REPORT

OF

THE AUDITOR-GENERAL

ON

TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION COUNCIL (TVET CDACC)

FOR THE YEAR ENDED
30 JUNE, 2022
TVET CURRICULUM DEVELOPMENT ASSESSMENT AND CERTIFICATION COUNCIL (TV CDACC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2022

Prepared in accordance with the Accrual Basis of Accounting Method under the International Publ Sector Accounting Standards (IPSAS)
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I. KEY ENTITY INFORMATION AND MANAGEMENT

a. Background Information

TVET Curriculum Development, Assessment and Certification Council (TVET CDACC) is a body corporate established under Section 44 (1) of the Technical and Vocational Education and Training (TVET) Act No. 29 of 2013. The Sessional Paper No. 1 of 2019 emphasizes on mainstreaming Competency Based Education and Training (CBET) in TVET system, hence the creation of the Certification Council.

TVET CDACC started its operations in the year 2014 with the appointment of the Chairman, members and acting Council Secretary/CEO by the Cabinet Secretary in charge of Education. It was categorized by the State Corporations Advisory Committee (SCAC) on 11 January 2016. TVET CDACC recruited a substantive CEO/Council Secretary on 26 March 2017 and the first batch of 22 employees in the FY 2018/19. In addition, the Council recruited 31 additional Council staff in the FY 2020/22. On 26 March 2022, the Cabinet Secretary in charge of Education appointed an Acting CEO after the expiry of the contract of the previous CEO.

The Council was operating under the financial, accounting and procurement platforms of the ministry since its establishment. In the financial year, FY 2016/2017, the National Treasury allowed the Council to open a commercial bank account for its operations. The ministry deployed an accountant to assist in maintaining books of accounts. However, the Council has since recruited its own accounts staff.

b. Principal Activities

The functions of the Council as stipulated under the TVET Ac; No. 29 of 2013 are to:

(i) undertake, design and develop curricula for the training institutions’ examination, assessment and competence certification;
(ii) make rules with respect to such examinations and competence assessments;
(iii) issue certificates to candidates who satisfy national TVET examination and competence assessment requirements;
(iv) promote recognition of its qualifications in foreign systems;
(v) investigate and determine cases involving indiscipline by candidates registered with it;
(vi) promote and carry out research relating to its examinations; and
(vii) Promote the publication of books and other materials relevant to its examinations.

Vision

A centre of excellence in TVET curriculum development, assessment and certification for a globally competitive labour force

Mission

To provide demand driven curricula, competence assessment and certification of TVET graduates for the global labour market

Core Values

- Integrity
- Professionalism
- Teamwork
- Efficiency
c. Key Management
The Council's Day to day management is under the following key organs:
(i) Council
(ii) Ag. CEO/Council Secretary
(iii) Secretariat

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

<table>
<thead>
<tr>
<th>No</th>
<th>Designation</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Council Secretary/Ag CEO</td>
<td>Mrs. Zipporah W. Njoroge-Messo</td>
</tr>
<tr>
<td>2.</td>
<td>Director, Technical Services</td>
<td>Mr. Kennedy Ndegwa Gichuhi</td>
</tr>
<tr>
<td>3.</td>
<td>Director, Corporate Services</td>
<td>Mrs. Hellen Kamami Murithi</td>
</tr>
</tbody>
</table>

e. Fiduciary Oversight Arrangements
There is no Council Committees to provide oversight due to lack of appointment of full council.

f. Office of the Auditor General
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100

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

h. Council Contacts
Telephone: (+254) 0777 172002 202227220 Ext 2503/2506/2522
E-mail: cdacc.tvet@gmail.com, info@tvetcacc.go.ke
Website: www.tvetcacc.go.ke
i. Council Headquarters
   P.O. Box 15745- 00100
   ABSA Towers
   Loita Street
   Nairobi, Kenya

j. Council Bankers
   1. Recurrent Account
      Kenya Commercial Bank
      Acc.1183760809
      Kipande House
      Nairobi

   2. Appropriation In Aid (A.I.A) Account
      Kenya Commercial Bank
      Acc.1236735323
      Kipande House
      Nairobi
II. COUNCIL MEMBERS

The TVET CDACC Council Members term expired on 17 November 2020. The Cabinet Secretary in charge of Education subsequently appointed a Council made up of statutory members on 24 June 2022 as per the TVET Act, No 29 of 2013. These include:

Prof. Eric Okoth Ogur, PhD CEng MIMechE -Representative of Senate of Technical

Professor Ogur received his PhD in Engineering from University of Warwick in 2007. He is a Chartered Engineer and Member of the Institution of Mechanical Engineers (UK). Prior to joining the Technical University of Kenya in 2011, Prof. Ogur worked as a Research Fellow at the Warwick Manufacturing Group in the University of Warwick and as a Scientist/Engineer with Proctor and Gamble GmbH in Frankfurt, Germany. Prof. Ogur has extensive academic and practical knowledge of TVET reform strategies, pilot implementation, design, development, assessment and implementation of different methodologies concerning CBET, Vocational Education and Training (VET), life-long learning and training of trainers. He has been providing advice, consultations and technical assistance in the education and VET systems with strong experience in the elaboration, piloting and evaluation of training curriculum for different target groups and formal and non-formal educational systems.

Dr. Kipkirui Langat - Director General of TVET Authority

Dr. Langat (Born 1972) is the Director General of TVET Authority. He holds Doctor of Philosophy in Engineering Systems and Management from Egerton University, Master of Philosophy in Technology Education (Automotive Technology), Master of Business Administration (Strategic Management) and Bachelor of Education in Technology Education a from Moi University. He has worked as an Assistant Lecturer, Lecturer and Head of Department, Automotive Engineering at Rift Valley Training Institute. He has also worked as a lecturer in the Department of Mechanical Engineering and a Deputy Dean of students at Eldoret Polytechnic. Dr. Langat worked at Egerton University as a Lecturer in the Department of Industrial and Energy Engineering.

He was a programme coordinator for Twinning Programme between Western Michigan University, USA and Egerton University. He was also among a team of experts who developed Bachelor of Technology in Mechanical Engineering and Bachelor of Philosophy in Mechanical Engineering at the Technical University of Kenya. He was a subject panel for Diploma and Higher National Diploma in Mechanical Engineering between 1999 and 2004 at Kenya Institute of Education. Dr. Langat has also been working with United Nations Environment Programme (UNEP) in developing policies and guidelines for transport emissions in East Africa Region. He was instrumental in the training of motor vehicle inspectors in Kenya and Rwanda. Since 2014, he has been advising East African Community in harmonization of standards for importation of used motor vehicles in the region. He is a member of Technical Committee on Road Transport Standards at the Kenya Bureau of Standards and a consultant for Boston Garage Equipment UK since 2007. He is a fellow member of Institution of Engineering Technologists and Technicians (IET) of Kenya.
Mr. Tom Mulati – PS State Department for VTT Representative

Tom Wanjala Mulati (Born 1967) holds a Master of Education (Technology Education) degree in Building Construction Technology from University of Eldoret. Has a 30 year experience in Public Service specifically in the fields of Technical & Vocational, Education & Training (TVET).

Has risen from a master technical trainer to a TVET Administrator for the past 16 years where he has served at Ol’lessos TTI, Rongo University, Kisiwa TTI and Sigalagala National Polytechnic before being appointed Acting Director, Technical Education in August 2019.

