

REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 MAR 2023	DAY: TUESDAY
REPORT TABLED BY:	The Leader of the Majority Party (LOM)
CLERK-AT THE-TABLE:	Inzofu Mwale

OF

THE AUDITOR-GENERAL

ON

SIRUTI TECHNICAL AND VOCATIONAL
COLLEGE AWENDO

FOR THE YEAR ENDED
30 JUNE, 2021



SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The **Siruti Technical and Vocational College Awendo** was established under the TVET Act 2013 commenced operations on February 05 2021. The College is domiciled in Siruti shopping centre approximately 6 km from Awendo town within Migori county- Kenya. The institution is a public institution and is under the Ministry of Education.

(b) Principal Activities

The principal activity of Siruti Technical and Vocational College Awendo is to train students in business and technical courses.

Our Vision

To be a world class College in the provision of technical, vocational training and applied research.

Our Mission

To expand human knowledge beneficial to society through high quality training, applied research and practicability

Our Strategic Objectives

- To achieve Financial Viability and Sustainability
- To develop a Strong and Well-Managed Institution
- To provide quality Education and Technical Training
- To improve Corporate Governance and Image
- To expand and improve the Physical Facilities
- To enhance Risk Management, Disaster Preparedness and promote Environmental Sustainability

Our Core Values

- Integrity
- Innovation
- Practicability
- Teamwork
- Environmental Sustainability

(c) Key Management

The day-to-day management of the College is exercised by the following key organs:

- Board of Governors
- Principal / Board Secretary
- Principal's Management Committee
- HOD's

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(d) Fiduciary Management

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

S/No	Designation	Name
1.	Principal	Wilfred Owalla
2.	Deputy Principal	Eunice Atieno Walter*
3.	Dean of Students	Brian Onduru*
4.	Registrar	Alexander Sinda*
5.	Finance Manager	Jane Ogutu*
6.	Supply Chain Manager	Isaac Otieno*
7.	Human Resource Manager	Daniel Odira*

**all the officers are in acting capacity*

(e) Fiduciary Oversight Arrangements

Board Committees	Members	
Finance, Infrastructure and Resource Mobilization (FIRM) Committee	Simeon Obongo	Chairman
	Carolyn Otieno	Member
	Bainitos Hussein	Member
	Tom Olango	Member
	Wilfred Owalla	Secretary
Education, Research and Training Committee	Dr Carolyn Kokeyo	Chairperson
	Ben Odhiambo	Member
	Olympia Keino	Member
	Tom Olango	Member
	Wilfred Owalla	Secretary

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KEY ENTITY INFORMATION AND MANAGEMENT

(f) Entity Headquarters

P.O. Box 555-40405
SARE-AWENDO
Awendo – Migori Road
Migori County,
KENYA

(g) Entity Contacts

Telephone: (254) 0113004605 / 0786925569
E-mail: sirutiawendotvc@gmail.com
Website: www.go.ke

(h) Entity

National Bank of Kenya
Awendo Branch
P.O. Box 200-40405
Sare - Awendo





(i) Independent Auditors

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






(j) Principal Legal Adviser

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

II BOARD OF GOVERNORS





	<p>Charles Obiero Odindo, Chairman</p> <p>Date of Birth: 2nd June 1965</p> <p>Charles holds a BSc degree in Human Resource Management. He has a wealth of experience in strategic leadership and governance. His work experience also involves integrated research design, cartographic mapping for institutional planning as well as marketing and resource mobilization.</p> <p>He has also participated in various activities involving training of trainers, performance management, monitoring and evaluation of projects/programmes and sourcing of local and donor funds.</p>
	<p>Dr Carolyn A. O. Kokeyo Member</p> <p>Date of Birth: 16th January 1974</p> <p>Dr Carolyn holds a PhD in Communication Studies in Educational Leadership.</p> <p>She is an accomplished scholar with a teaching experience of over 21 years. She has also published in various refereed journals.</p>
	<p>CPA Simeon Obongo Member</p> <p>Date of Birth: 21st December 1976</p> <p>CPA Simeon Obongo is a practising auditor. He is currently undertaking his PhD in finance. He holds a MSc in finance and BCom in Accounting. He also holds a CIFA (K) qualification.</p>
	<p>Olympia J. Keino-Okal HSC Member</p> <p>Date of Birth: 1968</p> <p>Mrs Okal who is currently undertaking a PhD in Community Nutrition and Development, is a holder of MA in Home Science. She has over 30 years' experience in the education sector.</p> <p>Olympia is also a professional counsellor and is a member of several Boards.</p>

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	<p>Bainitos O Hussein Member</p> <p>Date of Birth: April 1959</p> <p>Mr Hussein, a holder of HND in Land Surveying and Mapping is a registered member of ISK. He has a wealth of experience spanning over 40 years in the public sector.</p>
	<p>Date of Birth: 25th September 1988</p> <p>Caroline Cecilia Otieno</p> <p>Caroline holds a BA in Communication and Media. She is currently a journalist working for Nam Lolwe FM. She is also a science journalist and a member of Media for Environmental Science, Health and Agriculture (MESHA).</p> <p>She has six years' experience in the communication sector.</p>
	<p>Ben Calvins Odhiambo Member</p> <p>Date of Birth: 10th August 1991</p> <p>Ben holds a BSc in Information Technology. He is currently working with Rongo University as an IT professional. He has vast experience working with UNES-USAID Health IT Project – Migori CHMT as a consultant for Migori, Kisii, Homabay and Nyamira counties.</p>
	<p>Tom Olango Regional Director TVET</p> <p>Date of birth:</p> <p>Mr Tom Olango is currently the regional TVET Director in charge of Migori, Nyamira, Kisii and Homa Bay counties</p>
	<p>CPA Wilfred Owalla Principal/Secretary to Board</p> <p>Date of birth: 05 July 1965</p> <p>CPA Wilfred is a holder of MBA in Finance.</p> <p>He also has several publications in referred journals and has over 30 years' experience in the TVET sector.</p>

III MANAGEMENT TEAM

The key management personnel who held office during this quarter ended 30th June, 2021 and who had direct fiduciary responsibility were:

No.	Member/ Director	Details
1.	 <p>CPA Wilfred Owalla Secretary to Board/Principal</p> <ul style="list-style-type: none"> ▪ <i>MBA (Finance)</i> ▪ <i>B. Com (Accounting) C.P.A(K)</i> ▪ <i>ICPAK Member No. 2793</i> 	Principal
2.	 <p>Mrs Eunice Achieng Walter B.Ed. Home Economics</p>	Deputy Principal Head of Guidance & Counselling
3.	 <p>Mr Alexander Sinda Ag. Registrar Bsc IT</p>	Registrar Head of ICT
4.	 <p>Mr Brian Onduru HND Electrical Engineering</p>	Dean of Students Head of Electrical Department

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5.	 M/s Jane Ogutu ATD	Accountant PC Coordinator
6.	 Mr Isaac Odhiambo Dip SCM	Procurement Officer Head of Quality Assurance
7.	Mr Daniel Odira Dip HRM	HR Officer

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IV CHAIRMAN's STATEMENT

Siruti Technical and Vocational College Awendo is a new TVET institution. It opened its doors on 8th February 2021, admitting its first batch of students.

