on fees from students, bursaries from cdf and government capitation and Helb loans which are not guaranteed these days.

On teaching staff we still rely heavily on staff interviewed and employed by the government.

On assets, we received equipment without invoices but I'm happy to report that we have engaged a valuer to assist us in developing a comprehensive asset register that is a true reflection of Kieni assets

Please receive attached documents , responses and financial statements,

Thank you for your continued support .

Yours Faithfully,

Ruth Ruita Principal/ Bog Secretary

28 JUN 2022





DATE		P.VNO	CHQ NO	CASH WITHDRAWN	EX.CASH BOOK	VARIANCE
17-Jul	bank to cash	011	41.00	150,000.00	160,615.00	(10,615.00)
27-Jul	bnk to cash	017	48.00	26,000.00		26,000.00
17-Aug	ruth wanjia	039	49.00	150,000.00	10,870.00	(10,870.00)
		00052	52	150,000.00	77,014.00	72,986.00
30-Nov		120	60	150,000.00	252,087.00	(102,087.00)
30-Nov	bank to cash	123	61	80,000.00	402,221.00	(322,221.00)
31-Dec	bnk to cash	158	62	90,000.00		90,000.00
31-Dec	bnk to cash	159	63	100,000.00		100,000.00
31-Dec	bnk to cash	161	65	90,000.00		90,000.00
31-Dec	bnk to cash	164	68	150,000.00	94,363.00	55,637.00
6-Jan	RUTH WANJIA RUITA	193	72	200,000.00	110,291.00	89,709.00
21-Jan	RUTH WANJIA RUITA	218		150,000.00	225,873.00	(75,873.00)
2-Feb	RUTH WANJIA RUITA	245	78	100,000.00		100,000.00
4-Jan	RUTH WANJIA RUITA	247	79	150,000.00	219,256.00	(69,256.00)
8-Mar	RUTH WANJIA RUITA	309	87	200,000.00	119,197.00	80,803.00
16-Mar	RUTH WANJIA RUITA	324	93	150,000.00		150,000.00
23-Mar	RUTH WANJIA RUITA	345	100	150,000.00		150,000.00
25-Mar	RUTH WANJIA RUITA	349	101	150,000.00	518,469.00	(368,469.00)
29-Apr	RUTH WANJIA RUITA	926	114	150,000.00	164,943.00	(14,943.00)
13-May	RUTH WANJIA RUITA	974	118	200000	231,608.00	(31,608.00)
2-Jun	RUTH W. RUITA	1037	136	150,000.00		150,000.00
16-Jun	RUTH W. RUITA	1062	152	150,000.00	560,931.00	(410,931.00)
		1116	138	180,000.00		180,000.00
		1117	161	100,000.00		100,000.00
				<b>3,316,000.00</b>	<b>3,147,738.00</b>	<b>168,262.00</b>
13-Apr-22	PAY FOR WORKERS		100	150,000.00		
16-Apr-22	KNEC EXAM		105	134,410.00		
16-Apr-22	KNEC EXAM		106	93,175.00		
				<b>377,585.00</b>		
	<b>TOTAL</b>			<b>3,693,585.00</b>		





26<sup>TH</sup> APRIL 2021

TO THE MANAGER  
EQUITY BANK  
KIGANJO BRANCH



Kindly find cheque no. 000107 of (ksh ONE HUNDRED AND TWENTY ONE THOUSAN ONE HUNDRED ONLY) and credit the accounts below:

	NAME	ID NUMBER	ACCOUNT NUMBER	AMOUNT (KSHS)
1	CATHERINE MWENDE MAINGI	25660499	0670161073871	16,300
2	ANASTACIA WARUGURU	21970450	0110190611756	14,300
3	CAROLINE NYAMBURA MUIYORO	33136700	0220178850392	14,300
4	MARY MUTHONI MAINA	32684981	1150176532934	14,300
5	HELLEN MIANO	25354313	0040196085394	17,300
6	VANESSA WANJIRU GITHUI	34210205	0110180737935	14,300
7	LUCY WAKARIMIA GATAMU	11318601	01100180742517	14,300
8	MARY WANGARI GATHIMA	23582529	0110190135165	16,000
				121,100