Mr. David Maina Mwangi – Representative of National Polytechnics

Mr. David Mwangi holds an MSc in Purchasing and Supplies Management, Bachelor’s in Business Administration and Management, Higher National Diploma in Entrepreneurship Development, and Diploma in Business Education. He is also a strategic leader, having completed the Strategic Leadership Development Programme and Senior Management Courses from the Kenya School of Government. He is the Principal Kisii National Polytechnic

Mrs. Zipporah W. Njoroge-Messo Council Secretary

Mrs. Zipporah W. Njoroge-Messo is a graduate of Master of Science in Entrepreneurship from Juat and PGDE. She is a holder of Bachelors of Science in Agriculture and Home Economics from Egerton University. She has attended several short courses within and outside the country. She has done Assessment in UTS Sydney. She has over thirty years’ experience in Education Training as a trainer and involved in development of several curricula. She is a Quality Assurance and Standards Officer, Curriculum Development Officer and Policy and Project support in TVET.
III. MANAGEMENT TEAM

The management team comprises of ten (10) senior staff members as presented below;

<table>
<thead>
<tr>
<th>S/No</th>
<th>Name of the Staff</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td><img src="image1.png" alt="Image" /></td>
<td>Mrs. Zipporah W. Njoroge-Messo Council Secretary/ Ag. CEO</td>
</tr>
</tbody>
</table>

Mrs. Zipporah W. Njoroge-Messo is a graduate of Master of Science in Entrepreneurship from JUAT and PGDE, She is a holder of Bachelors of Science in Agriculture and Home Economics from Egerton University. She has attended several short courses within and outside the country. She has done Assessment in UTS Sydney. She has over thirty years’ experience in Education Training as a trainer and involved in development of several curricula. She is a Quality Assurance and Standards Officer, Curriculum Development Officer and Policy and Project support in TVET.

| 2.   | ![Image](image2.png) | Mr. Kennedy Ndegwa: - Director, Technical services. |

Mr. Ndegwa is a holder of Masters of Business Administration (Strategic Management) and B.Ed. (Chemistry and Mathematics) from the University of Nairobi. He has vast experience in teaching, administration and policy. He has worked in education sector for a long period of time particularly in TVET sub sector where he held different positions.

| 3.   | ![Image](image3.png) | Mrs. Hellen Murithi: -Director, Corporate Services. |

Mrs. Hellen Murithi holds Masters of Education in Educational Planning and B.Ed. Home Economics. She is a holder of Diploma in Human Resource Management. She has vast experience in teaching, quality assurance, human resource and administration.
| 4. | **Dr. Osumbah Beatrice Amondi:** Deputy Director, Curriculum Development.  
Dr. Osumbah is an academician who has taught in several institutions. She holds a PhD in Educational Administration and Management from Jaramogi Oginga Odinga University of Science and Technology, an MED in Educational Administration from Kenyatta University, a BSc in Agricultural Education and Extension from Egerton University a Post Graduate Diploma in Project Management and an Advanced Certificate in Gender and Development. She has also attended many skill-based courses in and out of the Country.  
Beatrice has teaching and training experience spanning over three decades in the area of agriculture and educational administration including training teachers for primary and secondary institutions. As a researcher, she has published articles on gender and educational management in refereed journals. |
| 5. | **Dr. Kisaka Sella Terric:** Deputy Director, Curriculum Research Advocacy and Material Development.  
Sella holds a Doctor of Philosophy in Curriculum studies (University of KwaZulu Natal- Durban, South Africa) and a Postgraduate Diploma in Education Technology (University of Cape Town-South Africa). She has also undertaken several courses in administration and management, ISO, and Open distance and eLearning (ODEL) trainings. She has 30 years teaching and administrative experience at high school and University level. Sella has facilitated and participated in various regional, national and institutional level education related trainings supported by DFID, SPHEIR, PASGR and CERM-ESA on Online course design, online facilitation and innovative assessment. |
| 6. | **Mr. David Maina:** Head of Planning and Strategy.  
Mr. David Maina holds Masters in Education from the University of Nairobi and a Bachelors of Education (Economics and Mathematics) from Moi university. He has undertaken other courses both within and outside the country. Having worked in several departments/directorates within the Ministry of Education and institutions, Mr. Maina possess vast experience in strategy, planning and finance. |
7. CPA. Denis Onsarigo: -Head of Finance.

Denis Onsarigo is a Holder of Master of Science finance from JKUAT, CPA-K from Strathmore university, and Bachelor of Business Administration finance and banking option from Moi university. He has vast experience in Audit, Accountancy and finance. He is a member of certified public accountants of Kenya (ICPAK).

8. Mr. Elijah Kimeto: -Head of Procurement/SCMS.

Mr. Elijah Kimeto has a lot of experience in matters procurement and supply chain management after working in several Ministries including cooperatives, Livestock, Industrialization and education. Which has led him to growth of Head of Procurement in TVET CDACC. He holds a higher diploma in Supply chain Management from (CIPS). He is a member of Charted Institute of Purchasing & Supply (CIPS-UK) and also member of Kenya Institute of supplies Management (KISM).

9. CPA. Annastacia Mwinzi: -Head of Accounts.

Annastacia K. Mwinzi is the head of accounts. She is a holder of Bachelor of commerce degree in Accounting from the University of Nairobi and Undergoing MBA at the University of Nairobi. Annastacia K. Mwinzi poses vast experience in accounting. She is a member of certified public accountants of Kenya (ICPAK).

10. Mr. David Gatimu:- Head of Assessment and Certification

Mr. Gatimu holds a B.Sc. in Electrical & Electronics Engineering from Nairobi University and a Post Graduate Diploma in Education from Kenyatta University. He has also undertaken other courses within and outside the country in Training and Assessment. Mr. Gatimu has a vast knowledge in TVET as a trainer, quality assurance officer as well as assessment and certification officer.
IV. CHAIRMAN’S STATEMENT

TVET CDACC is mandated to undertake design and development of curricula for the training institutions’ examination, assessment and competence certification and advise the Government on matters related thereto. The Organizational objectives are to provide a dynamic curriculum responsive to the manpower needs of a dynamic economy and establish competence-based assessment and certification system. During the FY 2021/22, the Council made various progress in the Assessment and development of Competency Based Curriculum in collaboration with the industry.

BUDGET ALLOCATION

In the FY 2021/22, TVET CDACC had a gross budget of Kshs. 261,500,000 for recurrent vote, and was to expend the gross budget under the following five programmes:

Programme 1: Assessment and Certification of trainers

The objective of this programme is to ensure that trainees’ achievement is outcome based and certification is based on demonstration of competencies. The Council undertook the following activities:

1. Online platform for registration for assessors and verifiers;
2. Training of assessors and verifiers;
3. Registered assessment centers;
4. Development of assessment and mentoring tools;
5. Assessing trainers: and
6. Certification on trainers.

Programme 2: Development of Competency Based Education and Training (CBET) curricula

The objective of this programme is to ensure that TVET curriculum produces TVET graduates with skills that match industry demand. It is developed in collaboration with industry and based on occupational standards. The Council undertook the following activities:

1. Development of occupational standards;
2. Development of competency-based curriculum;
3. Development of CBET training/learning materials; and
4. Sensitization of TVET stakeholders on CBET.

Programme 3: Publicity of TVET CDACC

The objective of this programme is to sensitize stakeholders and the general public on the mandate of TVET CDACC and CBET approach. The Council undertook the following activities:

1. Updating of TVET CDACC website and portal;
2. Implementation of a TVET CDACC communication strategy;
3. Participation in trade fairs conferences and seminars; and
4. Press statements and releases in local dailies.

Programme 4: Enhancement of work environment

The objective of this programme is to ensure that the TVET CDACC Secretariat work in a conducive environment and are facilitated to undertake their responsibilities. The Council undertook the following activities:

1. Procurement of general supplies
Programme 5: TVET CDACC human resource capacity enhancement

The objective of this programme is to ensure that the Council is appropriately staffed with the right staff to assist in achieving its mandate. The Council undertook the following activities:

i. Conduct staff training based on the training needs.