The Board of Governors was subsequently appointed by the Cabinet Secretary for Education Professor George Magoha and held its inaugural meeting on 8th March 2021. On behalf of the entire Board, I would wish to thank the Cabinet Secretary for this appointment.

The Board therefore embarked on a mission to put in place systems, policies, procedures and other frameworks to enable full operationalization of the College. Subsequent to this the Board has already approved the Siruti Technical and Vocational College Awendo Strategic Plan July 2021-June 2025. In addition to the Strategic Plan, the Board has already approved the Academic Policy, Financial Policy and Procurement Policy. Various Operating Procedure Manuals are also in place. The Board has also put in place its own Board Charter, Board Committees Terms of Reference and Board and individual board member evaluation

The College however faced a myriad of problems inter alia financial resources. There were also problems experienced due to lack of water, electricity, unfenced compound, no training machinery, equipment and furniture. The closure of the institution as part of the nationwide strategy of containment of the Covid19 pandemic also affected the mobilization of trainees.

However, the future looks bright. The Board has entrusted day to day running of the institution to management headed by the Principal who together with the staff ensures that policies put in place by the Board are adhered to, the reports in all operational areas are reported to the Board to oversight whether targets set are met.

The Board intends to embark on massive resource mobilization, additional policy formulation, link the institution with key stakeholder groups, enhance sustainability and monitor achievement of targets. The Board gives an assurance on continued support to management as they exercise their oversight role for effective performance.

Thank you



Charles Odindo
CHAIRMAN

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V. REPORT OF THE PRINCIPAL

Introduction

Siruti Technical and Vocational College Awendo opened its doors during this financial year. The 1st Principal reported to the institution on 21st September 2021, where the institution was officially handed over by the mentor Mawego TTI. The College then comprised of a single block complete building and an incomplete dilapidated building that was being used as the ECD section by the neighbouring Siruti Primary School. The main building though complete was totally empty – no furniture, equipment and machinery. There was no fence round the compound. There was also no water or electricity. Registration of the College with TVETA had also not been done.

The College has now registered with the following bodies i.e., TVETA, KUCCPS, HELB and KATTI. Electricity connectivity is not yet done though requisite payments have been made. Water continues to be a problem. However, the Awendo CDF did construct an 8-door pit latrine that is currently in use in the College.

In March 2021, the Cabinet Secretary for Education, Professor George Magoha appointed the Board of Governors headed by Mr Charles Obiero Odindo that has been steering the College. The team has ensured that the College has become operational.

The College opened its doors to trainees on 8th February 2021 and by the close of the financial year, it had registered 180 trainees. Awendo CDF sponsored 109 trainees to the institution. The PSC has already posted 5 trainers and the remaining 20 trainers are serving on a voluntary basis pending recruitment by the BoG during the 2021/2022 financial year.

The management under the direction of the BoG has already documented various operating procedures to guide its operations. It continues to develop more operating procedures. The Board has already approved a 5-year Strategic Plan which is already under implementation. Likewise, the Board has already approved the Academic Policy, Finance Policy, and Procurement Policy. Other policies are under consideration.

It is worth noting that despite its very young age, the College has been placed under Performance Contracting by the Government of Kenya and has since then continued to pursue its targets and objectives.

Operational Results

Financial resources have been a big challenge in the just ended financial year.

At the close of the financial year, the College had received Kes 1,000,000 grant from GoK through Mawego TTI. Awendo CDF has also paid Kes 20,000 for each of the students it sponsored.

The College therefore had total income of Kes 3,449,932 against total expenditure of Kes 2,841,212 giving a surplus of Kes 608,720. The student population as mentioned earlier closed at 179 trainees. Fee collection remains a challenge for the non-sponsored CDF students. However, the College is now fully registered with HELB and all the trainees with fee challenges have been encouraged and assisted to apply. Since the College is already registered with KUCCPS, it is hoped that capitation will start to flow into the College to assist in its operations.

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Our asset base currently stands at Kes 55,178,754 with liabilities standing at Kes 332,725. This comprises Kes 300,000 that was borrowed from Mawego TTI to assist in operations of the College when we missed out on the grant.

Management has put in place plans to repair and convert into workshops the existing dilapidated ECD rooms. We also hope to fence and secure the College compound as well as work towards getting a regular electricity and water supply. The ministry has also promised to supply machinery within the FY 2021/2022. In addition, in conjunction with Awendo CDF and other donors, more infrastructural improvements will be witnessed in FY 2021/2022.

COVID-19 Pandemic

With the emergence of COVID-19 pandemic, the College facilities have become more strained because of the Ministry of Health's requirements i.e.

- a) Social distancing in classrooms and workshops.
- b) Installation of more water points in the institution.
- c) Improved and increased sanitation for our students and staff necessary
- d) Need for more temperature guns and sanitizers.

Achievements

In the brief period that the College has been in operation it is noted with great pleasure that a number of achievements have been made despite the acute resource constraints. The College is now fenced with the grounds cleared of building debris that cluttered the compound. Furniture has been purchased and continues to be purchased for both staff and students. Awendo CDF assisted in putting up an 8-door pit latrine which is currently in use. Beautification of the compound is ongoing with over 3,000 trees planted.

Governance

The BoG executed their duties well during the year. The meeting attendances are stated under corporate governance statement. There were no conflicts of interest recorded during the year under review.

The College is managed by the Principals Management Committee (PMC) which comprise of all top management staff. During the year under review, the PMC also executed their role well.

Conclusion

Finally, I would like to express my special thanks to the Siruti Technical and Vocational College Awendo stakeholders, especially the Siruti community and Awendo CDF, for the support that they offered to the institution. Special mention also goes to the staff who though are volunteers, worked tirelessly to ensure smooth operation of the institution. The Board is also commended for providing effective leadership and oversight in driving forward the College.

We will continue to be guided by our mission *"To expand human knowledge beneficial to society through high quality training, applied research and practicability in partnership with industry"*.

Thank You

Wilfred Owala
PRINCIPAL BOARD SECRETARY

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**VI. REVIEW OF SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO'S
PERFORMANCE FOR FY 2020/2021**

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

Siruti Technical and Vocational College Awendo has 6 strategic pillars and objectives within its Strategic Plan for the FY 2021/2022- 2022/2023. These strategic pillars are as follows:

- Pillar 1: To achieve financial viability and sustainability,
- Pillar 2: To develop a strong and well-managed institution,
- Pillar 3: To provide quality education and technical training
- Pillar 4: To improve corporate governance and image,
- Pillar 5: To expand and improve the physical facilities,
- Pillar 6: To enhance risk management, disaster preparedness and promote environmental sustainability

Being the first year that the Strategic Plan is in operation, Siruti Technical and Vocational College Awendo has developed its Annual Work Plans based on the above 6 pillars. Assessment of the Board's performance against its annual work plan will be done on a quarterly basis.

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VII. CORPORATE GOVERNANCE STATEMENT

We believe in good corporate governance as an institution. The Board provides leadership through oversight, review and guidance whilst setting the strategic direction.

The Board which has an appropriate mix of skills, knowledge and experience to perform its role effectively was inaugurated on Monday 8th March 2021.

Board meetings are held quarterly and as and when the need arises. The College ensures that it provides the necessary resources and expertise to the Board to assist it in their decision-making. The Ministry of Education is also regularly consulted on key policy matters.