Prepared By;

*Ruth Ruita*

26 APR 2021

RUTH RUITA

PRINCIPAL

List of Employees



# PARTTIME TRAINERS

## PAYMENT SUMMARY

KIENI TECHNICAL & VOCATIONAL COLLEGE

P.O BOX 316 -10102

KIGANJO

Date: 3/04/2021

Chemo 100

Wages e sov April 2021

see attached LISTS

Wage payment summary schedule

No	Name	Days worked	Rate	Total	Sign
1	ANN W KIMUNGI	6	Sh1000	6000	Ann W Kimungi
2	VICTORIA W MURUGU	6	Sh1000	6000	Victoria W Murugu
3	MARY THURU	3	Sh1000	3000	Mary Thurugu
4	CATHERINE MURUGU	3	Sh1000	3000	KATE
				18,000	
				<u>18,000</u>	

Checked by the principal



Ruth W Ruita

Principal







The Principal  
 Kieni Technical,  
 Box 316-10102,  
 Kiganjo

Date. 22/4/2021

Dear Madam,

Ref ; REQUEST FOR FACILITATION

I'm requesting for facilitation of Ksh 3000

Amount in words Three thousand shillings to enable me to perform the following tasks; I will return all receipts where applicable

1. Salary Advance
2. \_\_\_\_\_

Any additional information

Yours Faithfully,

Sign MW

Name Mary Wangari Ciathima

ID NO 23582529

Phone no 0723481984

Approved By,

Name RUTH RUITA

Signature [Signature]

Designation Principal

Date \_\_\_\_\_ Stamp \_\_\_\_\_

**KIENI TECHNICAL COLLEGE**  
 P.O. Box 316 KIGANJO

Tel: 0791917471

Sign [Signature] Date 23/4/2021

Approved 3000 to be deducted from Salary.





BANK

KCB BANK KENYA LTD  
PO BOX 1000  
NAIROBI

TELEPHONE NO. 254 20 271 2000

INTERNET BANKING: WWW.KCBKENYA.CO.KE

TELEFAX NO. 254 20 271 2000  
E-MAIL: [info@kcbkenya.co.ke](mailto:info@kcbkenya.co.ke)  
KCB BANK KENYA LTD  
PO BOX 1000  
NAIROBI  
KENYA



Signature: *[Handwritten Signature]*  
Date: 04/05/2021  
Name: CHRISTOPHER A. MURRAY

28 JUN 2022

NHIF  
Cover

NHIF



EMPLOYER CODE	489806					
EMPLOYER NAME	KIENI TECHNICAL AND VOCATIONAL COLLEGE					
MONTH OF CONTRIBUTION	2021-04					
PAYROLL NO	LAST NAME	FIRST NAME	ID NO	NHIF NO	AMOUNT	
1	MAINGI	CATHERINE MWENDE	25660499	4237159	500	
2	MAINGI	ANASTACIA WARUGURU	21970450	1180548	500	
3	MUYORO	CAROLINE NYAMBURA	33136700	15482566	500	
4	MAINA	MARY MUTHONI	32684981	15479718	500	
5	MIANO	HELLEN NYAGUTHII	25354313	4665847	500	
6	GITHUI	VANESSA WANJIRU	34210205	9102568	500	
7	GATAMU	LUCY WAKARIMA	11318601	1232090	500	
8	MWANIKI	CHRISTINE NYAGUTHI	24056795	24056795	500	
9	MUCHOKI	SALAPHINO NDIRANGU	9575147	3814493	500	
10	OMUSE	SAMUEL WANJALA	34870622	14561167	500	
				TOTAL	5000	

30 APR 2021

*[Handwritten signature]*

*5070+ fee 70K*

*NHIF  
Amount  
paid 5000  
to*

28 JUN 2022





Receipt Paid to Kneec chq no 105  
as per attached List of course.