...........................................
Prof. Eric Okoth Ogur
Council Session Chair

...........................................
30/09/2022
Date...........................................
TVET CDACC ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

V. REPORT OF THE CHIEF EXECUTIVE OFFICER

TVET CDACC is a service state corporation charged with the mandate to undertake design and development of curricula for the training institutions’ examination, assessment and competence certification and advise the Government on matters related thereto. The Council heavily depends on the government grant to carry out its mandate. The provision from the government has been inadequate thus making it hard for the Council to effectively dispense its mandate.

The full staff establishment of TVET CDACC is 67 which is outrightly inadequate for the broad mandate. The Council recruited 22 staff members in the FY 2018/19 and 31 in FY 2020/21. Staff inadequacy in some key areas, lack of key skills amongst staff and low budgetary allocation has adversely impacted operations.

Despite these challenges, the Council has made several milestones in the FY 2021/22 which include:

i) The Council partnered with industry in the development of 52 Occupational Standards and 52 Curricula for various CBET courses;
ii) Developed 22 Learning Guides to support implementation of CBET courses;
iii) Digitized three ToT CBET training materials and uploaded them on the LMS
iv) Capacity built 102 TVET trainers on development of digital content;
v) 215 TVET trainers capacity built on development of Learning Guides and Training Programs;
vi) Trained 1,673 assessors and verifiers on Competency Based Assessment (CBA);
vii) Registered 94 Competency Based Assessment centers;
viii) Developed Assessment Requirements for 97 CBET courses;
ix) Developed digital content for 18 CBET courses;
x) Conducted CBET training through Learning Management System for the Council;
xi) Conducted assessment to all the trainees who met the minimum set requirements;
xii) Conducted one tracer study on CBET;
xiii) Finalized on the development of assessment and certification framework;
xiv) Conducted 5 sensitization fora on CBET;
xv) Sensitized 22 SSAC members;
xvi) Continued to partner with the following Organizations to achieve its mandate:
   • Kenya Education for Employment Programme (KEFEP)
   • Young Africa Works - Kenya: Youth Employability through Technical and Vocational Education and Training
   • Green innovations Centre’s Programme - GIZ
   • Soil Protection and Rehabilitation for Food Security GIZ
   • Micro Enterprise Support Programme Trust – funded through DANIDA
   • EASTRIP – World Bank
   • OKP – KEN 103470 Project – Teacher Training
   • Better Education for Africa Rise (BEAR II Project) – UNESCO and the Republic of Korea
   • ILO PPDP project
• Skills For Prosperity – USAID/DFID, FKE, ILO, EDUKANS
• Nairobi Pentecost Church (NPC) – Christian Ministry curriculum

The Council endeavours to support the implementation of the recommendations of the Presidential Taskforce on Parastatal Reforms (2013) and the Government decision to transfer the functions of TVET CDACC to KICD and KNEC and is committed to ensure a smooth flow of the proposed reforms.

Mrs. Zipporah W. Njoroge-Messo
Council Secretary/Ag C.E.O

Date........30/9/2022

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VI. CORPORATE GOVERNANCE STATEMENT

TVET CDAC Council is accountable to the stakeholders and the Government for Council’s performance and governance. The Council has a draft Charter that establishes its authority, responsibilities and membership of the key committees. The Charter clearly establishes the relationship between the Council and Management.

The primary roles of the Council are to provide overall strategic guidance for TVET CDACC and effective oversight on the management team.
VII. MANAGEMENT DISCUSSION AND ANALYSIS

The entity's operational and financial performance

TVET CDACC is mandated to undertake design and development of curricula for the training institutions' examination, assessment and competence certification and advise the Government on matters related thereto. The Organizational objectives are to provide a dynamic curriculum responsive to the manpower needs of a dynamic economy and establish competence-based assessment and certification system. During the year, the Council made various progress in the development of Competency Based Curriculum in collaboration with the industry.

In FY 2021/22, TVET CDACC received an allocation of Kshs. 261,500,000 for recurrent vote and collected Kshs. 57,772,501 inform of A-I-A. The Council realized the following milestones:

i) The Council partnered with industry in the development of 52 Occupational Standards and 52 Curricula for various CBET courses;

ii) Developed 22 Learning Guides to support implementation of CBET courses;

iii) Digitized three ToT CBET training materials and uploaded them on the LMS

iv) Capacity built 102 TVET trainers on development of digital content;

v) 215 TVET trainers capacity built on development of Learning Guides and Training Programs;

vi) Trained 1,673 assessors and verifiers on Competency Based Assessment (CBA);

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xii) Conducted one tracer study on CBET;

xiii) Finalized on the development of assessment and certification framework;

xiv) Conducted 5 sensitization fora on CBET;

xv) Sensitised 22 SSAC members;

xvi) Continued to partner with the following Organizations to achieve its mandate:

a. Kenya Education for Employment Programme (KEFEP)

b. Young Africa Works - Kenya: Youth Employability through Technical and Vocational Education and Training

c. Green Innovations Centre’s Programme - GIZ

d. Soil Protection and Rehabilitation for Food Security GIZ

e. Micro Enterprise Support Programme Trust – funded through DANIDA

f. EASTRIP – World Bank

g. OKP – KEN 103470 Project – Teacher Training

h. Better Education for Africa Rise (BEAR II Project) – UNESCO and the Republic of Korea

i. ILO PPDP project

j. Skills For Prosperity – USAID /DFID, FKE, ILO, EDUKANS

k. Nairobi Pentecost Church (NPC) – Christian Ministry curriculum
CHALLENGES
In the Annual under review, TVET CDACC faced the following challenges:
i) Lack of a Council for the bigger part of the year.
ii) Inadequate infrastructure e.g. digital systems;
iii) Inadequate structure and establishment that is commensurate with the broad mandate.
iv) Inadequate capacity of TVET trainers to train CBET programmes and carry out competency-based assessment;
v) Delay in accreditation of institutions to offer CBET programmes and accreditation of CBET curricula by various state agencies; and
vi) Overlaps of mandates with other state agencies within the ministry of education.
VIII. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

TVET CDACC exists to transform lives. This is our purpose; the driving force behind everything we do. It’s what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation’s policies and activities that promote sustainability.

i) Sustainability strategy and profile

TVET CDACC has continually leveraged its operations on the goodwill of the current government initiatives in TVET sector. These initiatives include: enactment of the TVET Act, No. 29 of 2013, creation of the State Department of Vocational and Technical Training (VTT) to manage TVET sector, increased government and donor funding towards TVET. This has led to increased expansion of TVET institutions and increased enrolments. But due to reforms in the TVET Act of 2013, TVET CDACC functions are being transferred to KNEC & KICD, therefore there is no going concern. The accounts are being prepared on market rates basis. The assets and liabilities will be transferred on market rates.

ii) Environmental performance

As a way of ensuring that the Council is in tandem with the government policies on environmental conservation, each CBET curriculum developed has a basic competency on environmental literacy. The basic unit aims at ensuring that the learners are able to: control environmental hazards and pollutions; demonstrate sustainable resource use; and develop resource conservation plan among others. In addition, the Council has embraced ICT in communication and service delivery as indicated in the Council’s ICT policy.

iii) Employee welfare

The Council has developed Human Resource Instruments which were approved by the State Corporations Advisory Committee (SCAC) in 2017. These instruments guide in the hiring and management of the Council’s staff. In addition, the Council human resource department is guided by the SRC circulars as well as the public service commission circulars. The recruitment by the Council is normally done in a competitive and transparent manner.