General Responsibilities

The Board has a duty to the people of Kenya to ensure that Siruti Technical and Vocational College Awendo achieves its objectives efficiently and effectively and in compliance with PFM Act, 2012, TVET Act 2013, all relevant Acts of Parliament and all Ministry directives and guidelines issued from time to time

The statutory functions of the Board include:

Overseeing the conduct of education and training in the institution in accordance with the provisions of TVET Act 2013;

- Promoting and maintaining standards, quality and relevance in education and training in the institution in accordance with TVET Act 2013 and any other written law;
- Administering and managing the property of the institution;
- Developing and implementing Siruti TVCA Strategic Plan
- Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institution;
- Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of the TVET Act 2013;
- Mobilizing resources for the institution;
- Developing and reviewing programmes for training and to make representations thereon to TVETA Board;
- Regulating the admission and exclusion of students from the institution, subject to a qualifications framework and the provisions of TVET Act 2013;
- Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by TVETA Board;
- Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry;
- Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institution in consultation with TVETA Board;

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- Making regulations governing organization and conduct and discipline of staff and students;
- Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the TVET Board;
- Providing for the welfare of the students and staff of the institution;
- Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institution; and
- Discharging all other functions conferred upon it by the TVET Act 2013 or any other written law.

Risk Management and Internal Controls

The Board has overall responsibility for the establishment and oversight of the institution's risk management frameworks. The Risk Management Policies are established to identify and analyse the risks faced by the institution and to set appropriate risk limits and controls, and to monitor adherence to these limits. Risk management policies and systems are reviewed regularly to reflect changes in operating conditions, legislation and services offered. Subsequently, the institution identifies and manages risk through in-house risk review enhanced by compliance, internal and external audits.

The Institution has in place a system of internal controls with defined operating procedures, financial and operational controls to ensure that resources are safeguarded; transactions authorised, validated and reported in line with International Public-Sector Accounting Standards.

Conflicts of interest

All Board members are under a duty to avoid any conflicts of interest. This entails not engaging, directly or indirectly in any business that competes or conflicts with the institution's business.

The Board has established robust process requiring members to disclose outside business interests that would conflict with institutions interests.

Compliance

The Board confirms that it is satisfied that the though the institution currently has inadequate resources it can continue operating for the foreseeable future. For this reason, it continues to adopt the going concern basis when preparing the financial statements.

The Board is satisfied that the institution as to the best of their knowledge complied with all relevant laws and conducted its business affairs in accordance with the law in particular to;

- The Constitution of Kenya, 2010
- TVET Act, 2013
- PFM Act, 2012
- Procurement and Assets Disposal Act, 2015
- IPSAS standards.
- Mwongozo
- All other relevant laws in its operation (regular circulars from Treasury and Ministry of Education)

Sirutu Technical and Vocational College Awendo also has internal policies it uses in its operation. These policies are in line with all the relevant laws stated above and only direct the specific operations on how tasks are handled.

These policies are inter alia; Financial Management Policy, Procurement Policy, and Academic Policy.

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BOARD AND BOARD COMMITTEE MEETING ATTENDANCE FOR THE YEAR ENDED 30TH JUNE 2021

FULL BOARD

No	NAME	8 th March 2021	29 th April 2021	13 th July 2021
1	Charles Obiero Odindo	✓	✓	✓
2	Olympia Okal	✓	✓	✓
3	Simeon Obon'go	✓	✓	✓
4	Dr Carolyn Kokeyo	✓	✓	✓
5	Bainitos Hussein	✓	✓	✓
6	Ben Odhiambo	✓	✓	✓
7	Caroline Otieno	✓	✓	✓
8	Tom Olango	✓	✓	✓
9	Wilfred Owalla	✓	✓	✓

FINANCE, INFRASTRUCTURE AND RESOURCE MOBILIZATION (FIRM) COMMITTEE MEETING FOR THE YEAR ENDED 30TH JUNE 2021

No.	NAME	29 th April 2021
1	Simeon Obongo	✓
2	Carolyn Otieno	✓
3	Bainitos Hussein	✓
4	Tom Olango	✓
5	Wilfred Owalla	✓

EDUCATION, RESEARCH AND TRAINING (ERT) COMMITTEE MEETING FOR THE YEAR ENDED 30TH JUNE 2021

No.	NAME	28 th April 2021
1	Dr Carolyn Kokeyo	✓
2	Ben Odhiambo	✓
3	Olympia Keino	✓
4	Tom Olango	✓
5	Wilfred Owalla	✓

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As mentioned earlier, the Board held its first meeting at inauguration date. Subsequently, it has approved the following board governance documents;

Board Charter

Board Terms of Reference

Board Appraisal

Board members' individual self-appraisal

FIRM Committee Terms of Reference

ERT Committee Terms of Reference

Board Work Plan

All other activities of the Board are as governed and directed by the TVET Act 2013, other relevant acts of Parliament and government directives and guidelines issued from time to time.

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VIII. MANAGEMENT DISCUSSION AND ANALYSIS

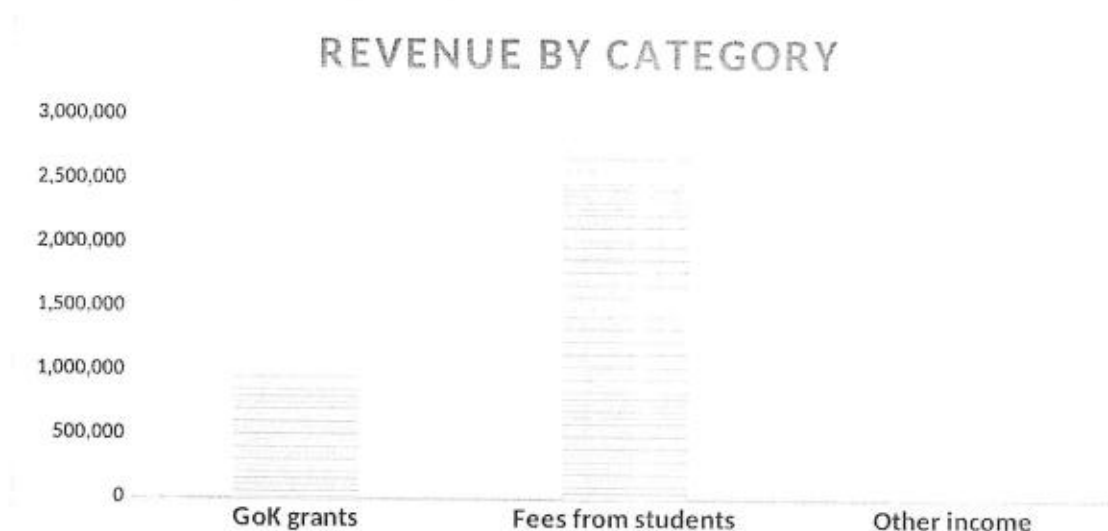
INTRODUCTION

This discussion and analysis provide an overview of the results of activities and financial position of Siruti Technical and Vocational College Awendo. Being the first year of operation, comparative information is unavailable. This overview has been prepared by management and should be read in conjunction with the financial statements and the notes that follow