*Y. G. G. G.*



RYAN COLLEGE DITAH

CENTRE NUMBER: 210104

PHYSICAL ADDRESS: KIGANJO-KARICHEINI

EMAIL ADDRESS: Kientech2019@gmail.com

CENTRE NAME: KIENI TECHNICAL AND VOCATIONAL COLLEGE

POSTAL ADDRESS: 316-10102

TELEPHONE: 0791917471

**\*\* FOR BANK USE ONLY \*\***  
BILL NUMBER : 20212210104  
EXAM : TECHNICAL

COURSE(S) COURSE NAME(S)

COURSE(S)	COURSE NAME(S)	No.	TOTAL FEE
0202	ARTISAN-ELECTRICAL INSTALLATION	1	3780.00
0301	ARTISAN-CARPENTRY & JOINERY	1	3780.00
0305	ARTISAN-PLUMBING	11	41580.00
0401	ARTISAN-GARMENT MAKING	3	11340.00
0602	INFORMATION COMMUNICATION TECHNOLOGY LEVEL 1	1	3280.00
1704	CRAFT CERTIFICATE IN BUILDING TECHNOLOGY MODULE 1 (CONSTRUCTION TECHNOLOGY)	6	45900.00
2705	DIPLOMA IN BUILDING TECHNOLOGY MODULE 1	3	24750.00
	<b>Sub Total</b>		<b>Labels</b>

28 JUN 2022

BANK NAME/SLIP NO: .....

TOTAL AMOUNT DUE(Kshs.): 134410.00

AMOUNT IN WORDS: **One Hundred and Thirty Four Thousand, Four Hundred and Ten Kenya Shillings Only**

NAME OF HEAD OF INSTITUTION: **RUTH RUITA**

RUBBER STAMP

SIGNATURE: .....

*[Handwritten Signature]*

DATE: .....

20 APR 2021





Charge no 106

CENTRE NUMBER: 210001

CENTRE NAME: KIENI TECHNICAL AND VOCATIONAL COLLEGE

PHYSICAL ADDRESS: kiganjo-kiganjo

POSTAL ADDRESS: 316-10102

EMAIL ADDRESS: Kientech2019@gmail.com

TELEPHONE: 0791917471

**\*\* FOR BANK USE ONLY \*\***  
BILL NUMBER : 2021202210001  
EXAM : BUSINESS TEP

COURSE(S)	COURSE NAME(S)
1920	CRAFT CERTIFICATE IN INFORMATION TECHNOLOGY (MODULE I)
2920	DIPLOMA IN INFORMATION COMMUNICATION TECHNOLOGY - (MODULE I)

TOP UP A candidate

No.	TOTAL FEE
5	43250.00
4	45600.00
	<u>43250.00</u>
	93175

BANK NAME/SLIP NO:

TOTAL AMOUNT(Kshs.): 88850.00

NINETY THREE THOUSAND ONE HUNDRED AND FIVE

AMOUNT IN WORDS:

Eighty Eight Thousand, Eight Hundred and Fifty Kenya Shillings Only

NAME OF HEAD OF INSTITUTION:

RUTH RUYA

RUBBER STAMP

SIGNATURE:

*[Signature]*

DATE:





# BUSINESS TEP EXAMINATION

Statistic Registered Candidates x

## REGISTERED CANDIDATES

ALL

Records per Page:

INDEX	CANDIDATES' NAME	GENDER	COURSE DETAILS										PREVIOUS EXAM DETAILS			Mobile No
1	OSTAL LUCKY MUYENE	M	1920	101	102	103	104	105	106	107	30555207006	KCSE	2017	3		
2	MUSLIMAH BICAS WAKO	F	1920	101	102	103	104	105	106	107	04842203021	KCSE	2018	3		
3	MALINDA DEWATI WAKO	M	1920	101	102	103	104	105	106	107	08210203011	KCSE	2019	3		
4	ALIA SALATADAN	M	1920	101	102	103	104	105	106	107	08210211025	KCSE	2019	3		
5	CHERRY WENDHA WANKU	F	2020	101	102	103	104	105	106	108	08219106052	KCSE	2018	3		
6	JULIUS KOORI MANDA	M	2020	101	102	103	104	105	106	108	08218201122	KCSE	2019	3		
7	WANTHIE EDWIN THURIE	M	2020	101	102	103	104	105	106	108	202607030	KCSE	1999	3		
8	WANTHIE ALBERTA WAKO	F	1920	101	102	103	104	105	106	107	08210204018	KCSE	2019	3		
9	MUSLIMAH BICAS WAKO	F	1920	101	102	103	104	105	106	107	08210203011	KCSE	2019	3		





27<sup>th</sup> JUNE 2022

**DRAFT REPORT OF THE AUDITOR-GENERAL ON KIENI TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

I am writing this report in response to the audit observations outlined in the management

1. Cash and Cash Equivalent

Attached is a cash certificate survey to show the actual cash in hand at the end of the financial year.

**KIENI TECHNICAL & VOCATIONAL COLLEGE**

Date 30/06/2021

Report of the board of survey on the cash and bank balances of Kieni Technical & Vocational College, as at the close of business on 30<sup>th</sup> June 2021

The board consisting of

1. Chairperson :

2. Principal/BOG Secretary : \_\_\_\_\_

3. Finance Officer: \_\_\_\_\_ MWG \_\_\_\_\_

Assembled at the office of the Principal at 10.00 a.m (time) on Wednesday  
 And the following cash was produced:-

Notes	1,000.00 *	168	168,000.00
	500.00*	0	0
	200.00*	1	200.00
	100.00*	0	0
Copper	10*	6	60.00
	1*	2	2.00
			<b><u>168,262.00</u></b>



**168,262.00**

It was observed that there were no cheques on hand prior to the date of the survey.  
The cash book reflected the following balances as at the close of business on the 30<sup>th</sup> June 2021

Cash in hand	kshs.	168,262 .00
Bank balance	kshs.	2,919.00

The kcb bank statement showed a balance  
Standing to the credit of the account on 30<sup>th</sup> June 2021.

ksh. 2,919.00

TOTAL

**KSHS 171,181**

The Kshs 3,583,583 which was withdrawn is fully accounted for in the cash book for the year 2020/2021. The correct cash in hand balance as at 30<sup>th</sup> June 2021 is Kshs 168,262 as stated in the certificate of cash survey above.

## 2.0 Property, Plant & Equipment

The Kshs 84,027,949 reflected in the financial statements was an estimate of assets valuation as given by the mentor. Since then we have done an assets valuation and the actual

**Valuation Certificate**

Under our terms of engagement as contained in the contract, the prevailing economic conditions, and the contents of this report, it is our considered opinion that the Current Market Value of Title no. Nyeri/Lusoi/214, together with all the improvements thereon for Book/Financial Reporting and the Insurable Value for Insurance purposes for Buildings & Siteworks for Kieni Technical and Vocational College located in area- Kieni East Sub-County, Nyeri County, as at the date of our valuation and for the stated purpose, can fairly be stated as follows;

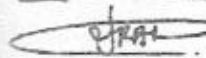
	Asset Category	Insurable Value (Kshs.)	Market Value (Kshs.)
1	Freehold Land-20acres	N/A	40,000,000.00
2	Buildings & Siteworks	126,741,000.00	97,866,000.00
	<b>Total (Kshs.)</b>	<b>126,741,000.00</b>	<b>137,866,000.00</b>

IN WORDS:-

**MARKET VALUE: KSHS. 137,866,000.00 [KENYA SHILLINGS ONE HUNDRED AND THIRTY-SEVEN MILLION, EIGHT HUNDRED AND SIXTY-SIX THOUSAND ONLY]**