The Council provides for the training of the staff by providing a budget line for the training, conducting Training Needs Analysis after 2 years, preparation and implementation of the training projection every year as well as having an effective performance appraisal system.
The Council takes cognizance of the safety issues as stipulated in the Occupational Safety and Health Act of 2007, (OSHA) by providing firefighting equipment in the offices as well as ensuring that the corridors are wide.

iv) **Market place practices**

TVET CDACC has made the following efforts:

a) **Responsible competition practice.**

The Council has ensured that there is good working relations with its stakeholders as well as competitors by actively involving them as well as collaborating with them in realizing its mandate. Some of these stakeholders have similar functions as the Council but have worked harmoniously e.g. Qualification Awarding Institutions (KASNEB, IHRM, NITA, National Polytechnics etc.)

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

The Council has made reference to policies and statutes guiding procurement of goods and services in the public service which include PPD Act, PPRA guidelines, PFM Act and Presidential Directives on procurement. This is demonstrated by prequalifying suppliers, allocating budgets for AGPO and local content and providing quarterly reports to PPRA on procurement.

c) **Responsible marketing and advertisement**

The Council follows the government directives on advertisement by ensuring that all the adverts are made through Government Advertising Agency (GAA). In addition, the Council’s social media platforms are managed by the Communication Officer who ensures that posting in the platforms are approved by the relevant authorities before uploading in the various sites.

d) **Product stewardship**

The Council ensures that the clients are served within the time stipulated in the customers’ delivery charter. Council’s customers are provided with the documents/services required immediately after the payment of the stipulated charges. The Council ensures that the curriculum developed meets the needs of the labour market.

v) **Corporate Social Responsibility / Community Engagements**

The Council has partnered with stakeholders to ensure that it supports the community by way of corporate social investment through tree planting exercise. In the FY 2021/22, the Council procured and planted 1,000 tree seedlings in two TVET institutions in Kajiado and Kiambu counties i.e. Masai TTI and Kiambu Institute of Science and Technology.
IX. REPORT OF THE DIRECTORS

The Directors submit their report together with the accompanying audited financial statements for the year ended June 30, 2022.

I. Principal activities

The functions of the Council as stipulated under the TVET Act No. 29 of 2013 are to:

i) Undertake, design and develop curricula for the training institutions’ examination assessment and competence certification;

ii) Make rules with respect to such examinations and competence assessments;

iii) Issue certificates to candidates who satisfy national TVET examination and competence assessment requirements;

iv) Promote recognition of its qualifications in foreign systems;

v) Investigate and determine cases involving indiscipline by candidates registered with it;

vi) Promote and carry out research relating to its examinations; and

II. Results

The results of the entity for the year ended 30 June 2022, are set out on page 1 to 17.

III. Directors

The Cabinet Secretary Ministry of Education appointed statutory members of TVET CDACC Council on 24 June 2022. The Council members appointed Prof. Eric Okoth Ogur as the Council session chair.

IV. Auditors

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

By Order of the Board

........................................

Accounting Officer/Ag. CEO

Mrs. Zipporah W. Njoroge-Messo

Date 30/9/2022
X. STATEMENT OF DIRECTOR’S RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012, Section 14 of the State Corporations Act, 2010 and Section 13 of TVET Act, 2013 require the Directors to prepare financial statements in respect of TVET CDACC, which give a true and fair view of the state of affairs of the Council at the end of the financial year/period and the operating results of the Council for that year/period. The Directors are also required to ensure that the Council keeps proper accounting records which disclose with reasonable accuracy the financial position of the Council. The Directors are also responsible for safeguarding the assets of the Council.

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

The Directors accept responsibility for the Council’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 Section 81 and the State Corporations Act, 2010 Section 14. The Directors are of the opinion that the Council’s financial statements give a true and fair view of the state of Council’s transactions during the FY under review, and of the Council’s financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Council, which have been relied upon in the preparation of the Council’s financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

On 24 June 2022, the Cabinet Secretary, Ministry of Education appointed TVET CDACC Council comprising of statutory members as per TVET Act 2013. The Council held a meeting on 27 June 2022 and appointed Prof. Eric Okoth Ogur as Chairperson. Therefore, the financial statements were approved by the Council _______________ 2022 and signed on its behalf by:

..............................

Accounting Officer/Ag. CEO

Mrs. Zipporah W. Njoroge-Messo

Date.........................

..............................

Council Session Chair

Prof. Eric Okoth Ogur

Date.........................
REPORT OF THE AUDITOR-GENERAL ON TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION COUNCIL (TVET CDACC) FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.

B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.

C. Report on the 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 TVET Curriculum Development, Assessment and Certification Council set out on pages 1 to 18, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial
performance, statement of changes in net assets, statement of cash flows, statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1.0 Regularity of Curriculum Development Expenditure

The statement of financial performance reflects the general expenses of Kshs.243,967,891 as disclosed in Note 11 to the financial statements which includes an amount of Kshs.59,410,966 in respect of development of curriculum. The expenditure in respect of development of curriculum included an amount of Kshs.22,775,670 paid to 503 trainers and State Department for Vocational and Technical Training staff involved in overseeing the evaluation of curriculum and support materials at the institutions. However, records confirming the qualifications and professional capacity of the trainers were not provided for audit review casting doubt on the competence of the trainers and the services provided. Further, no communication between the Council and the State Department was provided to confirm that the staff were released by the Principal Secretary and whether they had the required expertise.

In the circumstances, the competence and qualification of the trainers could not be confirmed casting doubt on the regularity of the expenditure of an amount of Kshs.22,775,670 for the year ended 30 June, 2022.

2.0 Non-Issuance of Certificates

The statement of financial performance reflects the general expenses of Kshs.243,967,891 and as disclosed in Note 11 to the financial statements which includes an amount of Kshs.149,170,499 in respect of competence assessment and certification. The Council is obligated to award a certificates of competence upon demonstrating competence in a unit of competence and a national certificate upon demonstrating competence in all units of competence. However, despite spending Kshs.149,170,499 on competence assessment and certification, the Council did not issue certificates to the individuals who were assessed leaving doubt on its capacity to deliver on its mandate.

In the circumstances, the accuracy, completeness and the propriety of the amount of Kshs.149,170,499 in respect of competence assessment could not be confirmed.
3.0 Incomplete Asset Register

The statement of financial position reflects property, plant and equipment balance of Kshs.29,922,896 as disclosed in Note 14 to the financial statements. The asset register, which is incomplete reflects a balance of Kshs.51,761,338 resulting to an unreconciled variance of Kshs.19,798,670. Further, the asset register does not reflect the depreciation apportioned and therefore the depreciation charge for the year of Kshs.6,188,949 could not be confirmed.

In addition, the asset register reflects assets with zero values that include three (3) CCTV cameras and monitoring screens, a DVR, one (1) switch and rack and a router, twenty-two (22) metallic storage racks, four (4) metallic visitors chair in ABSA towers 10 floor for which no explanation has been provided. Similarly, logbooks for three (3) motor vehicles valued at Kshs.23,416,000 having private number plates were not provided for audit and their ownership could not be confirmed.

In the circumstances, the accuracy and fair statement of property, plant and equipment balance of Kshs.29,922,896 as at 30 June, 2022 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final income budget and actual on comparable basis of Kshs.333,155,397 and Kshs.319,272,501 respectively resulting to an under-funding of Kshs.13,882,896 or 4% of the budget. Similarly, the statement reflects final budget expenditure and actual on comparable basis of Kshs.333,155,397 and Kshs.345,474,174 resulting to over absorption of Kshs.12,318,777 or 4% of the budget.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public. The over-expenditure and spending above the approved budget results to unauthorised expenditure and burden of pending bills.