FINANCIAL HIGHLIGHTS

Revenue

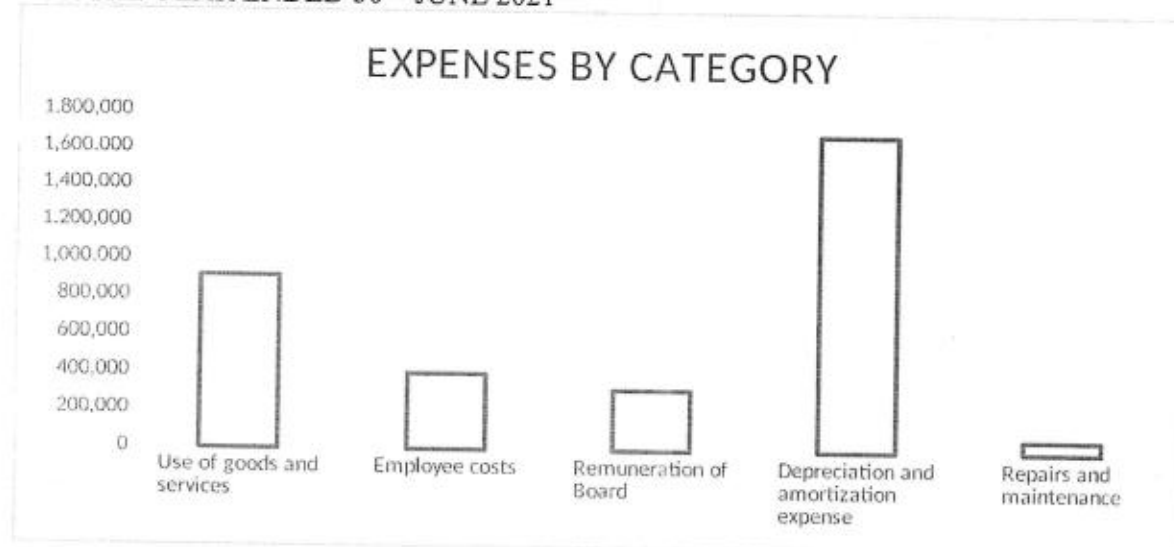
Siruti TVCA's stood at Kes 3,449,932. The student population at the close of the financial year stood at 179 trainees. The breakdown is as shown below:



It is hoped that in FY 2021/2022, income of the institution will increase as a result of successful registration with HELB and KUCCPS.

Total expenditure stood at Kshs. 2,841,212

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It should be noted that employee costs stand at 11.8% of total costs. This is below the recommended ceiling of 30%. This depressed rate is essentially due to the use of volunteer trainers. The Board will carry out a formal recruitment of staff in the FY 2021/2021.

Board expenses stand at 9.7% of total expenditure. This is above the recommended 5%. There is therefore need to generate more income to lower this %age.

Use of goods and services is at 27% of total expenditure. This comprises basically of expenses incurred to operationalize the College. It is worth noting that due to lack of machinery, trainers have not carried out adequate practical lessons.

Compliance with Statutory Requirements

The College is operating under legal frame works necessary under public sector requirement such as;

- The Constitution of Kenya, 2010
- TVET Act, 2013
- PFM Act, 2012
- Procurement and Assets Disposal act, 2015
- IPSAS standards.
- All other relevant laws in its operation (regular circulars from treasury and ministry of education)

The College has also internal policies it uses in its operation. These policies are in line with all the relevant laws stated above and only direct the specific operations on how tasks are handled. The Board has already approved the Academic Policy, Financial Management Policy and Procurement Policy. Other policies will be approved in the FY 2021/2022.

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Risk Analysis

Operational Risks

The Board has overall responsibility for the oversight of the College risk management framework. The College is developing risk management policies to identify and analyze the risks faced by the College, set appropriate risk limits and controls and monitor risks and adherence to limits. These risk management policies and systems will be reviewed regularly to reflect the changes in economic conditions and the College activities. The Principal will then oversee how management monitors compliance with the College risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the College.

The College faces a high level of competing interests for resources. There is a high level of competition for trainees in the College catchment area from other public and private TVET Colleges within the region. The College financial assets comprise of receivables, cash and short-term deposits which arise directly from its operations. The financial liabilities comprise of payables including a loan taken from the mentor institution. The College is therefore exposed to both liquidity risks and credit risks.

Liquidity Risk

This is the risk that the College will not meet its financial obligations as they fall due. There is therefore need to increase the number of trainees to cover the fixed costs. The College's approach managing liquidity is to ensure as far as possible, that there is always sufficient liquidity to meet liabilities as and when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking to damage the College's reputation. Typically, the College ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days including the servicing of financial obligations. This however does not include the potential impact of extreme circumstances that cannot be reasonably predicted such as political violence. All liquidity policies and procedures are subject to review and approval by the Board. It is very important to note that the College faces a liquidity risk of non-receipt of capitation grants from GoK which may prevent it from meeting its financial obligations as and when they fall due.

Credit Risk

Credit risk is the risk of financial loss to the College if a customer or counter party to a financial instrument fails to meet its current obligations. The receipt of fees from students minimizes the credit risk exposure. The College has a policy on fee payment which defines how and when fees are supposed to be paid. This minimizes the credit risk exposure. Currently 60.6% of the College's receivables are performing.

It important to note that the College now under performance contracting and it is envisaged that this will greatly improve its operational efficiency.

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IX . CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO exists to transform lives. This is our purpose; the driving force behind everything we do. This is what guides us to deliver our strategy of putting the customer first, delivering relevant goods and services and improve operational excellence.

Sustainability Strategy and Profile

The College's approach to sustainability is based on the College mission to expand human knowledge beneficial to society through high quality training, applied research and practicability in partnership with industry players.

The institution recognises the importance of sustainable growth and has initiated programmes to generate income to cushion its operations. It also is establishing policies and programmes that are needed to promote sustainable development especially at local and regional level. The College will also sign an MOU with at least two industry players to among others enhance its capability to generate income in collaboration with industry.

Sustainability is also incorporated into student learning through both curricular and co-curricular programs by introducing practicability into the programmes as well as incorporating on job practical training. Programmes have also been planned aimed at increasing the capacity and capability of the trainers through development workshops and trainings.

Research and innovation are an important component of sustainability. In the FY 2021/2022 budget estimates, a total amount of Kes 600,000 representing 5.5% of Siruti TVCA annual budget, has been allocated for research and innovation activities.

As mentioned earlier, in the FY 2021/2022, the College in its approved annual work plan, under the performance contract guidelines, has committed to developing partnerships and linkages with industry to provide learning opportunities for trainees, applied research opportunities for trainers and benefit to community.

Our physical facilities include halls and grounds serve the community. Sports facilities especially the fields are open for use by the community on arrangement but free of any charges.

We will continue to engage with key stakeholders to achieve sustainability strategies in line with international best practice.