**INSURABLE VALUE: KSHS. 126,741,000.00 [KENYA SHILLINGS ONE HUNDRED AND TWENTY-SIX MILLION, SEVEN HUNDRED AND FORTY-ONE THOUSAND ONLY]**

For and on Behalf of  
Icon Valuers Ltd: -

 17/05/2022

**Joram Mugo, Bachelor of Real Estate, M.A - PPM, (UoN), MISK (VEMS), R.V & R.E.A. Gazetted, Licensed & Practising Valuer  
Director**

**Martin Cheboror, Bachelor of Real Estate, (UoN), MISK (VEMS), R.V & R.E.A. Gazetted, Licensed & Practising Valuer,  
Director**

Date of Report: 17<sup>th</sup> May, 2022

☎ +254 (0) 704 625 285  
☎ +254 (0) 723 517 517

✉ [www.iconvaluers.co.ke](http://www.iconvaluers.co.ke)  
✉ [info@iconvaluers.co.ke](mailto:info@iconvaluers.co.ke)

📍 Block A, Unit No. A3, 2nd Floor,  
Thomson Falls, 53 Muthichi Road,  
Westlands, Nairobi

Aging of Debtors Analysis			
ADM NO	FULL NAMES	1 year	0 - 360 days
2	ENICE WAIRIMU MAINA	14,360	14,360
12	PRAISE GATHIGIA MUTAHI	3,090	3,090
15	MOLU MOHAMMED MARKARAS	14,420	14,420
18	ESTHER NYAMBURA GITHITHU	4,420	4,420
19	PETER MUTAHI GATHIGI	7,000	7,000
26	FRANCIS RUTH NYAGUTHII	2,020	2,020
32	SIMON NGETHA NJENGU	13,420	13,420
35	MWANGI DAN KINGORI	12,420	12,420
37	LUCKY MUNENE GITARI	11,870	11,870
38	LUCKY MUNENE GITARI	20	20
39	MWAI LISPAH NJERI	26,420	26,420
40	SUSAN WANGARI MAINA	13,420	13,420
42	MARY WANJIKU NJERI	3,170	3,170
44	PETER GICHERU NYANGENDO	16,640	16,640
45	ALEX MURIITHI MAINA	15,420	15,420
47	DENNIS MWANGI WACHIRA	20	20
49	EIJAH WANGOMBE NDUN'GU	20	20
52	JUSTUS MWANGI MAINA	13,420	13,420
55	GRACE MUMBI NDEREBA	20	20
58	CECILIA MUTHONI GITHAE	23,420	23,420
60	THOMAS NGUNYI MUIGUA	21,320	21,320
61	CAROLINE NYAMBURA WANYEKI	13,420	13,420
65	ALLAN MACHARIA KIRUBI	19,920	19,920
70	PETER NDERITU KAMAU	40	40
71	SHARLEEN MUMBI NJERU	2,670	2,670
72	JACKLINE WAIRIMU NJIHIA	17,490	17,490
75	JOYCE WANJIRU WAMBUI	49,840	49,840
78	CHRIS KAHIGA KABUGI	23,420	23,420
82	GRACE MUTHONI KANGETHE	21,420	21,420
83	MAUREEN WAMUYU WAMBUGU	23,420	23,420
86	DANIEL KIOI MWITARI	13,420	13,420
87	TITUS NJOROGE KAMAU	23,420	23,420
88	WILSON MUCHEMI MURIITHI	8,420	8,420
94	ROSEMARY WAITHIRA MWANGI	11,360	11,360
96	ANN NDUTA MUNYUA	24,420	24,420
98	CHARLES WANDERI MUTHONI	23,420	23,420
99	PETER NDEGWA KINYUA	21,360	21,360
102	LINCON NJOGU WAMAGURU	640	640