2.0 Unresolved Prior Year Matters

In the audit of the previous year, several issues were raised. Management has not resolved the issues or provided reasons for the delay in resolving the prior year audit
issues. Further, the unresolved prior year issues are not disclosed under the progress on follow up of auditor’s recommendations section of the financial statements as required by the Public Sector Accounting Standards Board template and The National Treasury’s Circular Ref: AG/4/16/3/Vol.3(66) dated 6 July, 2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Non-Compliance with the Public Sector Accounting Standards Board Requirement on Presentation of the Financial Statements

The Fund submitted the financial statements for audit during the year under review. However, Chairman’s statements of the chairman, Ag Chief Executive Officer, director’s responsibilities and report of the directors responsibilities were not signed and not dated. The financial statements were not signed by the Council Chairman as required by the prescribed reporting template. In additions, progress on follow up of auditor’s recommendations section of the financial statements is not signed by the Ag Chief Executive Officer.

In the circumstances, the Council did not comply with the Public Sector Accounting Standards Board (PSASB) guidelines.

2.0 Failure to Appoint Board Members

The statement of financial performance reflects Council/Ad hoc expenses of Kshs.8,501,959 as disclosed in Note 8 to the financial statements. However, there was no gazette notice for the appointment of all Council Members in support of the expenses. Further, the Council had a membership of four (4) members instead of the recommended minimum of seven (7) members for which there was no female Council Member. This contravenes the requirement of Board diversity based on gender balance and Mwongozo.

In these circumstances, the appointments are irregular in the absence of a gazette notice for the appointment of Council Members.

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

Report of the Auditor-General on TVET Curriculum Development, Assessment and Certification Council (TVET CDACC) for the year ended 30 June, 2022
REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and the Council Members

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

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

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

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

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

Auditor-General’s Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management’s use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

*Report of the Auditor-General on TVET Curriculum Development, Assessment and Certification Council (TVET CDACC) for the year ended 30 June, 2022*
exists related to events or conditions that may cast significant doubt on the Council'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 Council to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Council to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

25 May, 2023
<table>
<thead>
<tr>
<th>Notes</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kshs</td>
<td>Kshs</td>
</tr>
<tr>
<td><strong>Revenue from non-exchange transactions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants from ministry</td>
<td>6</td>
<td>261,500,000</td>
</tr>
<tr>
<td>Total</td>
<td><strong>261,500,000</strong></td>
<td><strong>321,125,000</strong></td>
</tr>
<tr>
<td><strong>Revenue from exchange transactions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Funds</td>
<td>6</td>
<td>6,655,397</td>
</tr>
<tr>
<td>Other Revenue (A.I.A)</td>
<td>6</td>
<td>51,117,104</td>
</tr>
<tr>
<td>Total</td>
<td><strong>57,772,501</strong></td>
<td><strong>10,000,000</strong></td>
</tr>
<tr>
<td>Grand Total</td>
<td><strong>319,272,501</strong></td>
<td><strong>331,125,000</strong></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>7</td>
<td>89,682,669</td>
</tr>
<tr>
<td>Council /Ad hoc Expenses</td>
<td>8</td>
<td>8,501,959</td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>9</td>
<td>6,188,949</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>10</td>
<td>3,321,655</td>
</tr>
<tr>
<td>General expenses</td>
<td>11</td>
<td>243,967,891</td>
</tr>
<tr>
<td>Total expenses</td>
<td><strong>351,663,124</strong></td>
<td><strong>348,402,752</strong></td>
</tr>
<tr>
<td>Surplus For the Period</td>
<td>(32,390,623)</td>
<td>(17,277,752)</td>
</tr>
<tr>
<td>Surplus B/f</td>
<td>57,749,521</td>
<td>75,027,273</td>
</tr>
<tr>
<td>Transfer to Capital Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus/(Deficit) C/f</td>
<td>25,358,898</td>
<td>57,749,521</td>
</tr>
</tbody>
</table>

The notes set out on pages 6 to 17 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:

Accounting Officer/CEO
Mrs. Zipporah W. Njoroge-Messo

Date: 30/09/2022

Head of Finance
Denis Onsarigo
ICPAK M/No. 15249

Date: 30/09/2022

Council Session Chair
Prof. Eric Okoth Ogur

Date: 30/09/2022
### XIII. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

<table>
<thead>
<tr>
<th>Notes</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kshs</td>
<td>Kshs</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents 12</td>
<td>11,719,143</td>
<td>22,521,009</td>
</tr>
<tr>
<td>Receivables from exchange transactions 13</td>
<td>5,902,249</td>
<td>5,212,516</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>17,621,392</strong></td>
<td><strong>27,733,525</strong></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Plant and Equipment 14</td>
<td>29,922,896</td>
<td>32,792,099</td>
</tr>
<tr>
<td>Intangible 15</td>
<td>2,472,343</td>
<td>3,090,428</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>32,395,238</strong></td>
<td><strong>35,882,528</strong></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>50,016,630</strong></td>
<td><strong>63,616,053</strong></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payables 16</td>
<td>19,612,390</td>
<td>821,190</td>
</tr>
<tr>
<td>AIA-Excess 17</td>
<td>5,045,342</td>
<td>5,045,342</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>24,657,732</strong></td>
<td><strong>5,866,532</strong></td>
</tr>
<tr>
<td><strong>Financed By:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves (accumulated surplus)</td>
<td>57,749,521</td>
<td>75,027,273</td>
</tr>
<tr>
<td>Reserves for the year (32,390,623)</td>
<td>-</td>
<td>(17,277,752)</td>
</tr>
<tr>
<td>Capital Fund</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>25,358,898</strong></td>
<td><strong>57,749,521</strong></td>
</tr>
<tr>
<td><strong>Total Net Assets and Liabilities</strong></td>
<td><strong>50,016,630</strong></td>
<td><strong>63,616,053</strong></td>
</tr>
</tbody>
</table>

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

**Accounting Officer/CEO**
Mrs. Zipporah W. Njoroge-Messo

**Head of Finance**
Denis Onsarigo

**Council Session Chair**
Prof. Eric Okoth Ogur

*ICPAK M/Nr. 15249*

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Date: 20/09/2022
Date: 30/09/2022
Date: 30/09/2022
### XIV. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE, 2022

<table>
<thead>
<tr>
<th></th>
<th>Accumulated Surplus Kshs</th>
<th>Capital/Development Grants/Fund Kshs</th>
<th>Total Kshs</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 July, 2020</td>
<td>75,027,273</td>
<td>-</td>
<td>75,027,273</td>
</tr>
<tr>
<td>Capital/Development grants during the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(17,277,752)</td>
<td>-</td>
<td>(17,277,752)</td>
</tr>
<tr>
<td>As at 30 June, 2021</td>
<td>57,749,521</td>
<td>-</td>
<td>57,749,521</td>
</tr>
<tr>
<td>As at 1 July, 2021</td>
<td>57,749,521</td>
<td>-</td>
<td>57,749,521</td>
</tr>
<tr>
<td>Capital/Development grants during the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(32,390,623)</td>
<td>-</td>
<td>(32,390,623)</td>
</tr>
<tr>
<td>As at 30 June, 2022</td>
<td>25,358,898</td>
<td>-</td>
<td>25,358,898</td>
</tr>
</tbody>
</table>
XV. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2022

<table>
<thead>
<tr>
<th>Note</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kshs</td>
<td>Kshs</td>
</tr>
<tr>
<td>Surplus for the period</td>
<td>(32,390,623)</td>
<td>(17,277,752)</td>
</tr>
<tr>
<td>Adjusted for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>9</td>
<td>6,188,949</td>
</tr>
<tr>
<td>Decrease/(increase) in receivables</td>
<td>13</td>
<td>(689,733)</td>
</tr>
<tr>
<td>Increase in payables</td>
<td>16</td>
<td>18,791,200</td>
</tr>
<tr>
<td><strong>Net Cashflow from operating Activities</strong></td>
<td><strong>(8,100,206)</strong></td>
<td><strong>1,202,404</strong></td>
</tr>
<tr>
<td>Cash flows used in investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Property plant and equipment</td>
<td>14</td>
<td>(2,701,660)</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash flows used in investing activities</strong></td>
<td><strong>2,701,660</strong></td>
<td><strong>9,649,050</strong></td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(10,801,866)</td>
<td>(8,446,646)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at 1 July 2021</strong></td>
<td><strong>22,521,009</strong></td>
<td><strong>30,967,655</strong></td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at 30 June 2022</strong></td>
<td><strong>11,719,143</strong></td>
<td><strong>22,521,009</strong></td>
</tr>
</tbody>
</table>