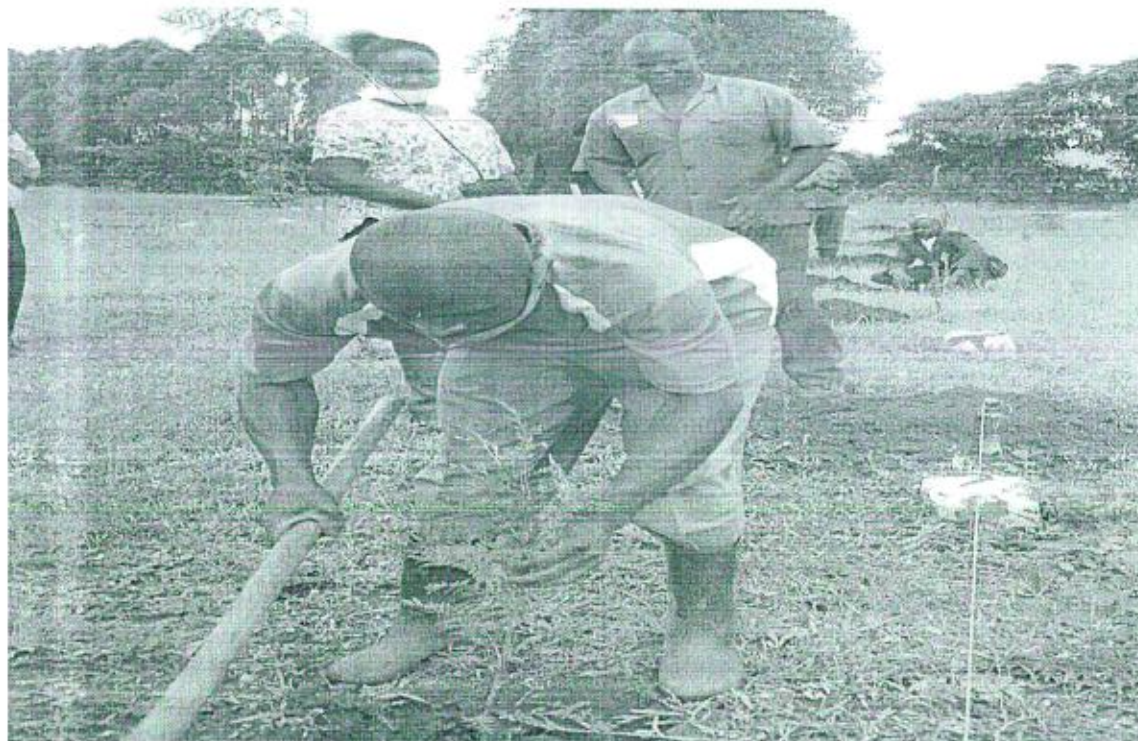
Environmental Performance

Siruti TVCA strives to be a responsible business representing the highest standards of ethics and professionalism. We have reviewed the global best practice guidelines and standards including IPSAS, in order to help inform relevant policy areas. It is therefore important that STVCA is aware of current environmental issues and informs, educates and stand with the local community to improve the environment.

Our institution's social responsibilities are defined by both compliance and proactiveness. STVCA, compliance refers to our commitment to upholding all legal requirements, and our willingness to observe, acknowledge, and respect community values and laws.

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Our proactiveness is manifested by emphasizing and recognizing human rights locally and globally, and actively engaging with our communities through volunteering, community service, pro-bono service, and philanthropy, while always protecting and respecting our natural environment through our actions and policies. This can be seen in the way the College engaged in tree planting within the compound to improve the environment.



Staff of the Siruti TVCA planting trees during tree planting day in April 2021.

As an institution, we implement policies and act to drive diversity and inclusion by providing an inclusive environment where all are empowered to share their diverse perspectives and experiences so we can ultimately be better together. Our policies, practices, programs, activities, and decisions regarding employment, hiring, assignment, promotion, compensation, volunteerism, and internships are not based on a person's ethnicity, colour, sex, age, religion, national origin, mental or physical disability, ancestry, sexual orientation, gender identity or expression, marital status, source of income, parental status, housing status, or other protected status. We strongly encourage women, youth, persons with disabilities, and members of the community to join the institution and live our shared values.

Siruti TVCA will always:

- Respect and uphold applicable local, county, and national laws to the best of our abilities
- Honour and review all internal policies for complete and responsible implementation
- Ensure that all business transactions and relationships are legitimate, free of influence and bribery
- Keep all partnerships and collaborations transparent and open

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- Recognize that privacy is a fundamental right, and we will comply with all privacy laws and expectations. In addition, we will work whenever possible to ensure that we respect the ability for all to manage their personal data.

Siruti TVCA values our natural environment and the need to protect it. Keeping our environment unpolluted and clean is paramount to the success of our communities and business. We will always follow best practices in disposal of garbage, compost, and seek out working facilities that strive to minimize their carbon footprint through National Environmental Management Authority (NEMA) certification and other environmentally sustainable best practices.

Employee Welfare

We recognize the value of human relationships and put people at the heart of our business. We seek to treat all staff fairly and consistently, to create a workplace and business environment that is open, transparent, and trusted. Aligned with this approach, all members of the STVCA are required to conduct their activities in accordance with our codes and policies, as they are implemented and updated from time to time.

STVCA respects all employees, and strive to make their experience a positive one in all aspects of their relationship with the institution. Our success is closely tied to staff happiness, growth, development, and teamwork, and we work to assess, measure and support the personal and professional growth of our employees at all times, recognizing that the success of STVCA is led first by the success and happiness of our people.

We require our staff to act according to the highest standards of honesty and integrity as well as comply with all legal and regulatory requirements, which extend to the protection of human rights.

As an institution, we will always ensure that we do not risk the health and safety of our employees and community, we avoid harming the lives or safety of local and indigenous people, and we respect the basic human rights of all people, involved in our business. STVCA is dedicated to protecting human rights. We practice and commit to equal opportunity employment and will always abide by fair labour practices. Additionally, STVCA will ensure that our activities do not directly or indirectly violate human rights in any way.

Market Place Practices

Diversity and inclusion are deeply ingrained in all aspects of our mission. These are core values to our institution because they are aligned to our institution's ethics. These policies also have the added value of improving training performance. Studies show that more diverse teams perform better, and institutions that have more inclusive environments also experience less turnover, have higher internal morale, and higher productivity rates from their employees. This commitment extends beyond the employee base to the highest levels of ownership and the administrative team.

We believe successfully inclusive workplaces begin with thoughtful hiring and recruiting processes that reduce subconscious bias in candidate selection and increase the overall diversity of our workforce. We

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employ industry-leading methodologies, processes, and technology to attract diverse talent pools, counteract bias, and match the best talent to the needs of our clients. Our methodology includes publishing gender neutral job descriptions. Our policies, practices, programs, activities, and decisions regarding employment, hiring, assignment, promotion, compensation, volunteerism, and internships are not based on a person's ethnicity, colour, sex, age, religion, national origin, disability status, sexual orientation, source of income, parental status, housing status, or other protected status. And to help foster the most inclusive climate possible, we will provide ongoing diversity and inclusion training to all employees, not just our management teams. We believe this is the only way to truly shape a more safe, open, and productive work environment at all levels of our training.

It is a commitment to continual learning, improvement, and action to do our part in stewarding a future of work that is beneficial and equitable for all.

STVCA has qualified supply chain manager who participates appropriately according to procurement standards thus ensuring that the procurement process has a smooth flow. The supplier and supply chain relation are perfectly respectable by having prompt communication to avoid misunderstanding between them thus supply of quality goods. Product stewardship is enhanced by safeguarding consumer rights and interests.

As part of our procurement policy, we expect all of our suppliers to abide by the same principles and codes of conduct that we have in place. Accordingly, our suppliers must either agree to adhere to our policies and codes or confirm their adherence to their own codes of business conduct that comprise the same principles. We will be implementing a "right to audit" clause in our standard terms or conditions to allow for oversight of compliance with these provisions.