104	MERCY MUKAMI NJOKI	4,120	4,120
105	MARY WAMBUI NDIRITU	24,420	24,420
109	CHARLES MURIMI WAIRIMU	19,920	19,920
110	ELIUD MACHARIA THUMBI	15,730	15,730
114	GEORGE KANYUGUTO MWANGI	24,420	24,420
115	TABITHA WANJIKU MATHU	16,420	16,420
116	EVA WANJIRU MBUGUA	21,420	21,420
117	KELVIN KURIA KARIUKI	10,320	10,320
118	BENSON WAHOME GITHUI	13,420	13,420
119	CAROLINE GAKII JOSEPH	22,420	22,420
120	NAOMI WANGUI	12,420	12,420
121	FRANCIS MURIITHI MAINA	23,420	23,420
122	PRISCILLA WANGECHI MWANGI	21,420	21,420
123	PETER MIANO MURIITI	23,420	23,420
126	KARIMI CAROLINE NYANGENDO	0	15,420
127	MUASYA SAMUEL NZOU	0	4,590
128	NJERI COLLINS DAVID KURIA	0	26,420
129	KUNG`U MARY STEPHANIE WANJIRU	0	13,360
131	MARTHA WANJIRU WANJOHI	0	52,840
132	RISPER WAMUYU MUGO	0	26,420
137	MAINA ROSE WANJA	0	10,190
139	NGARI MILLICENT KAGENDO	0	1,290
142	GITARI MARY RUGURU	0	40
143	NYANGERESI FAITH MORAA	0	420
145	NDAMBUKI SAMMY MUSYOKI	0	10,420
146	MWINZI WINFRED MULALYA	0	13,920
147	MWINZI JONES MUTEMI	0	21,790
148	PATRICK IRUNGU NDERITU	0	13,170
150	JACINTA KANINI PAUL	0	0
152	GICHURE VERONICAH MUTHONI	0	19,420
153	OMONDI PETER SIMEON	0	26,420
154	EDWIN KAIGUA KARIGITHE	0	9,400
156	MURIITH GEORGE KAMUCHU	0	12,134
157	MARY WACUKA MAINA	0	26,420
158	MBUA SOPHIA MUTETHYA	0	21,890
159	MATHIAS SOLOMON LULE	0	6,880
160	PATRICK KIBUI	0	13,210
162	COLINS NYAMAI MWENDE	0	20,420
165	CHARITY WANJIKU NJUGUNA	0	8,270
168	NDEGWA PAUL MAINA	0	26,420
169	JAMLICK MUHIA MWANIKI	0	14,540
170	ESTHER WAMBUI MWEMA	0	11,420
171	MUTURI WINROSE NJOKI	0	-640
172	MICHAEL S GITONGA MAINA	0	14,270
173	EMMA WANJIKU WACHIRA	0	20