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

Accounting Officer/CEO
Mrs. Zipporah W. Njoroge-Messo
Date: 30/9/2022

Head of Finance
Denis Onsarigo
ICPAK M/No. 15249
Date: 30/09/2022

Council Session Chair
Prof. Eric Okoth Ogu
Date: 30/09/2022
## XVI. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE, 2022

<table>
<thead>
<tr>
<th>Item</th>
<th>Original budget-A</th>
<th>Adjustments b</th>
<th>Final budget C=(a+b)</th>
<th>Actual on comparable basis- d</th>
<th>Performance difference e=(c-d)</th>
<th>% of utilisation F= d/c</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government grants and subsidies</td>
<td>261,500,000</td>
<td></td>
<td>261,500,000</td>
<td>261,500,000</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Other revenue (A.I.A)</td>
<td>10,000,000</td>
<td>55,000,000</td>
<td>65,000,000</td>
<td>51,117,104</td>
<td>13,882,896</td>
<td>79%</td>
</tr>
<tr>
<td>Donor Funds</td>
<td>-</td>
<td></td>
<td>6,655,397</td>
<td>6,655,397</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>271,500,000</td>
<td>-</td>
<td>333,155,397</td>
<td>319,272,501</td>
<td>13,882,896</td>
<td>96%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>92,520,000</td>
<td>(2,820,000)</td>
<td>89,700,000</td>
<td>89,682,669</td>
<td>17,331</td>
<td>100%</td>
</tr>
<tr>
<td>Council Expenses</td>
<td>12,000,000</td>
<td>(3,490,000)</td>
<td>8,510,000</td>
<td>8,501,959</td>
<td>8,041</td>
<td>100%</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>2,134,970</td>
<td>1,186,685</td>
<td>3,321,655</td>
<td>3,321,655</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Use of goods and services</td>
<td>164,845,030</td>
<td>60,123,315</td>
<td>231,623,742</td>
<td>243,967,891</td>
<td>(12,344,149)</td>
<td>105%</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>271,500,000</td>
<td>55,000,000</td>
<td>333,155,397</td>
<td>345,474,174</td>
<td>(12,318,778)</td>
<td></td>
</tr>
</tbody>
</table>

- Under collection of AIA is as a result of decrease in number of candidates taking up CBET and decrease in sale of Occupational Standards and Curricula, learning guides, mentoring tools and assessment tools due to the commencement of transfer of functions in April 2022.
- The budget adjustment was due to virement during the financial year and increase in AIA as a result of increased uptake of CBET assessment.
- Over expenditure under use of goods and services was as a result of incurring July/August 2022 assessment series preparation.
TVET CDACC ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

XVII. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

TVET CDACC is established by and derives its authority and accountability from TVET Act, No. 29 of 2013. TVET CDACC is wholly owned by the Government of Kenya and is domiciled in Kenya. The Council’s principal activities are to undertake design and development of competency-based curriculum for TVET, competence assessment and certification.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

TVET CDACC financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The financial statements are prepared on accrual basis.

3. ADOPTION OF NEW AND REVISED STANDARDS

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2020

<table>
<thead>
<tr>
<th>Standard</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Improvements to IPSAS</td>
<td>This Standard does not apply in the financial year 2021/2022.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Standard</th>
<th>Impact:</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPSAS 41: Financial Instruments</td>
<td>The entity does not hold any financial asset for maturity; therefore, the standard does not apply in the financial year 2021/2022.</td>
</tr>
</tbody>
</table>
iii. Early adoption of standards

TVET CDACC did not early – adopt any new or amended standards in the financial year 2021/2022.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i. Revenues from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii. Revenues from exchange transactions

Sale of goods/services

Revenue from the sale of goods/services is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods/service and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. TVET CDACC recognises revenue from CBA training/assessment fees and sale of learning guides, assessment tools, occupational standards and curricula this is recorded under Appropriation In Aid (AIA) account.

b) Budget information

The original budget for FY 2021-2022 was approved by the National Assembly on July 2021. The budget is prepared on the accrual basis that is, all planned costs and income are presented in a single statement to determine the needs of TVET CDACC. As a result of the adoption of the accrual basis for budgeting purposes, there is no timing or differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. No subsequent revisions or additional appropriations were made to the approved budget in the FY 2021/2022.
e) **Property, Plant and Equipment**

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

**d) Depreciation of Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them using the straight-line method. 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.

The following rates were applied for depreciation:

- Motor Vehicles 25%
- Furniture, Fixtures Fittings and Equipment @12.5%
- Computers, Laptops and Printers @ 30%
- Software 20%
- Partitioning 12.5%

**e) Provisions**

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

Where the TVET CDACC 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.
f) Contingent liabilities

The TVET CDACC 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.

g) Contingent assets

TVET CDACC 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 in the notes to the financial statements.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset’s value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

h) Nature and purpose of reserves

TVET CDACC creates and maintains reserves in terms of specific requirements. Revaluation reserve is created to record increase or decrease in value of property. In financial year 2021-2022 no asset or property which has been revalued hence no revaluation gain or loss recorded.

i) Changes in accounting policies and estimates

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

j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Kenya Commercial Bank of at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imposts and advances to authorised public officers which were not surrendered or accounted for at the end of the financial year.
k) Comparative figures
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

l) 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 30th June 2022.

m) Related party
The entity regards a related party as a person or entity with the ability to exert control individually or jointly, or to exercise significant influence over the entity and vice versa. Members of key management are regarded as related parties.

n) Segment reporting
The entity does not have any branches/reporting segments. All the operations of the entity are managed from the registered office. The core business of TVET CDACC continues design and development of competency-based curriculum for TVET.

o) Bad debt provision
The entity provides 10% for debts over one year and 5% in the preceding year. If there is high probability that the debt is not recoverable it is written off. There were no bad debts in the financial year 2021-2022.

p) Financial Risk Management Disclosure
TVET CDACC did not have investments in financial instruments in financial year 2021-2022.

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

r) Commitments and contingencies
There were no capital commitments during the financial year 2021-2022

s) Contingencies
There were no contingent liabilities and contingent assets reported during and after Audit process.
Ultimate and holding entity
TVET CDACC is a state corporation under the ministry of Education. Its ultimate
parent is the Government of Kenya.

Employee benefits
TVET CDACC provides retirement benefits for its employees and directors. The
retirement benefits are contributory.

5. Significant judgments and sources of estimation uncertainty
The preparation of the TVET CDACC’s financial statements in conformity with
IPSAS requires management to makes 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.