We believe that our commitment to sustainability and ethics extends beyond our own work capabilities and should include the decisions we make as a company about the partners we align with, and the products and services we buy. Our purchasing policy takes sustainability and ethical sourcing into consideration throughout all stages of the buying cycle, and we encourage our teams to support local and small businesses and support local economies. We encourage our purchasing teams to consider ethical sourcing and sustainability across all purchases. STVCA expects our suppliers to treat workers and employees with respect and fairness, to have suitable procedures in place, and to act in accordance with applicable laws.

Community Engagements

As noted in our mission statement, STVCA recognizes an expectation to have a positive impact on our community, and we promote this expectation through philanthropy, pro-bono service work, volunteering, and community service.

2,300 tree seedlings were planted. In addition, the staff also planted approximately 200 seedlings at Siruti Dispensary and donated another 300 seedlings to the local community. The staff also assisted in widows within the community to plant their shambas, during the April planting season.

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X. REPORT OF THE BOARD OF GOVERNORS

The Board members submit their report together with the audited financial statements for the year ended 30 June 2021 which show the state of Siruti Technical and Vocational College Awendo.

Principal activities

The principal activities of Siruti Technical and Vocational College Awendo are to provide training in technical and vocational skills, research, innovation and management services. In addition, the College participates in technological innovation beneficial to the society as well as contributing to industrial and technological development of Kenya in partnership with industry.

Results

The results of Siruti Technical and Vocational College Awendo for the year ended 30 June 2021 are set out on pages 1 to 21.

BOARD OF GOVERNORS

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

Auditors

The Auditor General is responsible for the statutory audit of Siruti Technical and Vocational College Awendo in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. However, being the first year of operation there were no previous financial statements to be audited.

By Order of the Board

Wilfred Owalla

Principal/Secretary to the Board

Date:.....



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XI. STATEMENT OF BOARD OF GOVERNORS' RESPONSIBILITIES

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

The Board members are responsible for the preparation and presentation of Siruti TVCA's financial statements, which give a true and fair view of the state of affairs of Siruti TVCA for and as at the end of the financial year ended on June 30, 2021. 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 Siruti TVCA; (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 Siruti TVCA; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for Siruti TVCA's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The Board members are of the opinion that Siruti TVCA's financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2021, and of Siruti TVCA's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Siruti TVCA, which have been relied upon in the preparation of Siruti TVCA's 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 Siruti TVCA 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 *Siruti TVCA* financial statements were approved by the Board on 13/07/2021 and signed on its behalf by:



Chairperson of the Board



SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO
13 MAY 2022
Accounting Officer/Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO FOR THE YEAR ENDED 30 JUNE, 2021

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 Siruti Technical and Vocational College Awendo set out on pages 1 to 21, which comprise of the statement of financial position as at 30 June, 2021, and the statement of financial performance, statement of cash flows, statement of changes in net assets and statement of comparison of budget

Report of the Auditor-General on Siruti Technical and Vocational College Awendo for the year ended 30 June, 2021

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Siruti Technical and Vocational College Awendo 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 Public Finance Management Act, 2012 and the Technical and Vocational Education Training Act, 2013.

Basis for Qualified Opinion

Transfers from The National Government

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects transfers from the Ministry of Education totalling Kshs.1,136,786. However, the financial statements of Mawego Technical Training Institute (mentor institution) reflects Kshs.2,437,500 in respect of conditional grants from the Ministry of Education for the College, resulting to an unexplained and unreconciled variance of Kshs.1,300,714.

In the circumstances, the accuracy and completeness of the transfers from the Ministry of Education amount of Kshs.1,136,786 could not be confirmed.

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

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.4,523,520 and Kshs.3,884,042 respectively resulting to an underfunding of Kshs.639,478 or 14% of budget. Similarly, the College had a total expenditure of Kshs.1,955,500 against an unapproved budget of

Kshs.3,942,123 resulting to an under-expenditure of Kshs.1,986,623 or 50% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unauthorised Payment of Sitting Allowances to Board of Governors

The statement of financial performance reflects remuneration of Board of Governors amount of Kshs.318,129. The amount includes sitting allowances of Kshs.241,000 paid at the rates of Kshs.15,000 and Kshs.12,000 after tax to the chairman and other board members, respectively. However, the rates were not approved by the Cabinet Secretary in charge of Education as required under Section 17 of the Second Schedule of the Technical and Vocational Educational and Training Act of, 2013.

The expenditure also includes allowances paid to the Board Nomination Panel amounting to Kshs.44,500 for which, no supporting circular or authority was provided for audit. Further, Management did not remit the taxes arising from the payment of sitting allowances as required under Section 3(1) of the Income Tax Act.

In addition, the Board of Governors operated without an annual work plan for the year under review.

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

2. Unbalanced Budget

The Management prepared a budget which reflects the final budgeted receipts of Kshs.4,523,520 against budgeted expenditure of Kshs.3,942,123 resulting to a variance of Kshs.581,397. This is contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that the budget shall be balanced.

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

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 procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of an Internal Audit Function and Audit Committee

The College had not established an internal audit function and an Audit Committee of the Board. This is contrary to Section 73 of the Public Finance Management Act, 2012 which requires every national Government entity to have appropriate arrangements in place for conducting internal audit and establish an audit committee.

In the circumstances, the College did not benefit from the assurance and advisory services from the internal audit function as well as oversight from the Audit Committee.

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

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

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

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

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 controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

23 September, 2022

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XIII. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2020-2021	2019-2020
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants	6	702,676	-
		702,676	-
Revenue from exchange transactions			
Rendering of services- Fees from students	7	2,747,256	-
Other income		-	-
Revenue from exchange transactions		2,747,256	-
Total revenue		3,449,932	-
Expenses			
Use of goods and services	8	743,068	-
Employee costs	9	397,700	-
Remuneration of Board of Governors	10	318,129	-
Depreciation and amortization expense	11	1,319,822	-
Repairs and maintenance	12	62,493	-
Total expenses		2,841,212	-
Other gains/(losses)			
Gain on sale of assets		-	-
Unrealized gain on fair value of investments		-	-
Impairment loss		-	-
Total other gains/(losses)		-	-
Net Surplus for the year		608,720	-
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling entity		608,720	-
			-

The notes set out on pages 6 to 21 form an integral part of the Annual Financial Statements.