28 JUN 2022

176	TERESA NYANJUGU MITHINI	0	0
177	DENNIS GITHINJI MATHENGE	0	25,420
179	AMOS WANJOHI	0	16,420
180	DANIEL MBUTHIA MURIITHI	0	13,360
181	LILIAN NYAMBURA	0	21,420
182	MARK DANIEL KING'ORI	0	26,420
184	SIMON GIKIRI GITONGA	0	19,420
185	CAROLINE KIRIGO MUGO	0	420
188	JOSPHAT N.KARITI	0	21,440
189	CASPER DANIEL MLAY	0	20,420
190	KELVIN MUGAMBI MUGO	0	19,690
191	PETERSON KIMANI WAMUCII	0	26,420
192	CHARITY MUTHONI MAINA	0	5,170
195	NDERITU MARTIN NJOGU	0	30,890
196	NGIGI ZIPPORAH WANGUI	0	21,420
197	NDUNG'U LEAH WAMBUI	0	26,420
198	PURITY NYAMBURA	0	6,920
200	GATHIGIA JANE MUTHONI	0	27,140
201	ISHMAEL NDERITU TATUA	0	26,420
202	NJUGUNA ALICE WANJA	0	26,420
205	JAMES KARIAMWERE MUGAI	0	22,240
206	MWANGI CLEMENT NGANATHA	0	26,420
207	KIROCHO FESTUS WACHIRA	0	10,360
208	GUAMA SILA GITHIARI	0	8,220
210	TABITHA WANGARI WAMBUI	0	21,420
211	CAROL WANJIRA WAMITI	0	26,420
212	LUCY WAIRIMU KAGIRI	0	11,420
213	LILIAN APUAPUA ANGALE	0	26,420
216	BRIAN MAINA	0	6,221
217	STEPHEN NDERITU WANGARI	0	13,960
220	PAUL MAINA MWANGI	0	10,420
221	NAOMI NJERI MATHENGE	0	21,920
222	WANJIRU CATHERINE NYAMBURA	0	11,940
223	APUAPUA ANGOLE KARABA	0	26,920
224	FRANCIS MAGONDU GIKONYO	0	14,520
225	KULE AMINA FATUMA	0	21,920
226	KABURO WILLIAM MUTHUI	0	22,080
228	EDWIN NDERITU	0	9,450
230	BULE WAKO KATELO	0	13,860
231	MAINGI JEFF KIMOTHO	0	18,920
234	SAMUEL KARONDO WANGECI	0	520
236	NGATIA DICKSON MURAGURI	0	27,340
237	MUALUKO MARK MAKAU	0	8,860
		767,720	1,971,925

This fees arrears accumulated to this level because of two reasons:

- a) Financial instability due to covid 19. Thus some of the students did not report back.
- b) Un-honored help allocation of Kshs 1,920,000

#### **4.0 Statement of Change in net Assets**

We just noted that the figure that was reflected is correct.

### **Key Audit matters**

#### **4.1 Hiring of Interns as Trainers**

During the year under review the government had promised to post trainers. The first batch reported on September 2019 and second batch in February 2020. However the number was not enough for cosmetology fashion and plumbing. We wrote a letter requesting for trainers.

From the PSC Advert on advert vacancies in Ministry of Education State department of Vocational and Technical training, the requirement for employment did not require the applicants to be registered by TVETA. (see notes attached)

See attached document for job group J

The Principal also made a request for more trainers.

The government sends trainers for example in August 2020 we received a welding trainer:

- i) Mr Charles Wandeto

In January 2021 we received trainers for electrical

- i) Mr Cyprian Mbao
- ii) Mr Alex Maina

In December 2021 we received a trainer for plumbing

- i) Mr . Washington Wanjama

So we continue releasing the part-time trainers.

The government is continuously capacity building all trainers for pedagogy to enable them register with TVETA authority.

The government is also keen on increasing enrolment of trainers. The offer of jobs on temporary terms is necessitated by need and quest for education of the Kenyan child which we must always provide and we do not relent on quality.

TVETA authority has been visiting our college for internal audits and they are satisfied with the certificate and efforts that these trainers are making to improve themselves. They were all trained on CBET in August of 2021.

The government has been promising to employ more trainers every year, but so far it has not been effected. So with the hope we continue to employ interns who have pedagogy skills. Kieni TVC cannot attract employees from far fetched regions because of payments which are too small.

#### **Ethnic composition of staff**

During the year under review the college had very few staff as it had just started. In November 2021 the college had hired four(4) more employees from other ethnic groups besides kikuyu as presented in the table below: (see notes attached)

<b>Ethnicity Group</b>	<b>County of ethnicity Group 2</b>	<b>Percentage</b>
Kikuyu	16	80%
Luhya	1	5%
Kisii	1	5%
Kalenjin	1	5%
kamba	1	5%
<b>Total</b>	<b>20</b>	<b>100%</b>

Thus the percentage from the kikuyu ethnic group had dropped from 90.91% to 80%.

Approved By:



**RUTH RUITA**

**PRINCIPAL/BOG SECRETARY**

28 JUN 2022