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

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

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

Provisions
Provisions were raised and management determined an estimate based on the
information available.
Provisions are measured at the management’s best estimate of the expenditure
required to settle the obligation at the reporting date, and are discounted to present
value where the effect is material
6. Transfers from Government Entities
   
a) Revenue from non-exchange transactions

<table>
<thead>
<tr>
<th>Name of the Entity sending the grant</th>
<th>Amount recognized to Statement of Comprehensive Income</th>
<th>Total income during the year 2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Education/State Department of Vocational Technical Training</td>
<td>261,500,000</td>
<td>261,500,000</td>
<td>321,125,000</td>
</tr>
<tr>
<td><strong>Total Revenue from non-exchange transactions</strong></td>
<td><strong>261,500,000</strong></td>
<td><strong>261,500,000</strong></td>
<td><strong>321,125,000</strong></td>
</tr>
</tbody>
</table>

b) Revenue from exchange transactions

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor Funds</td>
<td>6,655,397</td>
<td>-</td>
</tr>
<tr>
<td>Other Revenue (A.I.A)</td>
<td>51,117,104</td>
<td>10,000,000</td>
</tr>
<tr>
<td><strong>Total Revenue from exchange transactions</strong></td>
<td><strong>57,772,501</strong></td>
<td><strong>10,000,000</strong></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>319,272,501</strong></td>
<td><strong>331,125,000</strong></td>
</tr>
</tbody>
</table>

TVET CDACC sales Curriculum, learning guides, mentoring tools and assessment tools to TVET institutions that have been accredited by TVETA and collection of assessment fees/CBA training fees.

TVET CDACC received donor funds from the following organizations for capacity building:

<table>
<thead>
<tr>
<th>DATE</th>
<th>ORGANISATION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>06-07-2021</td>
<td>ILO-BAMBUU</td>
<td>1,810,704.50</td>
</tr>
<tr>
<td>22-07-2021</td>
<td>UNESCO</td>
<td>924,807.00</td>
</tr>
<tr>
<td>12-07-2021</td>
<td>GIZ</td>
<td>153,140.00</td>
</tr>
<tr>
<td>21-09-2021</td>
<td>HUAWEI TECHNOLOGY</td>
<td>190,960.00</td>
</tr>
<tr>
<td>05-11-2021</td>
<td>UNESCO</td>
<td>2,236,500.00</td>
</tr>
<tr>
<td>16-11-2021</td>
<td>GIZ</td>
<td>229,710.00</td>
</tr>
<tr>
<td>24-11-2021</td>
<td>HUAWEI</td>
<td>712,500.00</td>
</tr>
<tr>
<td>14-12-2021</td>
<td>GIZ</td>
<td>275,000.00</td>
</tr>
<tr>
<td>04-02-2022</td>
<td>HUAWEI</td>
<td>122,075.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>6,655,396.50</strong></td>
</tr>
</tbody>
</table>
### 7. EMPLOYEE COSTS

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td>77,172,000</td>
<td>62,678,006</td>
</tr>
<tr>
<td>Employee related costs - contributions to</td>
<td>12,146,669</td>
<td>12,050,423.57</td>
</tr>
<tr>
<td>pensions and medical cover</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraneous Allowance</td>
<td>-</td>
<td>253,000.00</td>
</tr>
<tr>
<td>Leave allowances</td>
<td>364,000</td>
<td></td>
</tr>
<tr>
<td><strong>Employee costs</strong></td>
<td>89,682,669</td>
<td>74,981,430</td>
</tr>
</tbody>
</table>

### 8. COUNCIL/ADHOC EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman's Honoraria</td>
<td>-</td>
<td>365,333</td>
</tr>
<tr>
<td>Sitting allowances</td>
<td>40,000</td>
<td>5,273,184</td>
</tr>
<tr>
<td>DSA &amp; Other expenses</td>
<td>8,461,959</td>
<td>2,712,315</td>
</tr>
<tr>
<td><strong>Total Council/adhoc expenses</strong></td>
<td>8,501,959</td>
<td>8,350,832</td>
</tr>
</tbody>
</table>

### 9. DEPRECIATION AND AMORTIZATION EXPENSE

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>5,570,864</td>
<td>15,575,092</td>
</tr>
<tr>
<td>Intangible asset</td>
<td>618,086</td>
<td>1,214,169</td>
</tr>
<tr>
<td><strong>Total depreciation and amortization</strong></td>
<td>6,188,949</td>
<td>16,789,261</td>
</tr>
</tbody>
</table>

### 10. REPAIRS AND MAINTENANCE

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td>2,666,005</td>
<td>1,017,623</td>
</tr>
<tr>
<td>Other Assets</td>
<td>655,650</td>
<td>948,740</td>
</tr>
<tr>
<td><strong>Total repairs and maintenance</strong></td>
<td>3,321,655</td>
<td>1,966,363</td>
</tr>
</tbody>
</table>
### 11. GENERAL EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fees</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>1,259,262</td>
<td>930,760</td>
</tr>
<tr>
<td>Communication Supplies and Services</td>
<td>2,431,550</td>
<td>3,578,312</td>
</tr>
<tr>
<td>Competence Assessment and Certification</td>
<td>149,170,499</td>
<td>91,836,030</td>
</tr>
<tr>
<td>Computer Supplies &amp; accessories</td>
<td>3,308,620</td>
<td>5,083,315</td>
</tr>
<tr>
<td>Development of Curriculum</td>
<td>59,410,966</td>
<td>110,207,509</td>
</tr>
<tr>
<td>Domestic Travel and subsistence</td>
<td>1,584,500</td>
<td>3,262,942</td>
</tr>
<tr>
<td>Foreign Travel and subsistence</td>
<td>136,572</td>
<td>829,027</td>
</tr>
<tr>
<td>Fuel, oil and lubricant</td>
<td>978,838</td>
<td>729,162</td>
</tr>
<tr>
<td>WIBA</td>
<td>271,500</td>
<td>-</td>
</tr>
<tr>
<td>Hospitality supplies and services</td>
<td>1,127,069</td>
<td>1,199,099</td>
</tr>
<tr>
<td>Insurance-Motor vehicle and Other Assets</td>
<td>683,567</td>
<td>643,737</td>
</tr>
<tr>
<td>Office and General Supplies</td>
<td>2,354,499</td>
<td>3,277,261</td>
</tr>
<tr>
<td>Partitioning expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rent and Rates</td>
<td>18,696,431</td>
<td>16,250,870</td>
</tr>
<tr>
<td>Printing and Advertisement, information Supplies and Services</td>
<td>1,803,019</td>
<td>4,256,289</td>
</tr>
<tr>
<td>COVID PPE'S</td>
<td>251,000</td>
<td>615,470.00</td>
</tr>
<tr>
<td>Training expenses</td>
<td>-</td>
<td>3,115,083</td>
</tr>
<tr>
<td><strong>Total general expenses</strong></td>
<td><strong>243,967,891</strong></td>
<td><strong>246,314,866</strong></td>
</tr>
</tbody>
</table>

### 12. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current account- 1183760809 (KCB Bank-Kipande house)</td>
<td>1,086,133</td>
<td>17,383,979</td>
</tr>
<tr>
<td>Cash in Hand</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others-AIA A/C- 1236735323 (KCB Bank - Kipande house)</td>
<td>10,633,009</td>
<td>5,137,030</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>11,719,143</strong></td>
<td><strong>22,521,009</strong></td>
</tr>
</tbody>
</table>