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XIV.STATEMENT OF FINANCIAL POSITION AS AT 30th JUNE 2021

	Notes	2020-2021 Kshs	2019-2020 Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	13	2,113,234	-
Current portion of receivables from exchange transactions	14	563,789	-
Receivables from non-exchange transactions			
Total Current Assets		2,677,023	
Non-current Assets			
Property, Plant and Equipment	15	55,178,754	-
Total Non-current Assets		55,178,754	
TOTAL ASSETS		57,855,777	
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	16	32,725	-
Deferred income	17	480,222	-
Total Current Liabilities		512,947	
Non-current Liabilities			
Non-current provisions			
Borrowings	18	300,000	-
Total Non-current Liabilities		300,000	
Total Liabilities		812,947	
NET ASSETS		57,042,830	
Reserves		56,000,000	
Accumulated surplus		608,720	
Capital Fund		434,110	
TOTAL NET ASSETS AND LIABILITIES		57,042,830	

The Financial Statements set out on pages 06 to 26 were signed on behalf of the Board of Governors by:


Chairman of Board of Governors

Date: 18/5/2022


Finance Officer

Date: 18/5/2022



SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO
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XV. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2021

	Revaluation Reserve Kshs	Fair value Adjustment Reserve Kshs	Retained Earnings Kshs	Capital/ Development Grants/Fund Kshs	Total Kshs
At 1 July 2019					
Revaluation gain	-	-	-	-	-
Fair value adjustment on quoted investments	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-
Capital/Development grants received during the year	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	-
At 30 June 2020	-	-	-	-	-
At 1 July 2020	-	-	-	-	-
Revaluation gain	56,000,000	-	-	-	56,000,000
Fair value adjustment on quoted investments	-	-	-	-	-
Total Comprehensive Income	-	-	608,720	-	608,720
Capital/Development grants received during the year	-	-	-	434,110	434,110
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	-
At 30 June 2021	56,000,000	-	608,720	434,110	57,042,830



SIRUTI TECHNICAL AND VOCATIONAL COLLEGE AWENDO
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XVI. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

		2020-2021	2019-2020
	Note	Kshs	Kshs
Cash Flows from Operating Activities			
Receipts			
Transfers from other Government grants	6	702,676	-
Rendering of services- Fees from students	7	2,183,467	-
Total Receipts		2,886,143	-
Payments			
Employee Costs	9	397,700	-
Use of goods and services	8	710,343	-
Remuneration of Board of Governors	10	318,129	-
Repairs and Maintenance	12	62,493	-
Total Payments		1,488,665	-
Deferred Income	17	480,222	-
Net Cash Flows from Operating Activities		1,877,700	-
Cash Flows from Investing Activities			
Purchase of Property, Plant, Equipment and Intangible Assets	15	(498,576)	-
Net cash flows used in Investing Activities		(498,576)	-
Cash flows from Financing Activities			
Proceeds from borrowings	18	300,000	-
Increase in capital funds		434,110	-
Net Cash Flows from in Financing Activities		734,110	-
Net increase/(decrease) in Cash and Cash Equivalents		2,113,234	-
Cash and Cash Equivalents at 1 st July 2020		-	-
Cash and Cash Equivalents at 30th June 2021	13	2,113,234	-

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

	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Performance Difference	Utilization Difference
	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Transfers from National Government -grants	1,000,000	-	1,000,000	702,676	297,324	70%
Public contributions and donations	-	-	-	-	-	
Rendering of services- Fees from students	2,523,520	-	2,523,520	2,747,256	-223,736	109%
Sale of goods	-	-	-	-	-	
Finance Income	-	-	-	-	-	
Other Income	-	-	-	-	-	
Development Grant	1,000,000		1,000,000	434,110	565,890	43%
Total income	4,523,520	-	4,523,520	3,884,042	639,478	86%
Expenses						
Compensation of employees	491,168	-	491,168	397,700	93,468	81%
Use of goods and services	2,009,167	-	2,009,167	743,068	1,266,099	37%
Board Expenses	350,000		350,000	318,129	31,871	91%
Repairs and Maintenance	91,788		91,788	62,493	29,295	68%
Development expenditure	1,000,000	-	1,000,000	434,110	565,890	43%
Total expenditure	3,942,123	-	3,942,123	1,955,500	1,986,623	51%
Surplus for the period	581,397	-	581,397	1,928,542		

The deficit in income was caused by non-receipt of Q3 and Q4 grants. This also resulted in reduced expenditure in the various vote heads.

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XVIII. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Siruti Technical and Vocational College Awendo is established by and derives its authority and accountability from TVET Act. Siruti Technical and Vocational College Awendo is wholly owned by the Government of Kenya and is domiciled in Kenya. Siruti Technical and Vocational College Awendo principal activity is training.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the land and ECD building measured at own valuation. 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 Siruti Technical and Vocational College Awendo accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements are disclosed.

The financial statements have been prepared and presented in Kenya Shillings (Kshs), which is the functional and reporting currency of Siruti Technical and Vocational College Awendo.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, Ministerial Guidelines, 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 (Continued)

i. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2020

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2022:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and

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Standard	Effective date and impact:
	<ul style="list-style-type: none"> Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	Applicable: 1st January 2022 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: <ul style="list-style-type: none"> (a) The nature of such social benefits provided by Siruti TVCA; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on Siruti TVCA's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2022: <ul style="list-style-type: none"> 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. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. 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.

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 Siruti Technical and Vocational College Awendo and can be measured reliably. Recurrent grants are recognized in the Statement of Comprehensive Income. 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

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ii) Revenue from exchange transactions

Rendering of Services

Siruti Technical and Vocational College Awendo recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably.

Sale of Goods

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

In FY 2020/2021 there was no sale of goods.

Interest Income

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

Rental Income

Siruti Technical and Vocational College Awendo currently does not earn any rental income.

b) Budget Information

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

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has not been presented as this is the first year of operation.

c) Taxes

Current Income Tax

In FY 2021/2021 there were no income taxes to be paid.

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Value Added Tax

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

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

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

d) Investment Property

Sirutu TVCA currently does not have any investment 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, Siruti TVCA 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) Depreciation Policy

Depreciation is charged annually on a reducing balance basis on the balance at year end. The depreciation rates for the Non-Current assets of the STVCA are outlined below:

Category	Estimated Useful Life	Depreciation rate
Buildings and other Civil works	40 years	2.5%
Plant, Machinery & Equipment	5 years	20%
Office Equipment	5 years	12.5%
Motor Vehicles	4 years	25%
Computer and related equipment	3 years	33.3%
Furniture and Fittings	8 years	12.5%

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

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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. Siruti TVCA currently does not have any intangible assets.

i) Inventories

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

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

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

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.

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

j) Provisions

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

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

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

Contingent Liabilities

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

Contingent Assets

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

k) Nature and Purpose of Reserves

Siruti Technical and Vocational College Awendo creates and maintains reserves in terms of specific requirements. Currently there are no specific reserves.

l) Changes in Accounting Policies and Estimates

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

m) Foreign Currency Transactions

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

n) Borrowing Costs

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

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

o) Related Parties

Siruti Technical and Vocational College Awendo 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 Siruti TVCA, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO/principal and senior managers.

p) Service Concession Arrangements

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

q) Cash and Cash Equivalents

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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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

r) Comparative Figures

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

s) 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 Siruti Technical and Vocational College Awendo 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. Siruti Technical and Vocational College Awendo based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of Siruti Technical and Vocational College Awendo .

Useful lives and residual values

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

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

Provisions

There were no provisions made for the FY 2020/2021

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6a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Unconditional grants		
		-
		-
Recurrent Grants	702,676	
Development grants	434,110	
	-	-
	-	-
Total government grants and subsidies	1,136,786	

The Development grant of Kshs.434,110 was recognised in the capital fund

6b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of entity sending the grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund. Kshs	Total grant income during the year Kshs	2019-2020 Kshs
Ministry of Education	702,676	-	434,110	1,136,786	-
Total	702,676		434,110	1,136,786	

7 RENDERING OF SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition fees	1,133,987	-
Personal Emoluments	390,566	-
Local Transport	258,581	-
Electricity, Water and Conservancy	126,597	-
Repairs and Maintenance	134,677	-
Contingencies	129,291	-
Activity Fees	183,162	-
Students Union	78,113	-
ID	78,113	-
Application Fees	53,700	-
Development Fees	129,291	-
Medical Fees	51,178	-
Total revenue from the rendering of services	2,747,256	-

Included in the above figure is accrued revenue of Kshs.563,789

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8 USE OF GOODS AND SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Electricity and water	1,900	-
Tuition	237,717	-
Activity	34,280	-
LT&T	227,314	-
Contingency	44,857	-
Registration fees	197,000	-
Total Goods and Services	743,068	-

Registration fees comprises fees paid to KUCCPS and KATTI both national and regional. Included in the above figure is accrued expenses of Kshs.32,725 in respect of the two.