### 13. RECEIVABLES FROM EXCHANGE TRANSACTIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>-</td>
<td>4,260,982</td>
</tr>
<tr>
<td>Prepayment Internet</td>
<td>65,076</td>
<td>-</td>
</tr>
<tr>
<td>Prepayment WIBA</td>
<td>1,357,498</td>
<td>-</td>
</tr>
<tr>
<td>Prepayment medical cover</td>
<td>4,057,675</td>
<td>-</td>
</tr>
<tr>
<td>Non-refunded cash</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>Outstanding Imprest</td>
<td>210,000</td>
<td>890,696</td>
</tr>
<tr>
<td>Prepayment Fuel, oil &amp; lubricant</td>
<td>192,000</td>
<td>60,838</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>5,902,249</strong></td>
<td><strong>5,212,516</strong></td>
</tr>
</tbody>
</table>
### 14. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>Motor vehicles Kshs</th>
<th>Furniture and Fittings Kshs</th>
<th>Computers and Printers Kshs</th>
<th>Partitioning Ksh.</th>
<th>Total Kshs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation Rates</strong></td>
<td>25%</td>
<td>12.5%</td>
<td>30%</td>
<td>12.5%</td>
<td></td>
</tr>
<tr>
<td><strong>COST/VALUATION:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 July 2020</td>
<td>23,416,000</td>
<td>13,444,190</td>
<td>13,435,350</td>
<td>18,582,145</td>
<td>68,877,685</td>
</tr>
<tr>
<td>Valuation/Additions</td>
<td>-</td>
<td>2,069,030</td>
<td>3,663,220</td>
<td>2,636,800</td>
<td>8,369,050</td>
</tr>
<tr>
<td>As at 30 June 2021</td>
<td>23,416,000</td>
<td>15,513,220</td>
<td>17,098,570</td>
<td>21,218,945</td>
<td>77,246,735</td>
</tr>
<tr>
<td><strong>DEPRECIATION:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 July 2020</td>
<td>13,763,583</td>
<td>4,548,969</td>
<td>10,566,992</td>
<td>-</td>
<td>28,879,544</td>
</tr>
<tr>
<td>Charges for the year</td>
<td>5,854,000</td>
<td>1,939,153</td>
<td>5,129,571</td>
<td>2,652,368</td>
<td>15,575,092</td>
</tr>
<tr>
<td>As at 30 June 2021</td>
<td>19,617,583</td>
<td>6,488,122</td>
<td>15,696,563</td>
<td>2,652,368</td>
<td>44,454,636</td>
</tr>
<tr>
<td><strong>COST/VALUATION:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 July 2021</td>
<td>23,416,000</td>
<td>15,513,220</td>
<td>17,098,570</td>
<td>21,218,945</td>
<td>77,246,735</td>
</tr>
<tr>
<td>Valuation/Additions</td>
<td>-</td>
<td>336,000</td>
<td>2,365,660</td>
<td>-</td>
<td>2,701,660</td>
</tr>
<tr>
<td>As at 30 June 2022</td>
<td>23,416,000</td>
<td>15,849,220</td>
<td>19,464,230</td>
<td>21,218,945</td>
<td>79,948,395</td>
</tr>
<tr>
<td><strong>DEPRECIATION:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 July 2021</td>
<td>19,617,583</td>
<td>6,488,122</td>
<td>15,696,563</td>
<td>2,652,368</td>
<td>44,454,636</td>
</tr>
<tr>
<td>Charges for the year</td>
<td>949,604</td>
<td>1,170,137</td>
<td>1,130,300</td>
<td>2,320,822</td>
<td>5,570,864</td>
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<tr>
<td>As at 30 June 2022</td>
<td>20,567,187</td>
<td>7,658,259</td>
<td>16,826,863</td>
<td>4,973,190</td>
<td>50,025,499</td>
</tr>
<tr>
<td><strong>NET BOOK VALUE:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June 2022</td>
<td>2,848,813</td>
<td>8,190,961</td>
<td>2,637,367</td>
<td>16,245,755</td>
<td>29,922,896</td>
</tr>
<tr>
<td>At 30 June 2021</td>
<td>3,798,417</td>
<td>9,025,099</td>
<td>1,402,007</td>
<td>18,566,577</td>
<td>32,792,100</td>
</tr>
</tbody>
</table>
15. INTANGIBLE ASSET

<table>
<thead>
<tr>
<th>Software</th>
<th>Kshs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization Rate</td>
<td>20%</td>
</tr>
</tbody>
</table>

COST/VALUATION:
- At 1 July 2020: 4,790,847
- Valuation/Additions: 1,280,000
- As at 30 June 2021: 6,070,847

DEPRECIATION:
- As at 1 July 2020: 1,766,249
- Charges for the year: 1,214,169
- As at 30 June 2021: 2,980,419

COST/VALUATION:
- At 1 July 2021: 6,070,847
- Valuation/Additions: -
- As at 30 June 2022: 6,070,847

DEPRECIATION:
- As at 1 July 2021: 2,980,419
- Charges for the year: 618,086
- As at 30 June 2022: 3,598,504

NET BOOK VALUE:
- At 30 June 2022: 2,472,343
- At 30 June 2021: 3,090,428

16. ACCOUNTS PAYABLES

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for audit fees for financial year 2021/2022</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Un-invoiced Audit fees for financial year 2020/2021</td>
<td>500,000</td>
<td>-</td>
</tr>
<tr>
<td>Pending bills</td>
<td>18,291,200</td>
<td>-</td>
</tr>
<tr>
<td>Other Creditors</td>
<td>321,190</td>
<td>321,190</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19,612,390</td>
<td>821,190</td>
</tr>
</tbody>
</table>

The outstanding imprest relates to fuel to be used on the July/August 2022 assessment series commencing 4th July 2022 all the way to 22nd July 2022 this is due to National Oil experiencing fuel shortages the amount will be for procuring fuel from other filling stations, Ksh.192,000 for fuel & oil is the balance in the fuel card of National oil corporation as at 30th June, 2022. The internet prepayment relates to internet prepaid for the month of July 2022 to assist in the assessment of July/August 2022 series.

Pending bills of Ksh. 18,291,200 is related to activities for preparation of July/August 2022 assessment series.
NOTES TO THE FINANCIAL STATEMENTS (Continued)

The other payables consist of the following:

1. Validation of Competency Based Assessment tools 20th to 2nd July 2022. 5,719,500.
3. Review of portfolio of evidence and verification of Assessment 9,210,000.

<table>
<thead>
<tr>
<th>Description</th>
<th>2021-2022</th>
<th>2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIA-Excess</td>
<td>5,045,342</td>
<td>5,045,342</td>
</tr>
<tr>
<td>Total</td>
<td>5,045,342</td>
<td>5,045,342</td>
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</tbody>
</table>
### APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

---

Council Secretary /Ag C.E.O
Mrs. Zipporah W. Njoroge-Messo

Date: 30/9/2022
**TVET CDACC ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**APPENDIX II: INTER-ENTITY TRANSFERS**

<table>
<thead>
<tr>
<th>ENTITY NAME:</th>
<th>Break down of Transfers from the State Department of VTT Ministry of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 21/22</strong></td>
<td></td>
</tr>
<tr>
<td>a. Recurrent Grants</td>
<td>Bank Statement Date</td>
</tr>
<tr>
<td>22/9/2021</td>
<td>65,375,000</td>
</tr>
<tr>
<td>2/11/2021</td>
<td>65,375,000</td>
</tr>
<tr>
<td>24/2/2022</td>
<td>65,375,000</td>
</tr>
<tr>
<td>13/5/2022</td>
<td>65,375,000</td>
</tr>
<tr>
<td></td>
<td>261,500,000</td>
</tr>
</tbody>
</table>

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

Ag. CEO/Council Secretary  
TVET CDACC

Head of Accounting Unit  
State Department of VTT

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*Signatures*
APPENDIX III: GLOSSARY

PPAD- Public Procurement and Asset Disposal
PPRA- Public Procurement Regulatory Authority
PFM- Public Finance Management
FY – Financial Year
TVC- Technical Vocation Colleges
TVET- Technical and Vocational Education and Training
CBET- Competency Based Education and Training
CBA- Competency Based Assessment
KEFEP -Kenya Education for Employment Programme

GIZ - Gesellschaft für Internationale Zusammenarbeit

DANIDA -Danish International Development Agency

EASTRIP – East Africa Skills for Transformation and Regional Integration

UNESCO- United Nations Educational, Scientific and Cultural Organization

ILO- International Labour Organization

USAID- United States Agency for International Development

NPC- Nairobi Pentecost Church