9 EMPLOYEE COSTS

	2020-2021	2019-2020
	Kshs	Kshs
Salaries and wages	397,700	-
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime Payments	-	-
Performance and other bonuses	-	-
Social Contributions	-	-
Employee Costs	397,700	-

10 REMUNERATION OF BOARD MEMBERS

Description	2020-2021	2019-2020
	Kshs	Kshs
Chairman's Honoraria	31,000	-
Member's Emoluments	254,500	-
Board related Expense	32,629	-
Total Board Members Emoluments	318,129	-

11 DEPRECIATION AND AMORTIZATION EXPENSE

Description	2020-2021	2019-2020
	Kshs	Kshs
Property, Plant and Equipment	1,319,822	-
Intangible Assets	-	-
Investment Property carried at cost	-	-
Total Depreciation and Amortization	1,319,822	-

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12 REPAIRS AND MAINTENANCE

Description	2020-2021	2019-2020
	Kshs	Kshs
Property	62,493	-
Investment property – earning rentals	-	-
Equipment and Machinery	-	-
Vehicles	-	-
Furniture and Fittings	-	-
Computers and Accessories	-	-
Other	-	-
Total Repairs and Maintenance	62,493	-

13 (a) CASH AND CASH EQUIVALENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Current account	2,113,234	-
On call deposits	-	-
Fixed deposits account	-	-
Others(specify)	-	-
Total Cash and Cash Equivalents	2,113,234	-

13 (b). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Financial institution	Account number	2020-2021	2019-2020
		Kshs	Kshs
a) Current Account			
National Bank of Kenya:			-
Current account – Operational	01022234864700	1,883,870	
Current account – Development	01022234864701	275	
Sub- total		1,884,145	-
Others			
Cash in hand		229,089	
Sub- total		229,089	
Grand total		2,113,234	-

14 RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2020-2021	2019-2020
	Kshs	Kshs
Current Receivables		
Student Debtors	563,789	
Rent Debtors	-	-
Other exchange Debtors	-	-
Less: impairment allowance	-	-
Total Current Receivables	563,789	-

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15 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Office Equipment	Plant and equipment	Capital Work in progress	Total
Cost		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 st July 2019	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-
At 30 th June 2020	-	-	-	-	-	-	-	-	-
At 1 st July 2020	-	-	-	-	-	-	-	-	-
Additions	-	-	-	412,360	-	86,216	-	-	498,576
Disposals	-	-	-	-	-	-	-	-	-
Transfer/adjustments	4,500,000	50,300,000	-	-	-	-	-	1,200,000	56,000,000
At 30 th June 2021	4,500,000	50,300,000	-	412,360	-	86,216	-	1,200,000	56,498,576
Depreciation and impairment									
At 1 st July 2019	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-	-	-
At 30 th June 2020	-	-	-	-	-	-	-	-	-
At 1 st July 2020	-	-	-	-	-	-	-	-	-
Depreciation	-	1,257,500	-	51,545	-	10,777	-	-	1,319,822
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-	-	-

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At 30 th June 2021	-	1,257,500	-	51,545	-	10,777	-	-	1,319,822
Net book values	-	-	-	-	-	-	-	-	-
At 30 th June 2020	-	-	-	-	-	-	-	-	-
At 30 th June 2021	4,500,000	49,042,500	-	360,815	-	75,439	-	1,200,000	55,178,754

Transfer/adjustments of Kshs. 56,000,000 relate to valuation of land and buildings for the purpose of recognition in the financial statements-Land and Buildings were valued by Leo Realtors Limited – professional valuers. The basis of valuation was Market Value

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16 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade payables	32,725	-
Employee advances	-	-
Third-party payments	-	-
Other payables	-	-
Total trade and other payables	32,725	-

17 DEFERRED INCOME

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees paid in advance	480,222	-
Total Deferred Income	480,222	-

The deferred income movement is as follows:

	National government	International funders/donors	Public contributions and donations	Student Fees	Total
				Kshs	Kshs
Balance brought forward	-	-	-	-	-
Additions during the year	-	-	-	480,222	480,222
Transfers to Capital fund	-	-	-	-	-
Transfers to income statement	-	-	-	-	-
Other transfers	-	-	-	-	-
Balance carried forward	-	-	-	480,222	480,222

18 BORROWINGS

Description	2020-2021	2019-2020
	Kshs	Kshs
Balance at beginning of the period	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	300,000	-
Repayments of external borrowings during the year	-	-
Repayments of domestic borrowings during the year	-	-
Balance at end of the period	300,000	-

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19 a) ANALYSIS OF EXTERNAL AND DOMESTIC BORROWINGS

	2020-2021	2019-2020
	Kshs	Kshs
External Borrowings		-
	-	-
Domestic Borrowings		-
Kenya Shilling loan from Mawego TTI	300,000	-
Total balance at end of the year	300,000	-

19 b) BREAKDOWN OF LONG- AND SHORT-TERM BORROWINGS

Description	2020-2021	2019-2020
	Kshs	Kshs
Short term borrowings (current portion)		-
Long term borrowings	300,000	-
Total	300,000	-

20 CASH GENERATED FROM OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Surplus for the year	608,720	
Adjusted for:		
Depreciation	1,319,822	
Non-cash grants received		
Contributed assets		
Impairment		
Gains and losses on disposal of assets		
Contribution to provisions		
Contribution to impairment allowance		
Finance income		
Finance cost		
Working Capital adjustments		
Increase in inventory		
Increase in receivables	(563,789)	
Increase in deferred income	480,222	
Increase in payables	32,725	
Net cash flow from operating activities	1,877,700	

21 FINANCIAL RISK MANAGEMENT

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

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Siruti Technical and Vocational College Awendo financial risk management objectives and policies are detailed below:

(i) Credit risk

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

Management assesses the credit quality of each student, considering 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. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2020				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2021				
Receivables from exchange transactions	563,789	563,789	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	2,113,234	2,113,234	-	-
Total	2,677,023	2,677,023	-	-

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with Siruti TVCA's directors, who have built an appropriate liquidity risk management framework for the management of Siruti TVCA's short, medium and long-term funding and liquidity management requirements. Siruti

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TVCA 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.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2020				
Trade payables	-			
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2021				
Trade payables	-	32,725	-	32,725
Current portion of borrowings	-	300,000	-	300,000
Provisions	-	-	-	-
Deferred income	-	480,222	-	480,222
Employee benefit obligation	-	-	-	-
Total	-	812,947	-	812,947

22 EVENTS AFTER THE REPORTING PERIOD

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

23 ULTIMATE AND HOLDING ENTITY

Siruti Technical and Vocational College Awendo is an institution under the Ministry of Education. Its ultimate parent is the Government of Kenya.

24 Currency

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